

Truckee Chamber of Commerce

Visitor Profile Study/Economic Impact/ Competitive Strategy

SMG Consulting + Lauren Schlau Consulting

1 October 2018

Overview

In an effort to understand its visitors and improve the competitiveness of the destination the Truckee Chamber of Commerce has requested a proposal to implement a visitor profile economic impact study. To that end, SMG Consulting and our partner firm Lauren Schlau Consulting has developed the following comprehensive proposal. Our approach is different in that we are not only including visitor profile study and economic impact but also competitive strategy analysis and recommendations.

We have developed this approach to the proposal because in our over fifty years of experience we know that collecting visitor profile study information and generating economic impact data in this competitive environment are simply not enough. It is critical this information be integrated into competitive strategy to guide Truckee's marketing efforts.

Truckee Project Framework



Simply put the collection of visitor profile information and economic impact data without the insight to be integrated into a competitive strategy to increase the competitiveness of the destination in a very challenging industry is just not enough today.

Our approach is comprehensive, integrated and designed to provide the Truckee Chamber of Commerce with the information, data and strategy insights they need to adapt to a very changed and ever competitive environment.

Additionally, we bring to this project an unmatched knowledge of the greater Reno/Tahoe Region and insights to the challenges Truckee faces within the region.

Project Overview

The Economic Impact/Visitor Profile Study will identify visitors and their behaviors and will estimate tourism's contributions to Truckee in terms of visitor volume, spending and fiscal impacts, and demographic and trip characteristics for (FY) 2019. This information will be used to inform strategy development and recommendations for the Truckee Chamber of Commerce

Project Objectives:

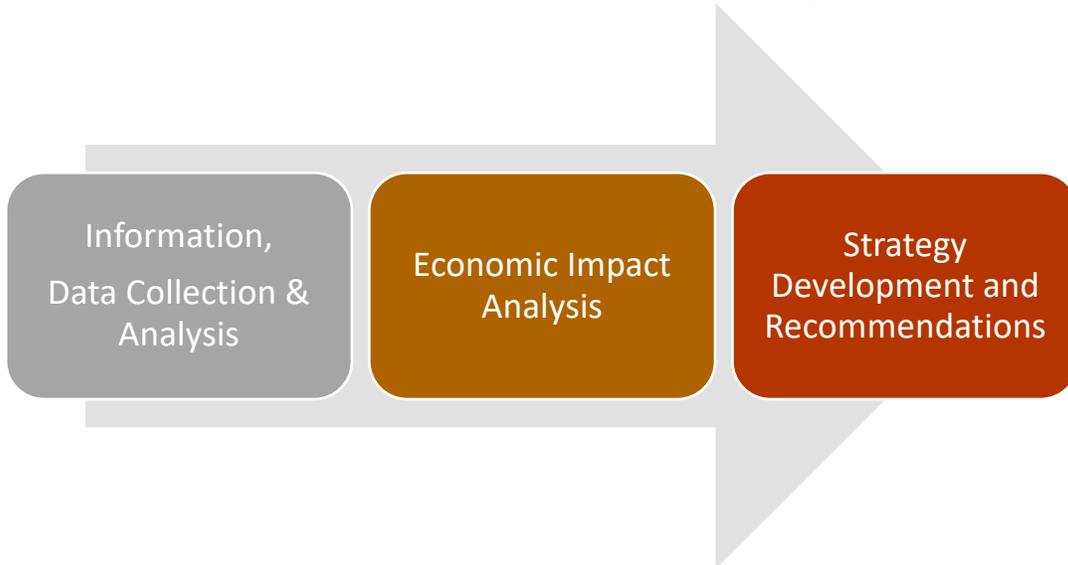
1. Identify causation factors affecting visitation to the Town of Truckee.
2. Identify key visitor markets and their unique profile and visitation characteristics.
3. Provide a profile of spending patterns and economic impact.
4. Collect feedback on vacation experiences and ratings including strengths and weaknesses of the destination.
5. Identify market opportunities and strategy recommendations to help guide Truckee marketing efforts.

Scope of Work

What We Intend to Accomplish for the Truckee Chamber of Commerce

In considering this important project, it is our intention to provide the Truckee Chamber of Commerce with a comprehensive study to understand the impact of advertising and marketing programs that influence visitor decisions. The specific project scope is outlined below.

Truckee Chamber of Commerce Project Scope



Phase 1: Information & Data Collection

Collect primary research information and data of visitors to the Truckee market, specifically collecting information on **perceptions, attitudes, behaviors, and demographics**.

Phase 2: Economic Impact Analysis

Develop overall and segment visitor volumes and economic impact of visitors to Truckee

Phase 3: Strategy Development and Recommendation

The analyzed visitor information economic impact analysis will be reviewed and from that information we will develop a comprehensive strategy and recommendations. This strategy development will take advantage of Truckee's strength and areas of opportunity as identified in the study.

Methodology:

We propose the following methodology as the best approach to meet the project goals.

Visitor Intercept

Data collection will be a representative sample of visitors to Truckee. Intercept interviews will be conducted at various visitor locations throughout Truckee. *Note: Final sampling plan TBD to be approved by Truckee Chamber of Commerce.*

In exchange for their participation, those interviewed will be offered an opportunity to win a future 3day/2-night future trip to Truckee.

Note: We recommend that all those interviewed be given a small incentive at the time of the interview such as a magnet or pen, to be provided by TCC.

- The Study will consist of the following elements:
 - 800 total annual (200/quarterly wave) on-site interviews with Truckee visitors
 - Truckee hotel/motel operating data (occupancy and rate), citywide on a quarterly and annual basis and by lodging tier.
 - Analysis of visitor retail, hotel business revenues to estimate tourism tax and fiscal impacts.

Phase 1 – Data Collection

Task 1.1 We will begin by reviewing the most recent visitor questionnaire and revising as appropriate for current conditions. The length of the new questionnaire should be comparable to the most recent version.

- We will have you review it and revise on that basis. Upon your authorization, the survey will be programmed into tablet computers used by the interviewers.
- The questions will cover the Truckee visitor trip behaviors and demographics and resident questions comparable to those asked in the prior studies.

Task 1.2 Sampling Plan

- 800 total, i.e., or 200 quarterly random on-site visitor intercept interviews will be completed over the year.
- To obtain the most representative sample, interviewing will be conducted at popular Truckee venues as in the prior studies, including in hotels if we can get access, varied by time, day of the week and location.

- The proposed survey schedule (comparable to prior studies) is as follows:

Survey Period/(Season)	Completed Visitor Interviews	Report Delivered
Wave 1 – Jan-March (winter)	200	May 1 2019
Wave 2 – April-June (spring)	200	Aug 1 2019
Strategic Observations		Aug 1 2019
Wave 2 – July-Sept (summer)	200	Nov 1 2019
Wave 3 – Oct-Dec (fall)	200	Feb 2020
Final Strategic Recommendations		February 2020
Total/Annual	800	Final report February 2020

- A written summary report and one-page profile summary will be sent within four weeks of the completion of each quarter’s interviewing (fieldwork).

Task 1.4 Implement Survey – Survey questionnaire is implemented in the field based on the sampling plan.

Task 2.1 Collected data will be tabulated and banner points selected for analysis for the quarterly and final reports.

Task 2.3 Develop visitor segment analysis including geographic and, activity participation.

Phase 2 – Economic Impact Analysis

Task 2.1 Collect lodging sector counts from Truckee Chamber of Commerce including the following:

- Number of hotel units within Truckee
- Number of Condo rental units within Truckee
- Number of campgrounds within Truckee
- Number of other property rental units
- Other lodging units TBD

Task 2.2 Develop visitor models to project visitor volumes based on lodging type

Task 2.3 Final visitor volume projections

Task 2.3 Develop economic impact and spending models for the overall visitor volumes and selected segments.

Phase 3: Strategy Design and Recommendations

Strategy development will be based on the information collected and analyzed in the previous phases. We will use a strategy design framework that includes the following elements:

Strategy Element	Specific Issues
Industry Overview	<ul style="list-style-type: none"> Provides an overview of the tourism industry as it applies to Truckee. Big Trends- Including competitive, economic, government, consumer, and technology that will impact Truckee tourism. Regional Trends- Changes within the greater Reno Lake Tahoe region. Truckee Specific Trends- Additionally, weather impacts, crowding, etc. Identify key opportunities that Truckee must consider. How is Truckee positioned with its competitive set?
Capabilities-	<ul style="list-style-type: none"> What are the current capabilities of the Truckee Chamber of Commerce and do they fit the changing industry?
The uniqueness that you own-	<ul style="list-style-type: none"> Given its competitive set, is Truckee’s positioning defensible or vulnerable. Is it based on a variety of available activities or something deeper and more unique?
Opportunities-	<ul style="list-style-type: none"> Given Truckee’s competitive set what are the strategic opportunities available to Truckee to meet its marketing goals given its capabilities and changing macro trends.
Recommendations	<ul style="list-style-type: none"> Specific strategy recommendations for implementation.

Project Deliverables

A. Visitor Profile & Economic Impact

- **Annual** comprehensive report with estimated visitor volume, spending, taxes and visitor supported employment, and visitor profile including visitor trip characteristics and demographics, as well as an executive summary of findings, our observations about the Truckee visitor market, summary tables and a separate file of detailed data tables.
- **Quarterly** reports will summarize those results for “total” visitors and selected segments for that period and compared to the same period of the prior year. The report will include support data in tables and graphs, to be delivered four following the close of the interviewing period barring any unforeseen delays.
- Each quarterly and the full annual reports will be delivered in MS PowerPoint format and MSWord format for the executive summary suitable for public distribution.

B. Strategy Development and Recommendations

- ② Specific competitive strategy design and implementation recommendations to improve the competitiveness of Truckee as a tourism destination.

About SMG Consulting and Lauren Schlau Consulting

SMG Consulting

- SMG Consulting is a marketing advisory firm specializing in providing marketing research, strategic planning and strategy development services for the tourism and recreation industries.
- SMG prides itself on providing its clients with insights and solutions for effective marketing strategies. We view ourselves as strategists that assist our clients by understanding bigger issues necessary for their success.
- The firm has attracted a roster of blue chip public and private sector clients including visitor and convention bureaus, hotels, lodging management companies, casinos, ski resorts, economic development agencies and chambers of commerce.
- Experience in developing integrated marketing programs including competitive strategy development, creative concept development and execution, target market identification, online and offline media planning, cooperative marketing partnerships, financial models, fulfillment mechanisms and measurement systems.

Lauren Schlau Consulting

- LSC is a full-service market research and consulting firm based in Los Angeles operating since 1992.
- LSC offers a wide range of quantitative and qualitative services and is recognized for our deep experience and for specialization and expertise in the travel and tourism industry, along with retail, cultural arts, and other sectors related to economic development.
- LSC has conducted research and provided consulting insight for private, not-for-profit and public sector clients throughout the western U.S. And for DMOs in northern California including: Folsom Chamber of Commerce/Visitor Bureau, Visit Santa Cruz, Santa Clara Chamber and CVB, Lake County and Mono County.
- LSC uses research data, obtained by rigorous, valid and well-designed methods, to give our clients “beyond the numbers” insight to help solve problems, make decisions and innovate for future success.

Consultant Profile

Carl Ribaldo – SMG Consulting



Carl is a strategic thinker, thought leader and innovator in the tourism industry. As the founder and president of SMG, Consulting Carl has developed and implemented a wide range of services designed to improve the competitiveness of destinations. Most recently he has developed programs to assist organization's, and destinations develop effective change strategies that link a DMO's capabilities to the ever changing market environment. Carl is a trusted advisor to a CEO's and senior executives throughout the industry.

Carl has served the marketing and strategy needs of clients throughout both the public and private sectors. In each case, he and his team design solutions unique to each client's needs. Carl is also a writer and writes a monthly op-ed page, he published a variety of marketing strategy, tourism, and motorcycle touring related articles. His most recent articles include Over-tourism: When is There Too Much Tourism? and Is Marijuana Tourism the Next big thing in California tourism? Maybe not. He has also been both a guest speaker and panelist at industry conferences. He serves on Vist California's Research and ROI committee and the Travel Nevada's Tourism Marketing committee.

Carl obtained a Bachelor of Science degree from California State University at Northridge. He received his master's degree in Business Administration (MBA) from San Francisco State University Graduate School of Business. He completed a certificate program at Cornell University in Organizational Change Leadership and a certificate program in Strategic Thinking from Dartmouth College.

He enjoys riding his BMW motorcycle on two-lane roads throughout the west, trap shooting, and skiing.

Lauren Schlau-LSC Consulting

Lauren is a well-known and respected market research consultant in travel/tourism, retail and cultural arts all related to economic development.

She began her research career in consumer products then joined the San Diego Convention & Visitors Bureau, followed by PKF Inc., a hospitality consulting firm, and selected private, not-for profit and public sector entities until founding LSC in 1992.



Ms. Schlau is involved with professional organizations including; CalTravel (past officer), Travel & Tourism Marketing Association (past president), California Downtown Assn. (past president), Travel & Tourism Research Association, Los Angeles Central City Assn., and LA Tourism & Convention Board. She is a past co-chair and serves on the Downtown Center BID Marketing Committee and belongs to LA Rotary5.

She has been active in local community economic development, having been appointed by Los Angeles elected officials to local advisory/planning groups, a proposed business improvement district (BID), and a design board for a public/private retail center.

Lauren is a featured speaker on travel, hospitality and research at the Marketing Research Association, Western Assn. of Destination Marketing Organizations, Western Assn. of Chambers of Commerce, the Southern California Visitor Industry Outlook Conference, Rotary5 LA, and numerous visitor bureaus, chambers of commerce, city councils.

Ms. Schlau holds a Master of Public Administration (University of Southern California), and Bachelor of Science (Northwestern University). She earned professional certificates from UCLA Anderson School in Management Development for Entrepreneurs, and UCLA Extension in Organizational Development and Leadership. She instructed marketing in the UCLA Extension Foodservice and Hospitality Program for five years.

Lauren enjoys cross-country skiing, word games, fine wine, her historic home, historic preservation, urban development, U.S. Civil War history, and being the dog-person of Cooper →



Project Fees

The overall projects include the following:

- Total Project fees are \$50,000 and includes all three phases of the project as has been outlined in the proposal.
- If a visitor respondent incentive for the intercepts is not provided by TCC we will provide the incentive for an additional charge to TCC of up to \$1.00 per visitor respondent.

Invoicing schedule is proposed as follows:

- **Initial Billing:** \$12,500 and actual expenses incurred during that period will be invoiced upon project authorization due and payable within thirty (30) days of the invoice date.
- **Second & Third Billing:** following the second quarter and third quarter of interviewing \$12,500 (25% each) of fees and actual expenses per period with payment due within 30 days from the invoice date.
- **Final Billing:** for the remaining fees of \$12,500 (final 25%) due upon your receipt of the Draft final report, with payment due within 30 days from the invoice date.

SMG
Guarantee

This project comes with the SMG Consulting guarantee
for your total satisfaction.