

FY 2023

# Proposed Marketing Contract Budget Allocation

May 25, 2022 | SLO TBID Board Meeting





# Agenda

## 1. FY23 TBID Program Budget

90 mins

The Board will discuss the initial budget allocations for FY23 based on the revenue projections for the TBID fund, including receiving contract proposals for consideration.



## Agency Marketing & Paid Media Contract Budget History

- FY20 MF/AMF Marketing & Paid Media Contract Budget \$850,000
- FY21 Noble Marketing & Paid Media Contract Budget \$486,000 (-41% from 19-20)
- FY22 Noble Marketing & Paid Media Contract Budget \$795,000 (+63% from 20-21)
- FY23 Noble Marketing & Paid Media Recommended Contract Budget \$900,600 (+13% from 21-22)



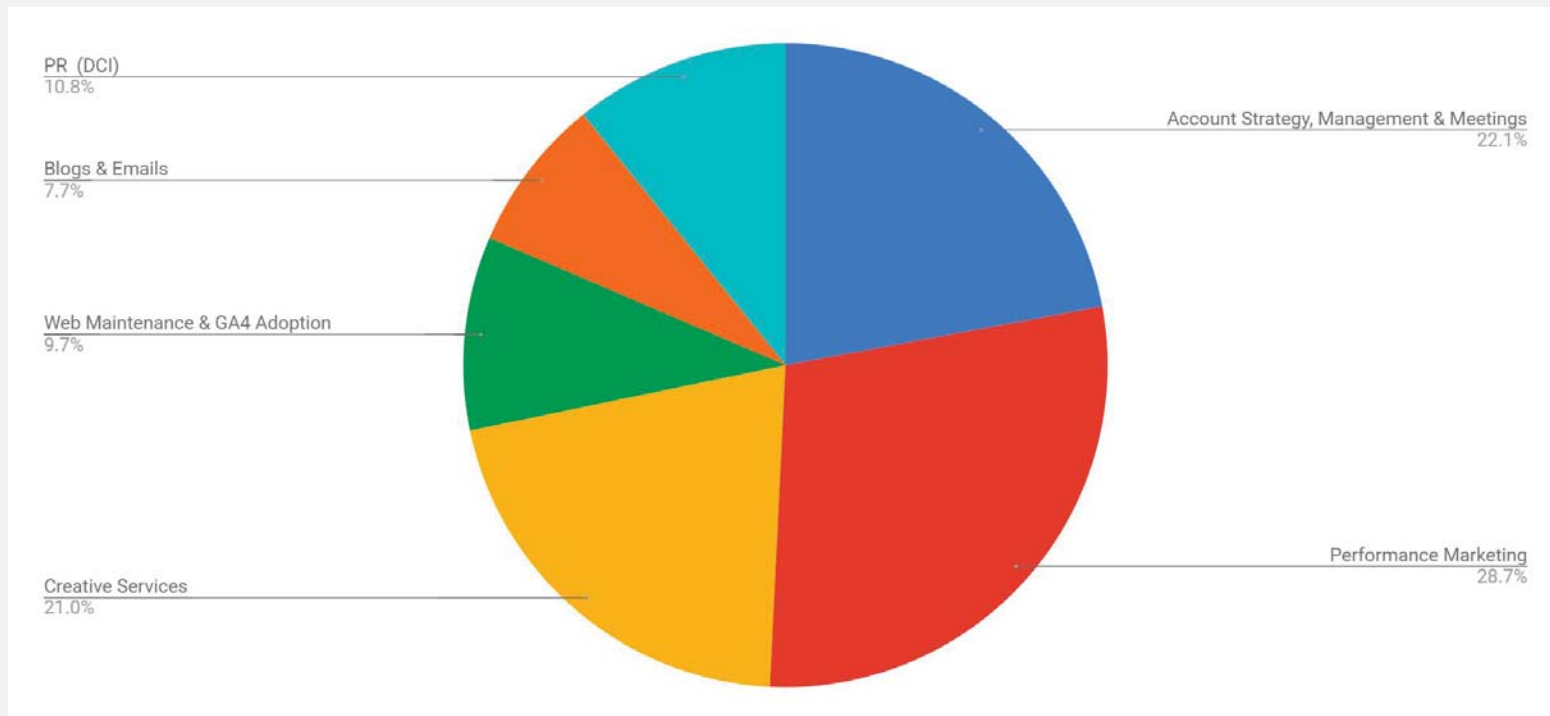
## FY23 Budget | Recommendation

**What are we solving for:** Additional budget to fulfill on the marketing objectives planned for this year, to continue COVID recovery and to remain competitive with many destinations vying for traveler's attention as a surge of pent-up demand is anticipated.

**Recommendation:** \$900,600 (services + media and hard costs)

- **Increased Competition**
  - An increase in paid media budgets is needed to remain competitive
  - Recommending a 4% increase in the paid media budget that Noble will manage
- **Increased Investment in Marketing Budgets**
  - Research indicates that marketing spending is expected to rise by 13.6% over the next 12 months
  - Accommodate Noble rate increase in 2022
  - Recommending a 13% increase in the Marketing Contract Budget for FY23
- **Continued Momentum**
  - FY23 will be dedicated to building from the strong brand foundation we've developed together and iterating based on performance insights in order to increase destination recovery, "hearts in beds", and building midweek
  - Budget will support the strategic and agile marketing tactics identified within the FY22-24 Marketing Plan

# Recommended Agency Services Breakdown



# Budget Breakdown

Agency Fees	
Performance Marketing (SEO & Paid Media Management)	\$130,000 (+14%)
Account Strategy, Management & Meetings	\$100,000 (+22%)
Creative Services	\$95,000 (+27%)
PR (DCI)	\$49,000 (+2%)
Blogs & Email	\$35,000 (+17%)
Web Maintenance & GA4 Adoption	\$44,000 (N/A)
<b>TOTAL Agency Fees</b>	<b>\$453,000</b>

Other Costs	
Paid Media	\$395,000 (+4%)
Journalist/FAM Travel Fees	\$12,000
Print Ads / Co-ops	\$25,000
Technology Fees	\$15,600
<b>TOTAL Costs</b>	<b>Up to \$447,600</b>

Total Contract = \$900,600

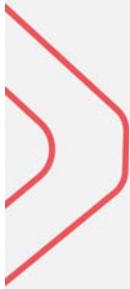


## Co-ops and Print Placements

- Visit SLO CAL Visitors Guide
  - Full Page - \$3,650
- Visit California Visitors Guide
  - CCTC Placement - \$5,250
- CCTC
  - Regional Listing & Featured Map Photo Ad - \$2,350
- Visit SLO Destination Brochure
  - Certified Folders Distribution - \$5,500
- SLO Chamber
  - Chamber Visitors Guide - \$3,700

**Total Anticipated Costs:** \$20,450

**Recommended Budget Allocation:** Up to \$25k for Co-op Print Placements (to account for any rate increases unknown at this time)



## Budget Items Not Included

- Brand Sentiment Research .....\$35K+
- Expanded Email Strategy.....\$25K+
- Brochure Printing.....\$18K+

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