

ATTACHMENT E



North Lake Tahoe Resort Association
Tourism Division

Marketing Performance
Reporting Document

Marketing Performance Reporting Document

Introduction

The purpose of this document is to guide the North Lake Tahoe Resort Association (NLTRA) through the process necessary to implement actionable and credible performance reporting. Throughout the implementation process, two questions are asked on a regular basis: "Are we measuring the right things? Are we measuring things right?"

The basis of this document has been derived from the International Association of Convention and Visitor Bureaus (IACVB) *Recommended Standard CVB Performance Document* (February 2005), a culmination of intensive, industry-wide efforts providing a systematic, business minded approach to internal performance assessments.

Definition of Terms

Activity: A physical action taken by the NLTRA Tourism Division that ultimately supports its mission.

Performance Measure: A measure that helps to define and quantify the results of an NLTRA activity. Implementation of this system of measures will yield actionable tools that NLTRA staff can use for short- and long-term program and expenditure improvements.

Productivity Metric: A metric that illustrates the relationship between the NLTRA performance measure and its resources.

It is important to clearly delineate the difference between a *Performance Indicator* and a *Performance Measure* as these two terms are often used interchangeably. A *Performance Indicator* is a number that illustrates the performance of the travel and tourism industry or one of its industry sectors: hotel occupancy, airport arrivals, attraction attendance, and restaurant (tourism?) employment. A *Performance Measure* is a number that measures the results of NLTRA activities.

The IACVB recommends that Productivity Metrics be designed with the intent to establish a benchmark year and recalculate these metrics regularly (e.g., quarter end, year-end). By examining these metrics over time, the NLTRA will be able to monitor its progress toward achieving the desired resource efficiencies.

Marketing & Communications Performance Reporting

Fundamental Mission of the Marketing & Communications Function

"To increase visitor volume, visitor spending and economic impact for the destination by developing awareness and preference."

Marketing & Communications Definitions

The following are standard definitions for key marketing activities and measures:

Advertising (source: American Association of Advertising Agencies)

Frequency: Average number of times households or persons viewed a given program, station or advertisement during a specific time period. This number is derived by dividing the Gross Rating Points (GRP) by the Reach.

Gross Rating Points (GRP): A unit of measurement of audience size. It is used to measure the exposure to one or more programs or commercials, without regard to multiple exposures of the same advertising to individuals. One GRP = 1% of TV households.

Reach: Unduplicated number of individuals or households exposed to an advertising medium at least once during the average week for a reported time period.

Gross Impressions: Sum of audience, in terms of people or households viewing, where there is exposure to the same commercial or program on multiple occasions. Two gross impressions could mean the same person was in the audience on two occasions or that two different people had been exposed only once.

Public Relations (source: Institute for Public Relations)

Advertising Equivalency: A means of converting editorial space in the media into advertising costs, by measuring the amount of editorial coverage and then calculating what it would have cost to buy that space, if it had been advertising.

Circulation: The number of those who might have had the opportunity to be exposed to a story that appeared in the media. Sometimes referred to as "opportunity to see". An "impression" usually refers to the total audited circulation of a publication or the audience reach of a broadcast.

Internet/Web Site (sources: Interactive Advertising Bureau; Jupitermedia)

Ad Click: Number of times users click on an ad banner.

Ad Views (Impressions): Number of times an ad banner is seen by visitors.

Banner: An ad on a web page that is usually "hot linked" to the advertiser's web site.

Click Through: Percentage of ad views that result in an ad click.

Jump Page: A jump page, also known as a splash page, is a special web page set up for visitors who click on a link in an advertisement. Jump pages can be used to promote special offers or to measure a response to an advertisement.

Hot Link: An electronic connection between two web sites.

Page Views: Number of times a user requests a web page that may contain a particular ad.

Unique Visit: Number of different individuals who visit a web site within a specific time period.

Performance Measurements

Advertising/Promotions

- Total Reach
- Total Frequency
- Gross Impressions
- Total value of Media Placed
 - Paid Media
 - Coop Media
 - In Kind/Barter Media
 - Unpaid Media
- Number of Coop Partners
- Number of new entries in consumer database

Inquiries/Conversion

- Number of brochures requested (online and phone)
- Number of consumer calls handled via Lake Tahoe Central Reservations
- Number of consumers registering on web site to receive information
- Number of opt-in email addresses

Online Activity

- Number of Pay Per Click keywords purchased
- Time spent on consumer website
- Number of web pages of content developed
- Number of user sessions
- Number of unique users
- Number of repeat visits
- Search engine referrals
- Search engine results
- Email open rate
- Email click-through rate
- Page views to packages page

Media/Public Relations

- Media Trade shows
 - Number of Trade shows attended
 - Number of appointments
 - Number of qualified media in attendance
- Media Missions
 - Number of media missions
 - Number of coop partners
 - Number of media contacts
- Media Familiarization Tours (FAMs)
 - Number of FAMs
 - Number of qualified media participating
 - Number of publications represented
- Press Releases
 - Number of press releases issued
 - Number of press releases downloaded from web site
- Number of Media Inquiries
- Number of Media Interviews
- Placements
 - Total number of placements
 - Regional vs. National
 - Domestic vs. International
- Number of impressions
- Advertising equivalency

Bookings

- Lake Tahoe Central Reservations/Online
 - Number of room nights booked
 - Revenue per room night
 - Average length of stay
 - Agent conversion rate
 - Packages purchased via phone and online
- Online Ticket Sales
 - Tickets sold online
 - Ticket revenue
 - Ticket commission

Event Marketing

- Number of events supported
- Number of events produced

VCB Convention Sales Performance Reporting

Fundamental Mission of the Convention Sales Function

"To generate visitors (delegates), visitor (delegate) spending and economic impact for the destination by booking events at the destination's lodging and convention facilities."

APEX Convention Industry Definitions (Source: APEX or Accepted Practice Exchange, is a Convention Industry Council initiative whose mission is to *bring together all stakeholders in the development and implementation of industry-wide accepted practices which create and enhance efficiencies throughout the meeting, convention and exhibition industry.*)

The following are standard definitions for key marketing activities and measures:

VCB Convention Sales Industry Definitions

The following are standard definitions for key marketing activities and measures:

Convention: An event where the primary activity of the attendees is to attend educational sessions, participate in meetings/discussions, socialize, or attend other organized events. There is a secondary exhibit component.

Meetings: An event where the primary activity of the attendees is to attend educational sessions, participate in meetings/discussions, socialize, or attend organized events. There is no exhibit component to this event.

Trade Show/Exhibition: An event where the primary activity of the attendees is to visit exhibits on the show floor. These events focus primarily on business to business relationships.

Site Inspections: Personal, carefully investigation of a property, facility, or area.

Citywide (or Area-wide) Event: An event that requires the use of a convention center or event complex and multiple lodging properties in the host city (or area).

Attendees: A combination of delegates, exhibitors, media, speakers, and guests/companions who attend an event.

Delegates: Individuals who attend an event to primarily visit the exhibits or attend meetings and /or conference sessions. This excludes exhibitors, media, speakers, and companions.

Exhibitors: Those who attend an event to staff an exhibit.

Peak: Referring to the night during an event when most rooms are occupied by those in attendance.

Additional Convention Industry Definitions (Source: Travel Industry Association of America)

Direct Spending: All expenditures associated with an event that flow into the host destination's local economy. Direct spending includes attendee spending, exhibitor spending and event organizer spending.

Economic Impact: Events generate secondary spending (indirect and induced) on the host destination's local economy over and above the original direct spending. These secondary impacts, when combined with the original direct spending, results in the economic impact of an event.

Indirect Spending: Spending by the host destination's travel industry businesses on goods and services from local suppliers on behalf of the specified event.

Induced Spending: Employees in the host destination's travel industry and its suppliers spend their wages in the local economy.

Economic Multiplier: Calculated as the total economic impact divided by the direct spending.

Leads: When an event inquiry by a corporation/association/organization/independent meeting planner that includes a request for a minimum of 10 sleeping rooms per night (peak rooms) over a specific set/range of dates is forwarded by the VCB sales staff to participating lodging and associate participants.

Bid: Proposal submitted by the VCB and/or hotel(s) to a planner that includes defined dates and room blocks.

Tentative: Status assigned to a group/event after the bid has been submitted to the meeting planner and the destination is waiting for a decision.

Booking:

- a. Hotel Booking: A future event contracted in writing by the event organization with the hotel. The VCB should receive a copy of the contract or a written communication from the authorized agent of the hotel that a contract has been signed.
- b. Associate Member Bookings: A future event contracted in writing by the event organization with VCB Associate Member participants.

Lost Opportunity: A potential event in the lead or tentative stage that was subsequently lost by the destination. This does not include venue changes within the destination. The VCB should track the number of estimated room nights, attendance and attendee spending and the reason associated with the lost opportunity.

Canceled Business: An event that was booked for the destination that subsequently did not take place, either because the event itself was cancelled or left the destination before taking place. The VCB should track the estimated number of room nights, attendee and attendee spending and the reason associated with the cancellation.

Activity Measures

1. Number of bids
2. Tradeshows attended/exhibited
 - a. Number of tradeshows
 - b. Number of coop partners participating
 - c. Coop dollars generated
3. Sales missions
 - a. Number of sales missions
 - b. Number of coop partners participating
 - c. Coop dollars generated
4. Familiarization (FAM) tours
 - a. Number of FAM tours
 - b. Number of participants (event organizers only)
 - c. Number of accounts
 - d. Number of coop partners participating
 - e. Coop dollars generated
5. Number of sales calls
6. Number of client inspections
7. Client events
 - a. Number of client events
 - b. Number of participants (event organizers only)
 - c. Number of accounts
 - d. Number of coop partners participating
 - e. Coop dollars generated
8. Number of accounts with activity

Performance Measures

1. Leads
 - Number of leads
 - Lead room nights (estimate)
2. Bookings
 - Number of bookings

Booked room nights (estimate)
Booked attendance (estimate)
Booked attendee spending (estimate)

3. Lost opportunities

Number of lost opportunities
Reason for lost opportunities
Lost room nights (estimate)
Lost attendance (estimate)
Lost attendee spending (estimate)

4. Cancellations

Number of cancellations
Reason for cancellation
Cancelled room nights (estimate)
Cancelled attendance (estimate)
Cancelled attendee spending (estimate)

5. Number of leads per tradeshow attended/exhibited by VCB sales staff

6. By-year production

By-year production measures the VCB's event bookings in terms of when the events will occur (regardless when the booking was generated).

1. Number of bookings
2. Number of booked room nights (estimate)
3. Number of booked attendees (estimate)
4. Booked attendees spending (estimate)

7. Post-event measures

1. Room night pick-up (estimate)
2. Total attendance

8. Tentatives

1. Number of tentatives
2. Tentative room nights (estimated)

9. Personnel productivity metrics

1. Number of leads per sales person
2. Number of bookings per sales person
3. Number of booked room nights per sales person

VCB Travel Trade Sales Performance Reporting

Fundamental Mission of the Convention Sales Function

"To increase leisure visitor volumes, visitor spending and economic impact for the destination through the promotion and distribution of the destinations' travel products to the travel trade."

VCB Travel Industry Definitions (Source: National Tour Association and the Travel Industry Association of America)

The following are standard definitions for key marketing activities and measures:

Packaged Travel: A package in combination of two or more types of tour components into a product which is produced, assembled, promoted and sold as a package by a tour operator for an all-inclusive price.

Tour Series/Tour Program: Multiple departures to the same destination throughout the year.

Group Tour: A travel package for an assembly of travelers that has a common itinerary, travel date, and transportation. Group tours are usually prearranged, prepaid, and include transportation, lodging, dining, and attraction admissions.

Independent Travel: A custom-designed, prepaid travel package with many individualized arrangements. ITs are unescorted and usually have no formal itinerary. Sometimes referred to as FIT.

Travel Trade: Any individual or company that creates and/or markets tour and/or IT packages. Travel trade includes but is not limited to tour operators, travel agents, individual travel planners, and online travel companies.

Tour Catalog: A publication by tour wholesalers listing their tour offerings. Catalogs are distributed to retail agents who make them available to their customers.

FAM (Familiarization) Tour: A free or reduced-rate trip offered to travel professionals to acquaint them with what a destination, attraction, or supplier has to offer. FAMs should be considered a sales effort, more than just an educational trip for the travel trade.

Itinerary: A recommended schedule of visitor-oriented activities, usually including the destination's cultural institutions and attractions, dining establishments, entertainment and recreational venues, retail stores and often highlighting unique, one-of-a-kind offerings. Itineraries are often themed.

Visitor Spending: (number of visitors) x (spending per person per day) x (length of stay)

Direct Spending: All expenditures associated with an event that flow into the host destination's local economy. Direct spending includes attendee spending, exhibitor spending and event organizer spending.

Economic Impact: Events generate secondary spending (indirect and induced) on the host destination's local economy over and above the original direct spending. These secondary impacts, when combined with the original direct spending, results in the economic impact of an event.

Indirect Spending: Spending by the host destination's travel industry businesses on goods and services from local suppliers on behalf of the specified event.

Induced Spending: Employees in the host destination's travel industry and its suppliers spend their wages in the local economy.

Economic Multiplier: Calculated as the total economic impact divided by the direct

Leads:

1. Hotel Lead: When a group tour or independent tour program inquiry from the travel trade that includes a request for hotel rooms over a specific set/range of dates is forwarded by the VCB sales staff to participating lodging participants.
2. Non-hotel Lead: When an inquiry for a group tour or independent tour program not requiring hotel rooms from the travel trade over a specific set/range of dates is forwarded by the VCB sales staff to non-hotel tourism industry participants.

Booking:

1. Booking from a Hotel Lead: A booking confirmed in writing from the authorized agent or by documenting the tour/program's presence in the travel trade's distribution channels such as brochure, website or special sales/marketing programs. The booking must be the result of a VCB-generated lead. VCBs should include information on the room nights, total visitors and associated visitor spending.
2. Booking from a Non-hotel Lead: A booking confirmed in either writing from an authorized agent or by documenting the tour/program's presence in the travel trade's distribution channels such as brochure, website or special sales/marketing programs. The booking must be the result of a VCB-generated lead. VCBs should include information on the room nights, total visitors and associated visitor spending.

Activity Measures

1. Tradeshows attended/exhibited
 - a. Number of tradeshows

- b. Number of coop partners participating
 - c. Coop dollars generated
- 2. Number of accounts with activity
- 3. Familiarization (FAM) tours
 - a. Number of FAM tours
 - b. Number of participants (travel trade only)
 - c. Number of accounts
 - d. Number of coop partners participating
 - e. Coop dollars generated
- 4. Sales missions (with industry partners)
 - a. Number of sales missions
 - b. Number of coop partners participating
 - c. Coop dollars generated
- 5. Number of sales calls
- 6. Client events
 - a. Number of client events
 - b. Number of participation (travel trade only)
 - c. Number of accounts
 - d. Number of coop partners participating
 - e. Coop dollars generated
- 7. Number of client site inspections
- 8. Number of developed suggested itineraries
- 9. Number of packages developed
- 10. Advertising equivalency for presence in the travel trade's distribution channels such as brochure, website or special sales/marketing programs.

Performance Measures

- 1. Leads
 - a) Number of hotel leads
 - b) Lead room nights (estimate)
 - c) Number of visitors (estimate)
 - d) Visitor spending (estimate)
 - e) Number of non-hotel leads
 - f) Number of non-hotel leads by member category
 - g) Number of visitor (estimate)
 - h) Visitor spending (estimate)

2. Bookings

- a) Number of bookings from hotel leads
- b) Booked room nights (estimate)
- c) Booked visitors (estimate)
- d) Booked visitor spending (estimate)
- e) Number of bookings from non-hotel leads
- f) Booked visitors (estimate)
- g) Booked visitor spending (estimate)

3. Personnel productivity metrics

- a) Number of leads per sales person
- b) Number of bookings per sales person
- c) Number of room nights per sales person