

FY 2021

DESTINATION MARKETING PLAN AND BUDGET

KALISPELL, MONTANA



Discover Kalispell

Kalispell Chamber of Commerce Convention & Visitor Bureau

15 Depot Park, Kalispell, MT 59901

<http://discoverkalispell.com>

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Introduction

As this marketing plan is in its final stages of approval the world is dealing with COVID-19. The full impact of this global pandemic is yet to be determined but we know that it will have a substantial, long term impact on the tourism industry. Short term, Discover Kalispell has shifted from a marketing to messaging strategy, sharing appropriate messaging to the traveling consumer to let them know that we want them to visit Kalispell, just not now - Daydream Today, Travel Later. We are mitigating risks by reducing planned expenditures for the remainder of FY20 and adjusting projected revenue and expenditures for FY21. We are retaining brand awareness and connection with our loyal followers through newsletters, social media, VIC services, blog and website to push out relevant and current content. We are gathering resources and data and communicating regularly with local, regional and state industry stakeholders.

This marketing plan is predicated on conditions being normal, a plan that serves to promote our destination and achieve maximum ROI. The TBID and Bed Tax FY21 budgets that support this marketing plan have been decreased from their original projected revenues. Page 27 of this document addresses the adjustments and strategies that will enable Discover Kalispell to be nimble - to further adjust if needed based on local and state restrictions, traveler and community sentiment and revenue over the next 12 months. Discover Kalispell will work closely with the Kalispell Chamber and TBID Board of Directors to manage revenue, expenditures and promotional strategies outlined in this plan.

About Kalispell Montana

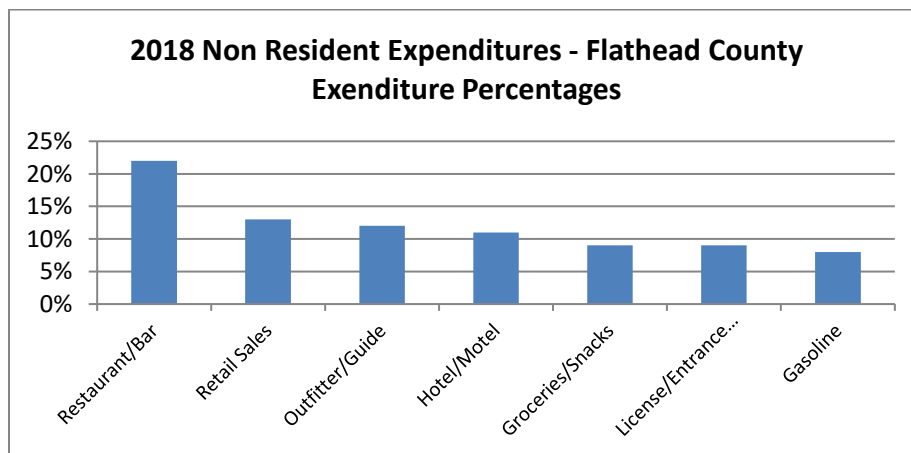
What sets Kalispell apart is the way two worlds come together. This is a town dripping with history but not stuck in the past...our spirit is our balance, between our work life and our home life, and between playing and building, all while remembering what really matters, the time with each other and the land that keeps it all in perspective.

Kalispell's Nonresident Visitor Characteristics – ITRR

- Group Characteristics: 19% all first-time visitors; 73% all repeat visitors; 77% plan to return within 2 yrs.
- Primary reason for trip: 68% vacation/recreation/pleasure; 17% visit FRF or attend event
- If on vacation, attracted for: GNP, mountains, family/friends, open space
- Sites visited on trip: GNP, YNP, Flathead Lake state parks, other MT state parks; hot springs
- Top activities: scenic driving, day hiking, photography, wildlife watching, shopping, camping, visiting other historical sites, local brewery, museums, Indian reservations, art exhibits, and attending festivals/events.
- Residency of origin: WA, CA, BC, MN, AB, TX, AL, CO, ND, SC
- Age groups represented: average age 58; median age 60; 55% male; 45% female; 21% 1st time visitor
- (Source: ITRR 2019 Quarterly Non-Resident Survey – spent at least one night in Kalispell)

Expenditure Data

Non-Resident visitors spent \$614M in Flathead County during 2018.



Destination Facts

- Lodging properties in Kalispell in 2019: 22 hotels with 1,950 rooms plus over 430 short term rental properties active in Kalispell during the peak season (AirDNA).
- New lodging property in 2019 and 2020: 1) Sherman Lodge, a five-room lodging operating in coordination with a fly-fishing outfitting service, a comfortable place to overnight and a base camp from which to launch their guided adventures. 2) Montana Basecamp RV Park opened summer

2019. The RV park is on 50 acres which adjoins a 22-mile paved trail system offering spectacular views. Currently featuring 62 RV sites but designed with phased plan to expand.

- Groups of 10-500 can be comfortably and adequately accommodated in Kalispell. Two conference hotels that can accommodate up to 280 rooms per night with over 26,000 square feet of meeting space.
- Glacier National Park: 3.05M recreational visitors in 2019.
- Kalispell's Glacier Park International Airport is served by five major airlines – Alaska, Allegiant, America, Delta, United - which fly to 14 cities (some seasonal).
 - New flights in 2019: non-stop service to Dallas, Chicago, Los Angeles and Phoenix/Mesa
 - Announced weekly non-stop to New York (LGA) beginning June 2020.
 - GPIA 2019 – 356,297 enplaned passengers, 16% increase over 2018.
- International Tour Operators: 121 tour operators offered product in Kalispell and 3,483 room nights book for \$1.1M in spending generated from Intl Travelers in Kalispell. (Source: RMI T.R.I.P. report)

Kalispell Strengths

- Increased availability of non-stop flight destinations to Kalispell due to efforts by the airport and Glacier AERO represented by the Flathead Valley business and tourism industry.
- Energized community: Kalispell area was named the third-fastest growing micropolitan community in the nation for the third year in a row and ranked as the sixty-best micropolitan area in the U.S. for business start-ups. A strong economy leveraged by tourism, manufacturing, retail and health care.
- Core area and rail project: committed City and other stakeholder groups to enhance and develop the downtown core.
- Well-preserved cultural offerings: Conrad Mansion Museum, Hockaday Museum of Art, The Museum at Central School.
- State Parks: Kalispell is surrounded by eleven state parks providing trails, activities, interpretative visitor services, and water-based activities.
- Montana's iconic natural landmarks located in Kalispell's backyard: 32 miles from the entrance to Glacier National Park, 10 miles to Flathead Lake, surrounded by 2M acres of Flathead National Forest.
- Annual destination events that increase visitations such as Montana Spartan Race, Montana Indoor Soccer Championship, Skijoring at Rebecca Farm, The Event at Rebecca Farm, Three Blind Refs.
- Kalispell successfully accommodates conferences of 500+ utilizing two convention hotels and nearby overflow guest rooms. Proven track-record including features in national meetings publication and sterling testimonials.
- Ashley Creek Historic Venue: new event and wedding venue for up to 350 attendees plus outdoor venue to be developed summer of 2020.

Kalispell Challenges

- Sized between a larger Montana city and a resort town, Kalispell is neither. It's a burgeoning, thriving community that is best viewed and described as a small city with mountain-town amenities and culture. This distinction is an integral part of what sets Kalispell apart and vital to understand

the competitive dynamics when setting expectations for seasonality of visitation, occupancy and room rates.

- Weather conditions are deviating from historical patterns which poses a challenge when promoting outdoor recreation and outdoor events. The impact of national media headlines around wildfires in GNP, as well as the wildfire smoke from surrounding states is impacting visitations to our area.
- Aquatic Invasive Species pose a threat to the Flathead basin waterways. The impact to Montana from zebra mussels alone is estimated at \$234M in mitigation costs and lost revenue. (Source: Flathead Lake Biological Station)
- Availability of short-term rentals (Airbnb, VRBO) is influencing traditional lodging occupancy and ADR. Airdna states Kalispell has 432 active STR's in the peak season with an average of 2.4 bedrooms per unit. That is an additional 1,036 rooms serving the visitors that is not reflected in occupancy data and benchmarking for Discover Kalispell.
- "Alberta's economy is expected to regain its footing in 2020 after a period of weakness in 2019. Real gross domestic product (GDP), a common measure of economic activity, is forecast to grow by 2.5% and surpass pre-recession levels" (alberta.ca/economicoutlook). This is based on current national and global situations which dictate the strength of the Canadian dollar. Kalispell is a popular destination for Alberta and southwest British Columbia for recreation and shopping, but visitations depend largely on the exchange rate.

Kalispell Opportunities

- Destination and product development: The increased number of sports and conference and event facilities being developed within our competitive destinations highlight the need for Kalispell to prioritize the expansion of venues and other tourism assets.
- Environment: The natural environment is the cornerstone of Kalispell and its tie to agriculture and recreation. Discover Kalispell's commitment to be a steward of our resources will be integrated in our communication and promotional strategy and our alliances and partnerships with area non-profits and eco-conscious businesses.
- Growing Kalispell as a regional trade center: the Kalispell Chamber/CVB serves the local and regional business community by supporting appropriate land use policies and tax incentives and improving infrastructure that helps move the economy forward.
- Flathead Valley Community College One Campaign: \$18M of new construction for new library, student center and performance and athletic facility.
- Kalispell Core and Rail Redevelopment project:
 - Developed a rail-served industrial park on the outskirts of Kalispell.
 - Land formerly used by the rail tracks to be developed into a linear park with biking and walking trails in the downtown core.
 - Opens the core area and historic downtown to vast business opportunities.
- Positioning and branding: Discover Kalispell, through a refreshed brand strategy is building awareness of Kalispell as a destination in and of itself, not just a gateway to what is around it, while defining and sharing what makes Kalispell distinct.

- Enhanced consumer trip planning tools: DiscoverKalispell.com launched a direct booking engine. A trip planning tool that enables engaged travelers to seamlessly book lodging and activity offerings.



About Discover Kalispell

Discover Kalispell is the destination marketing and stewardship organization for Kalispell, serving to protect and enhance the destination's resources, quality of life, and economic prosperity through comprehensive marketing, sales and service programs.

Structure

Discover Kalispell, the Kalispell Convention & Visitor Bureau, is a division of the Kalispell Chamber of Commerce. The Kalispell Chamber has served as the official tourism agency for the City of Kalispell since 1987. Discover Kalispell is funded through two contracts with public agencies and generates private funds through registration fees and sponsorships. The Chamber has contracted with the State of Montana for Kalispell's share of the lodging facility use tax since 1987. In 2010, the Kalispell Chamber CVB assumed administration of the Kalispell Tourism Business Improvement District under an agreement between the City, Kalispell hoteliers, and the Chamber.

The Discover Kalispell Team

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Purpose of Marketing Plan

The FY21 marketing plan serves to direct the initiatives and spending for Discover Kalispell and inform and educate the board of directors, community stakeholders, Tourism Advisory Council and the City of Kalispell. The Bed Tax and TBID funds work in collaboration to support this marketing plan.

TBID Renewal


On January 6, 2020, the Kalispell City Council approved the renewal of the Kalispell TBID district through June 2030.

2019-2020 Highlights

- Discover Kalispell completed a brand strategic evaluation and refresh evolving the Kalispell brand to a destination as opposed to a hub, a place in and of itself, a travel experience shaped by the local culture.
- Newly designed 2020 Kalispell Visitor Guide which includes a smaller 'packable' size and features including tear-out maps, itineraries and directories.
- Discover Kalispell's 2019 spring/summer and 2019-2020 winter marketing campaigns garnered 7.7M impressions, 42,576 clicks to website. The seasonal campaigns plus year-round digital webpage.

marketing produced increased conversions for newsletter sign up and visitor guide orders – 105% increase in visitor guide requests over 2018.

- Kalispell VIC processed over 11,269 inquiries in 2019, 8% increase over 2018.
- Discover Kalispell hosted the 7th annual Montana Spartan Race in 2019, hosting 7,817 registered racers and 1,500+ spectators. 46 states and 5 Canadian provinces represented. 5,235 racers traveled at over 100 miles to attend the race.
- Over 4,600 room nights booked for group/meeting & convention business through Discover Kalispell promotions for 2019 and beyond.
- Discover Kalispell offered hosted a workshop for industry partners about marketing to international visitors. Reps from Rocky Mountain International, Montana's state and regional tourism offices, and Rocky Mountain Holiday Tours presented marketing strategies and educated local hotel representatives and activity vendors on how to increase international business.

 ***Kalispell: A hardworking, outdoor loving, adventure-seeking Montanan who appreciates the finer things in life and holds its family, land and community in high regard.***

Why Destination Marketing Is Important for Communities

Tourism is a competitive industry. When selecting a mountain community for a vacation destination there are many states and cities to choose from. A destination can no longer assume that if they build it they will come. Destination marketing organizations such as Discover Kalispell strive to implement a tourism promotion strategy that over time will increase the competitiveness of the destination, and in turn increase revenues, taxes and local employment. New residents often began as visitors creating a virtuous cycle of economic benefits which begins with travel promotion.

Impacts of destination promotion for a community are far-reaching. Non-resident visitors spent \$3.64 billion in Montana (preliminary 2019) and \$614 million in Flathead County (2018) (ITRR). Those dollars impact a wide range of local business such as restaurants, retail, hotels, outfitters and guides, groceries, gasoline, and rental cars.

Investment in tourism assets provides long term benefits. New businesses such as restaurants and breweries are an important part of the local experience's that visitors are attracted to but are also enjoyed by residents. When a community creates the right conditions for destination development, investment, and promotion, tourism is an economic lever that supports a strong sustainable economy.

Discover Kalispell works as a community partner to support and develop assets that are attractive to visitors but also support the quality of life for residents. Discover Kalispell's comprehensive regional and national campaigns raise Kalispell's profile, which assists the community in receiving new and expanded air service, new industries and employers, and the economic impact of recruiting conferences and events. Travelers' wants and needs as well as their methods of trip planning are constantly changing. The promotional tactics used by a DMO to reach potential visitors need to be current, effective, and genuine to the destination's local culture to garner visitor engagement as well as support and buy-in from the local community. This is achieved with adequate funding and organizational structure and expertise within the DMO.

The role of a DMO has evolved to extend beyond just marketing. A destination's tourism marketing brand works closely with local organizations and governments to be an active partner in the holistic health of the community. Some of the current priorities include:

- Growth – how much is too much regarding visitation levels. Residents are questioning a DMO's contribution to peak seasons and the impact to resources and infrastructure. Discover Kalispell weighs its marketing dollars to promote fall, winter and spring. The summer peak season is not actively promoted through paid advertising. We use earned media, social media and newsletter marketing to promote areas and activities outside of Glacier National Park and actively guide visitors to off-the-beaten-path experiences.
- Development – DMO's are not just marketers, they are advocates and stewards of the destination's development resources. Discover Kalispell is actively supporting the following initiatives: Glacier

AERO to develop new and expanded air service, the Kalispell core area and downtown development projects, Kalispell arts and culture including our three downtown museums, educating in-market and potential travelers on Leave No Trace principles to help protect our natural resources, and honoring and promoting the culture of northwest Montana.

- Workforce – adequate workforce is a key initiative for the Kalispell Chamber Convention & Visitor Bureau. The 2020 workforce initiative includes a multi-year workforce program supporting Kalispell’s three top industry sectors: tourism and hospitality, manufacturing and occupational trades, and bioscience.



The Montana Brand and Kalispell

Kalispell fits perfectly with the Montana Brand enabling Discover Kalispell to work cooperatively with the Montana Office of Tourism and Business Development and Montana region and CVB partners.

More spectacular unspoiled nature: Kalispell is surrounded by 10 mountain ranges, a national park, two national forests, one wilderness area, and the largest freshwater lake in the west.


Vibrant and charming small town: Kalispell's vibrant downtown offers Montana-inspired dining, spirits and brews. Situated perfectly between Glacier National Park and Flathead Lake, blending four-season adventure and soul-stirring beauty for an unforgettable experience.

Breathtaking experiences by day, relaxing hospitality at night: Making waves on Flathead Lake, rafting the Middle Fork, cycling the Going-To-The-Sun road, exploring 'The Bob', or viewing fall's dramatic transformation in the Flathead National Forest. However you choose to spend the daylight hours, your evenings will be full of hearty food and homey accommodations in Kalispell.

Cooperative Programs

Discover Kalispell partners with MOTBD in digital and print campaigns and research joint ventures. Other cooperative projects include press trips, trade shows such as IPW and IRU and photo and video asset sharing.

Discover Kalispell partners with Glacier Country and in-region CVB's on a variety of projects such as media events, press trips, meeting planner FAM's, trade shows, and crisis management planning.

 *Discover Kalispell is welcoming and genuine, adventurous and cultured, with a tight community feel. Discover Kalispell is comfortable and classy while being rugged and down-to-earth. Discover Kalispell is inspired by the arts, nature and our strong Montana heritage. Discover Kalispell is tough, never letting bad weather get us down, but also knows the pleasure of kicking back and enjoying good food and each other's company.*

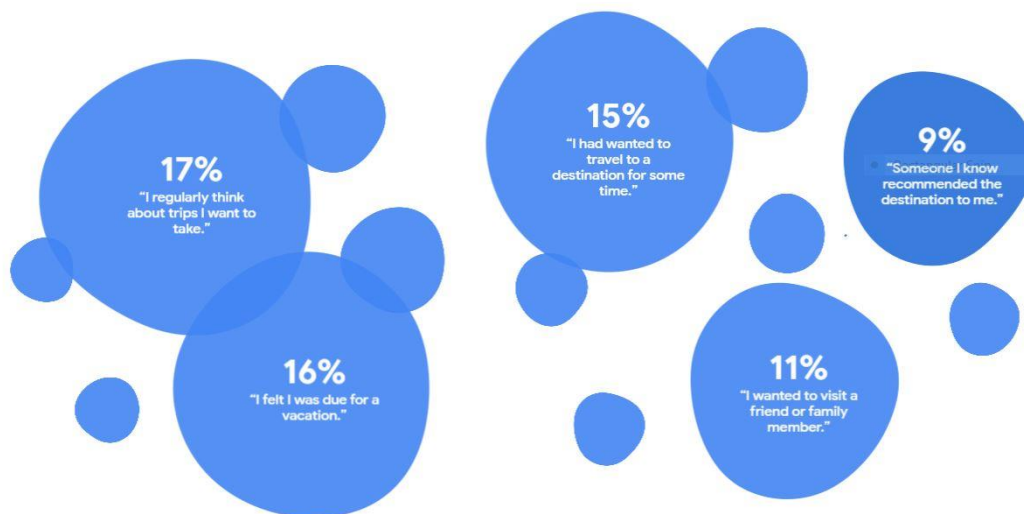
The Travel Decision Process

People love to plan trips based on what they see in photos, especially those that they follow on social media. It is for many, the top media to acquire inspiration – spark ideas for the next great vacation.

We travel for different reasons such as business, wellness-health, visiting family, educational travel. For the leisure traveler the top reasons include seeing new cultures and customs, experiencing the outdoors, conquering new adventures, having time to think and reflect and creating memories with friends and family. Whatever the reason and wherever one decides to travel, the trip planning cycle is not always a linear path and includes several different stages. Our goal as a DMO is to insert ourselves into that trip planning cycle. To be part of a traveler's consideration set means connecting with the visitor that would be attracted to our destination and the travel resources influencing their choices. An effective destination marketing campaign captures the attention of that motivated traveler.

When it comes to travel, inspiration is everywhere. As a result, the purchase path is full of twists and turns. It ranges from days to months, stretches across thousands of touchpoints, and generates a mountain of data in the process. (Thinkwithgoogle.com)

Google asked travelers in the U.S. how they plan a trip starting with what inspires them to travel.

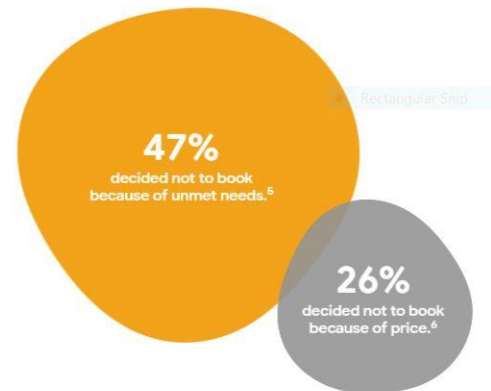


Google/Bain, Global (AU, BR, DE, JP, U.S., U.K.), "Infinite Paths to Purchase," 2019.

Even after booking may continue to research based on their needs, which often does not include price: 95% visit travel-related sites after booking, 74% re-research a trip, 8% cancel and rebook.

A traveler's needs include a variety of aspects such as dog-friendly hotel, things to do, local's favorite places to eat, or wellness options.

New research reveals that leaving these **needs** unmet will more likely deter a booking than **price**.



Google/Bain, Global (AU, BR, DE, JP, U.S., U.K.), "Infinite Paths to Purchase," 2019.

Steps a DMO can use to be in the right place at the right time during the travel planning process:

- Focus on needs, not price: travelers are wanting the right trip for their needs, understand what motivates them.
- Let consumer behavior guide the marketing strategy: there is no single path to purchase, use data to identify the potential interaction points with travelers.
- Build relationships early with search: destination searches help to identify travelers that are narrowing their search to a trip that matches your destination.
- Connect across the travel journey: messaging platforms, social media, staying connected with newsletters and current information on website.

Discover Kalispell strategies to reach consumers throughout the planning cycle:

Stage 1 - Inspiration

Messages: Speak to the desire for a trip that includes a mountain community, outdoor recreation, relaxation, friendly-small town feel, and free-spirit adventure while also addressing safety, availability of modern comforts, and dispelling perceptions of Montana being difficult to access. Include messaging in our promotions that shows the affordability of a Montana vacation once they arrive and the unique experiences and memories they'll receive (Glacier National Park, Flathead Lake). Highlight family-friendly events and activities. Tell an inspiring story of what makes our community special. Most travelers are also considering the trip in the inspiration stage and the budget continues to have a strong influence throughout the planning cycle.

Tools:

- Destination websites – discoverkalispell, visitmt, glaciermt
- Targeted content and search marketing
- Discover Kalispell social media channels
- Blogs, articles, and inspiring photos & videos to demonstrate the unique Kalispell culture
- Sponsored content in targeting and retargeting campaigns
- Emarketing to keep followers engaged

- Travel shows – one-on-one conversations with potential travelers in key markets
- Earned media to let others tell your story

Stage 2: Orientation – Planning

Messages: Highlight the diverse events and activities, downtown Kalispell, variety of dining choices, locally made products, and suggested outdoor itineraries. Soften the perception that they will be isolated (being without common amenities) and the perceived challenges of harsh weather. Highlight local food, craft beverage scene, arts and culture, recreation, and natural resources.

Tools:

- Discoverkalispell.com
- Consumer reviews and ratings on travel platforms
- Be present on popular travel sites
- Strong call to action in all content
- Customized content for newsletter database
- Local events calendars
- Video to highlight events and activities so they can imagine themselves in the picture
- Checklists to incentivize trip planning – i.e. 10 day-hikes within 30 minutes of Kalispell

Stage 3: Facilitation – Booking

Messages: Travelers are interested and motivated but probably have not finalized trip plans. Goal is to not lose them to another destination, making it easy for them to book. Connect travelers with hotels and activity providers, highlight events during their travel dates, promote activities outside of Glacier National Park to extend the trip, and make the transaction as smooth and seamless as possible.

Tools:

- Mobile-friendly website
- Lodging booking engine on DiscoverKalispell.com
- Activity booking links on DiscoverKalispell.com
- Reliable sources for questions - VIC, travel guide, response to questions posted on social media
- Season-specific and niche activity content on website and social media
- Links to a variety of maps on DiscoverKalispell.com
- Resources - i.e. list of boat rentals and guided tours on Flathead Lake with complete contact info
- Visitor Information Center that is open year-round

Stage 4: The Experience

Messages: Travelers rely on mobile to get their bearings once arriving at a destination. Once they are here, a destination and other tourism businesses need to be present with resources on websites, apps, and social media, including a way to tap into local knowledge.

Tools:

- Mobile-friendly website with up-to-date event calendar
- Wayfinding signage
- Maps and itinerary suggestions on DiscoverKalispell.com and travel guide
- Making sure that local businesses know what Discover Kalispell is and what resources we have available so they can refer their customers.
- Visitor Information Center that is open year-round with maps, itinerary suggestions and knowledgeable travel coordinator to find the answers to their questions.

Stage 5: Sharing

The goal is to create loyal fans that will share trip photos on social media and tell stories about their adventures at the next party and family gathering.

Back to Stage 1 with the next traveler



Destination Marketing Industry Trends

“2020 travel trends reflect not so much where you can go, but who you can be while you're on the road. Carbon offsetting is on. Microcations get big. Green hotels check in. Single-use plastics phase out. Giving back takes hold. Women-only trips shine. Wellness vacations turn to nature.” National Geographic

Social Media – with over 40% of the world’s population on social media (HubSpot) it’s important that a DMO leverage the platforms as an integral part of a targeted marketing campaign. Social media enables a destination to portray a visual story, sharing experiences a traveler can have which inspires travel.

“For DMOs, Instagram and Facebook have the power to create dynamic experiences that engage with travelers by telling the visual story of a destination using photos and video.” Sojern

Social media statistics for 2019 (blog.Hub Spot):

- 42% of the world's population uses social media. That's 3.2 billion users worldwide. ([Emarsys](#))
- To break it down, 90.4% of Millennials, 77.5% of Generation X, and 48.2% of Baby Boomers are active social media users. ([Emarketer](#))
- 54% of social browsers use social media to research products. ([GlobalWebIndex](#))
- Each person spends an average of 2 hours and 22 minutes on social networks and messaging. ([Globalwebindex](#))
- 366 million new people started using social media in the past year. That’s more than a million new people joining social media every single day. ([Hootsuite](#))

Use of Influencers – social influencers with a niche travel segment following enable a DMO to reach a target market through a trusted source, providing a customized experience in market for the influencer that fits their audience increases the consumers intent to visit.

Local sources to tell an authentic story – today’s travelers don’t want a list of what there is to do, they want to feel the experience through authentic content curated from locals and loyal visitors. No longer is a list of 5 Things To Do In Winter for example enough, consumers want to understand what its actually like to be in Kalispell, why those that live here love it.

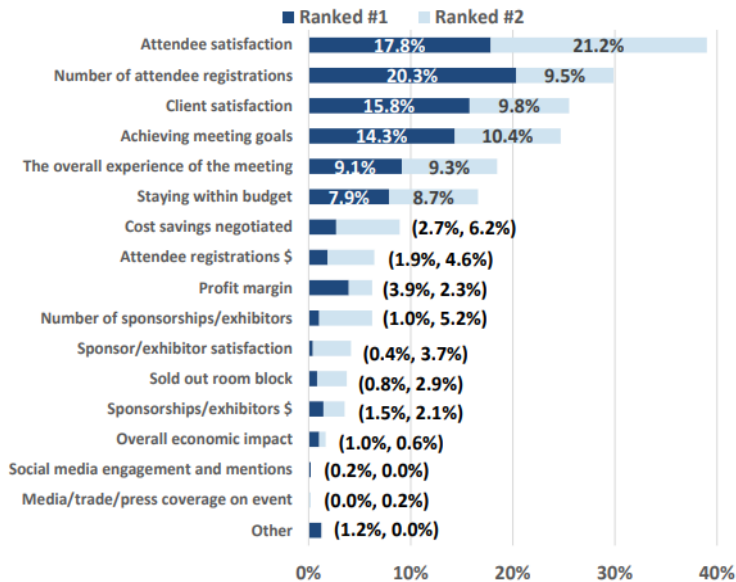
Mobile resources – travelers rely on mobile more and more during the early stages of trip planning and on their trip. Marketers can integrate tools that are available through travel tech leaders within the DMO’s platforms such as Google mapping, online booking for lodging and activities, video, and virtual reality.

Travelers versus locals – residents need to understand the role and outcomes of a DMO’s work, viewing increased visitor dollars not as THE end goal but as a means to achieving various ends – a multifunctional purpose that includes locals in the equation.

Group and M&C–

Destination Analysts 2019 annual online survey of meeting planners: In total, 482 completed surveys were collected, presenting a full spectrum of experienced meeting and event planners. Markets represented were corporate (53.1%), national/international association (41.3%), state/regional association (21.0%), third-party planners (29.7%) and SMERF planners (44.8%) including those who regularly plan meetings and events for social, military, educational, religious and fraternal organizations as well as government, non-profit, sports, ethnic/multicultural and reunions.

Meeting Success Metrics-Overall:



TOP TWO BOX SCORE	CORP.	3RD PARTY	ASSOC.	SMERF
Attendee satisfaction	37.5%	31.5%	37.1%	40.7%
Number of attendee registrations	18.8%	22.4%	34.9%	25.9%
Client satisfaction	35.2%	49.0%	25.7%	28.7%
Achieving meeting goals	28.5%	24.5%	24.6%	23.1%
The overall experience of the meeting	22.7%	17.5%	12.9%	19.0%
Staying within budget	15.2%	6.3%	15.4%	15.7%
Cost savings negotiated	9.8%	15.4%	9.6%	13.0%
Dollar amount as a result from attendee registrations	5.1%	4.2%	7.4%	3.2%
Profit margin	6.3%	5.6%	8.5%	5.6%
Number of sponsorships/exhibitors	3.9%	7.0%	7.4%	4.6%
Sponsor/exhibitor satisfaction	3.5%	2.8%	3.7%	5.1%
Sold out room block	2.7%	4.2%	3.7%	5.1%
Dollar amount as a result from sponsorships/exhibitors	4.3%	5.6%	4.4%	3.7%
Overall economic impact generated for the host city/destination	2.0%	0.7%	1.8%	1.4%
Media/trade/press coverage on event	0.4%	0.0%	0.0%	0.5%
Social media engagement and mentions	0.0%	0.0%	0.0%	0.0%
Other	0.8%	0.7%	0.7%	0.9%

Top five most important components in measuring a successful meeting or event and the type of planner who rated them the highest:

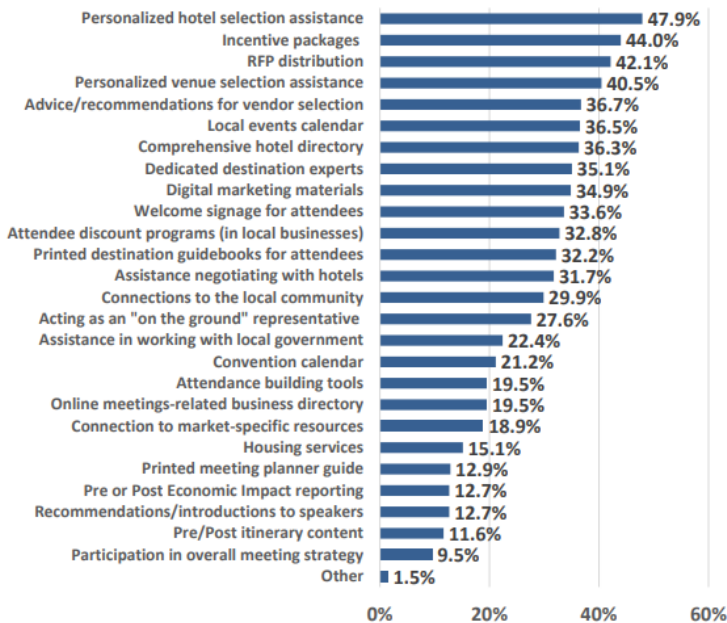
1. Attendee Satisfaction-SMERF Planners
2. Number of Attendee Registrations-Association Planners
3. Client Satisfaction-Third-Party Planners
4. Achieving Meeting Goals-Corporate Planners
5. Overall Experience of the Meeting-Corporate Planners

Importance of Destination Attributes-Overall:

Top five most important overall destination attributes and the type of planners who rated them the highest:

1. Hotels Quality -Third-Party Planners
2. Hotels Rates - Association Planners
3. Overall Cost of Holding Meetings in the Destination - Association Planners
4. Geographic Location - Corporate Planners
5. Meeting Facilities - Third-Party Planners

Most Important Services CVB's Provide



	CORP.	3RD PARTY	ASSOC.	SMERF
Personalized hotel selection assistance	40.2%	49.7%	53.3%	50.5%
Incentive packages to hold your meeting/event in their city/destination	45.7%	61.5%	51.5%	48.6%
RFP distribution	30.9%	42.0%	48.5%	49.1%
Personalized venue selection assistance	35.5%	42.0%	44.1%	43.5%
Advice/recommendations for vendor selection	35.9%	43.4%	39.0%	35.2%
Local events calendar	41.4%	38.5%	33.1%	37.5%
Comprehensive hotel directory and meetings space information	31.6%	30.1%	38.2%	37.5%
Dedicated destination experts on staff to provide meeting planners assistance	34.8%	38.5%	39.0%	35.2%
Digital marketing materials (images, e-postcards, e-brochures, micro-sites, etc.)	31.6%	41.3%	41.9%	37.0%
Welcome signage for attendees (i.e. at airport, on streets outside meeting venue)	32.0%	39.9%	40.1%	37.0%
Attendee discount programs (in local businesses)	29.7%	32.9%	35.7%	35.2%
Printed destination guidebooks for attendees	27.0%	26.6%	32.7%	36.6%
Assistance negotiating with hotels and/or other partners	26.2%	28.7%	37.5%	36.6%
Connections to the local community	31.3%	36.4%	32.7%	31.5%
Acting as an "on the ground" representative of my meeting	25.0%	29.4%	32.4%	31.9%
Assistance in working with local government (i.e. securing permits)	24.2%	29.4%	24.6%	26.9%
Convention calendar	27.3%	25.2%	20.2%	21.8%
Attendance building tools	17.6%	28.7%	27.6%	20.4%
Online meetings-related business directory for researching vendors	16.0%	19.6%	20.6%	16.2%
Connection to market-specific resources (i.e., industry leaders, local experts)	19.5%	21.7%	22.4%	19.9%
Housing services	12.9%	11.9%	15.1%	17.6%
Printed meeting planner guide	10.9%	11.9%	16.2%	15.7%
Pre or Post Economic Impact reporting	10.2%	13.3%	16.5%	13.4%
Recommendations/introductions to conference/event speakers	13.3%	15.4%	17.3%	13.9%
Pre/Post itinerary content	11.3%	14.7%	14.3%	13.0%
Participation in overall meeting strategy	10.2%	10.5%	11.4%	13.9%
Other	1.6%	1.4%	0.7%	1.4%

Top five most important services that CVB's provide and the type of planners who rated them the highest:

1. Personalized Hotel Selection Assistance - Association Planners.
2. Incentive Packages to Hold Your Meeting/Event in Their Destination - Third-Party Planners.
3. RFP Distribution - SMERF Planners.
4. Personalized Venue Selection Assistance - Association Planners
5. Advice/Recommendations for Vendor Selection - Third-Party Planners

Eprodirect is a hospitality marketing agency who focuses exclusively on the meetings and convention segments of the hospitality industry. Discover Kalispell has done successful M & C campaigns with Eprodirect to promote FAM sign ups and meetings in Kalispell. Annually they conduct an online survey for their clients. The survey was conducted from October 1 through October 31, 2019 with a total of 392 meeting planners participating.

The meeting planner profile consisted of:

- 57.4% worked as a professional planner for more than 10 years
- 26.2% of respondents plan more than 25 meetings per year
- Survey respondents include:
 - Independent/Third Party Meeting Professionals 28%
 - Association Meeting Professionals 29%
 - Corporate Meeting Professionals 22%
 - Government 7%
 - Other 12%
- The majority (60%) are not members of a professional industry organization.

Primary key take-a-ways for Discover Kalispell are:

- To learn about meeting facilities, planners are most likely to use hotel websites (79%). Other sources include internet search engines (60%), and CVB websites (58%).
- Meeting planners continue to find a great deal of value in FAM tours, meeting facility guides and new hotel openings.
- 66% of planners like to be engaged on LinkedIn, although surprisingly only 3% prefer to be contacted (solicited) through LinkedIn.
- 78% find value in using a CVB for RFP distribution and destination assistance.
- Planners seem to find facility views and virtual tours to be the most helpful when selecting a meeting venue.
- Planners continue to read trade publications, but don't often use them as their primary source to learn about meeting venues.
- Saving time and money are the most important benefits for planners engaging in multi-year contracts.

 *A mountain town rich in culture, Kalispell combines city conveniences with Montana's outdoors. Easily accessible from meeting hotels, Kalispell's vibrant downtown offers Montana-inspired dining, spirits and brews. It's situated perfectly between Glacier National Park and Flathead Lake, blending four-season adventure and soul-stirring beauty for an unforgettable experience beyond the conference room.*

FY2021 MARKETING PLAN AND BUDGET

Key Market Segments

Discover Kalispell utilizes a variety of marketing and promotional strategies to reach leisure travelers and implements a targeted group sales strategy to grow the meetings, convention and group travel segments. The goal: to introduce travelers to the numerous offerings in and around Kalispell, while also helping them choose to overnight in Kalispell.

Discover Kalispell uses data from Google Analytics, ITRR, Visa Vue, mobile arrival data and Tourism Sentiment Index to determine high value geographic and psychographic markets from which to obtain the highest ROI from marketing and other promotions.

Consumer

Summer is not actively promoted through paid advertising. Discover Kalispell uses earned media and social media primarily to actively guide visitors throughout Kalispell and the valley, introducing them to off-the-beaten-path/unknown experiences.

For winter, Discover Kalispell focuses on the destination's well-rounded winter offerings and place a larger emphasis on guided experiences that combine the area's outdoor recreation with indoor amenities like museums, wellness and dining.

Year-round, and especially during shoulder seasons, Discover Kalispell focuses on promoting annual and community events and unique activities.

Key Segment/High Potential Visitors:

- Outdoor recreation seekers
- Arts and culture enthusiasts
- Sporting event travelers

Emerging Segments: Adventure motorcyclists, educational travel

Key Geographical Markets –

Winter	Missoula, Seattle, Los Angeles, Spokane, Great Falls	
Spring	Seattle, Phoenix (May/June), Spokane, Missoula	Emerging: LA, Dallas
Summer	Los Angeles, Dallas, Seattle, Spokane, SF-Oakland	Emerging: NY
Fall	Phoenix (Sept), Seattle, Los Angeles, Missoula, Spokane	Emerging: Dallas

Sports and Events

Discover Kalispell serves as host and partner to bring numerous sporting and other types of destination events to Kalispell. Events range from large national and international events such as the Montana Spartan Race to regional youth events like the Montana Indoor Soccer Championship. Partners include high school

athletic directors, venues such as Flathead County Fairgrounds, Majestic Valley Arena and Flathead Valley Community College, community event organizers and national event promoters.

Key Focus: regional or expanded national events during the shoulder seasons and indoor events taking place in winter.

Grants: Discover Kalispell offers grant funding for new and expanding events based on an application and scoring process directed by the TBID board of directors. <https://discoverkalispell.com/grants/>

Meetings and Conventions

Association continues to be a strong market for Kalispell. It is the most reliable and dependable market largely due to the predictability of the rotation process, number of members and time of the year.

Traditionally our focus has been primarily regional and national. Discover Kalispell will build on relationships established within the state getting more involved with our Montana associations.

Discover Kalispell plans to put more focus on the Montana associations and the organizations they belong to, for example Montana Society of Association Executives. Many organizations continue to grow in their membership, we need to keep Kalispell on the forefront. Within the Pacific Northwest, the Puget Sound area will remain in our geographical market. Cities in the Puget Sound region include Tacoma, Olympia and Everett. Seattle is the closest major U.S. city to Kalispell and in addition to being only an eight-hour drive from Seattle, Glacier Park International Airport offers three direct flight out of Kalispell daily and Amtrak services to Whitefish. We have included Oregon within the geographical market because of the easy access to Kalispell and the number of regional associations located in Salem and Portland.

Key Segment: State, national and regional associations

Key Geographical Market: Montana, Pacific Northwest region – Seattle, Oregon

Tour & Travel

Kalispell has the right elements, affordability and unique experiences to attract domestic, regional and international tour companies, as well as clubs and specific interest hobby groups.

Domestic tours offer niche travel experiences to include seniors, cultural, historical and motorcycle tours.

International tour operators are especially interested in offering unique, off-the-beaten-path experiences to travelers. Favorites include national parks, recreational activities, western and cultural experiences and historic tours.

Discover Kalispell will work with tour companies offering national park, cultural, historic itineraries, motorcycle trips and internationally with tour operators that are in Germany, Australia, Italy, France, United Kingdom, Benelux and Nordic Regions – The Great American West as part of Rocky Mountain International.

Key Segment:

- Domestic groups that promote niche travel to include seniors, cultural/historical and motorcycle tours.
- International tour operators that promote outdoor recreation, national parks, cultural and historic experiences to travel planner in their countries.

Key Geographical Market: Tour operators that work in Germany, Australia, Italy, France, UK, Benelux and Nordic Regions (RMI).



Key Segments and Methods

Segment	Methods
Marketing Support (supports all segments)	Research – Smith Travel, Visa Vue, Tourism Sentiment Index Creative agency services Discover Kalispell Grant Program Online booking engine – lodging & activities Training and education
Website Marketing	Maintenance and enhancements Website marketing (SEM and SEO)
Consumer	Photo and video asset acquisition Social media administration Media buy: print, digital and multi-media marketing Travel show attendance and booth display Airport visitor display Newsletter marketing Travel guide, niche brochures and maps
Destination Event Development And Promotion	Montana Spartan Race Montana Indoor Soccer Championship New off-season event
Sales - Groups, Meetings & Conventions	Trade shows Familiarization tours Group incentive program to secure events and conferences Media buy: print, digital and multi-media marketing Newsletter marketing Marketing collateral and image asset acquisition Customer relationship management system Sales calls
Visitor Services	Operation of Kalispell VIC Fulfillment services
Cooperative Marketing & Partnership Programs	MOTBD Glacier Country Glacier Natl Park and Flathead Natl Forest Other regional Chambers and CVB's County Trails Plan City of Kalispell Trail Crew – Core and Rail Project Kalispell Downtown Association Glacier AERO
PR and Publicity	Travel media and social influencer press trips Media events in key markets PR services – proactive and reactive story pitches, earned media tracking Kalispell branded merchandise

Goals & Objectives

Goals

1. Increase year-round visitations from non-resident domestic and international travelers.
2. Generate earned media for Kalispell in targeted U.S. and International markets.
3. Build relationships with visitors as demonstrated through increased usage, engagement and conversions on media platforms.
4. Continue to position Kalispell as the sports and event destination within northwest Montana by building relationships with state and local organizations and regional and national promoters and tournament directors.
5. Provide sponsorships through the Discover Kalispell Grant program which support new and expanding events and develop visitor asset.
6. Promote Kalispell as a destination for domestic and international tour group travel.
7. Continue to build database and relationships with tour operators, domestic and international.
8. Continue to build database and relationships with active meeting planners in key markets and segments.
9. Promote Kalispell and the services that Discover Kalispell provides to local businesses and organizations for meeting and convention referrals.
10. Play an active role as a voice for tourism in the state and the community through positive publicity and outreach and involvement.

Objectives

1. Increase occupancy at TBID hotels by 2% during FY21 (as measured by STR Report).
2. Increase engagement of website users on DiscoverKalispell.com through increasing average pages per session and session duration during FY21. (FY19 = avg 2.94 pgs/session; 1:36 session duration)
3. Increase visitor guide requests by 25% over FY20.
4. Increase consumer newsletter database by 15% over FY20 (equates to additional 2,500 opt-in subscribers).
5. Measure the engagement with Discover Kalispell social media channels by 1) increasing followers on Instagram by 10%, and 2) obtain an average post engagement on Facebook of 4%.
6. Host minimum of one press trip with travel media from key demographic or geographic markets.
7. Promote Kalispell for sports event travel through key industry publications and direct marketing to tournament organizers and promoters.
8. Successfully produce Discover Kalispell signature events: on budget.
9. Increase database of qualified and interested meeting planners and tour operators by 15% over FY20 (equates to additional 600+ opt-in subscribers).
10. Retain engagement of meeting planner and tour operator database through quarterly newsletters.
11. Attend two tradeshow to promote Kalispell as a meeting and group travel destination.
12. Host two individual FAMs for qualified planners or tour operators who have never been to Glacier Country.
13. Connect and engage with meeting planners through one targeted advertising campaign.

14. Promote Kalispell to domestic and international tour operators through one advertising campaign.
15. Increase referrals to the KCVB Bring It Home program to a total of 35 referrals in FY21 (17 referrals in FY19).



Supplement to FY21 Marketing Plan: Coronavirus Planning and Recovery

Planning for the FY21 marketing plan begins in February with approved projected revenue from the TBID Board of Directors and the Montana Office of Tourism & Business Development (Bed Tax). The financial impact from decreased hotel occupancy during the coronavirus pandemic began in March 2020 and is projected to continue into 2021. Projections are difficult to make due to the evolving restrictions and traveler sentiment related to the pandemic over the next several months as the country moves into recovery.

We are considering the following variances in quarterly revenue over the next 12 months. These projections are based on data from MOTBD, ITRR, TBID booking forecasting and seasonal occupancy:

Quarter	% above/below 2019	Quarter	% above/below 2020
Apr-Jun 2020:	- 75%	Jan-Mar 2021:	0%
July-Sept 2020:	- 40%	Apr-Jun 2021:	+ 20%
Oct-Dec 2020:	- 20%		

To mitigate the risks of decreased revenue, Discover Kalispell has proactively taken steps to reserve cash while maintaining critical segments of the budget to continue brand awareness and stability and be ready to launch a recovery plan to SELL Kalispell when the time is right - securing visitations and group business for summer, fall and in 2021.

Remainder of FY20 (March through June 2020):

- TBID - reduced planned expenditures in operations, consumer, event and group marketing segments and temporarily furloughed 1 FTE.
- Bed Tax - cancelled planned initiatives in consumer and group marketing segments and temporarily furloughed 1 FTE.

FY21 (July 1, 2020 – June 30, 2021)

TBID – 36% reduction of initial approved projected revenue and inclusion of reserve funds. Reduced from \$658,000 to \$560,000.

Bed Tax – 25% reduction of initial approved projected revenue. Reduced from \$157,000 to \$118,000.

Over the next 12 months Discover Kalispell will work closely with our board of directors to evaluate collections and expenditures. An outline of the strategy:

- Eliminate higher cost and long-term commitment strategies such as trade/travel shows, print advertising, media events in key markets, group FAM and press trips and training and personal development. Focus on initiatives that generate a short and mid-term ROI. Reduce Discover Kalispell grant program available funding and focus on events that generate hotel occupancy.
- VIC - reduce staffing costs by eliminating summer weekend hours. Reduce fulfillment costs by using a self-mailing visitor guide and sending via bulk mail.
- If actualized revenue does not support the budget further adjustments will be made in staffing and group/M&C segment.
- Media buy will be concentrated on digital strategies that enable us to be highly focused to markets that have a stronger likelihood to travel in the short term and which enable us to adjust messaging as necessary.
- Secure partnerships with regional and state tourism industry to maximize Kalispell's reach.

- Programs that must continue to maintain brand awareness and implement visitor services, conferences, events and other programs include: operational costs; staffing; creative agency services (website, webpage marketing and paid media); PR-brand content services; social media administration; DK destination events and group services and incentives.
- Increased revenue beyond projected will be directed to marketing programs during FY21.

Operational Budget – TBID

TBID Projected Revenue		\$ 430,000
Rollover cash and reserve account		\$ 130,000
Total		\$ 560,000
Program Description	Project	Program Total
Administration		
Wages, benefits, employer expenses		\$218,000
Operations		\$34,400
Rent	\$8,400	
Bank Fees	\$50	
Phone	\$2,800	
Office Supplies	\$1,200	
Postage & copies	\$2,500	
Audit - City of Kalispell	\$2,000	
Audit - Chamber	\$3,200	
Accounting services	\$3,000	
City of Kalispell Assessment Fee	\$5,000	
Travel & entertainment expenses	\$1,500	
Tech support (email accts plus)	\$1,500	
Equip., software, furniture (purchase)	\$1,000	
Annual report & meeting	\$1,000	
TBID Directors & Officers Insurance	\$1,250	
Marketing Support		\$79,700
Smith Travel Reports	\$6,700	
Organizational Memberships	\$4,000	
Training and Education	\$1,000	
Research	\$6,000	
Grant Program	\$8,000	
Creative Agency Services	\$48,000	
Ares	\$6,000	
Website		\$30,000
Maintenance and enhancements	\$10,000	
Website marketing (SEM-SEO)	\$20,000	
Consumer Marketing		\$53,100
Photo and video library	\$3,000	
Social Media administration	\$8,000	
Media buy: print, digital, multi-media	\$35,300	
Travel show attendance	\$1,000	

Trade show booth display	\$500	
Airport visitor display	\$1,500	
EMarketing	\$1,800	
Niche brochures	\$2,000	
Events and Sports -Operations and Promotion		\$50,000
Spartan Race	\$30,000	
Indoor Soccer - October/March	\$20,000	
Groups and M&C		\$50,800
Meeting Planner Shows	\$3,000	
Meeting Planner FAM	\$5,000	
M&C and Group incentive program	\$21,000	
Media buy: print, digital, multi-media	\$8,000	
EMarketing	\$1,800	
Group photo and video library	\$2,000	
M&C collateral	\$2,000	
Customer Relationship Mgmt System	\$6,000	
M&C memberships	\$1,000	
Sales calls	\$1,000	
Publicity		\$44,000
Travel media press trips/FAM	\$8,000	
PR - agency services, Meltwater, misc.	\$35,000	
Kalispell branded merchandise	\$1,000	
TOTAL	\$	560,000