



FY 2017 MARKETING PLAN
Discover Kalispell



Kalispell – The New Frontier

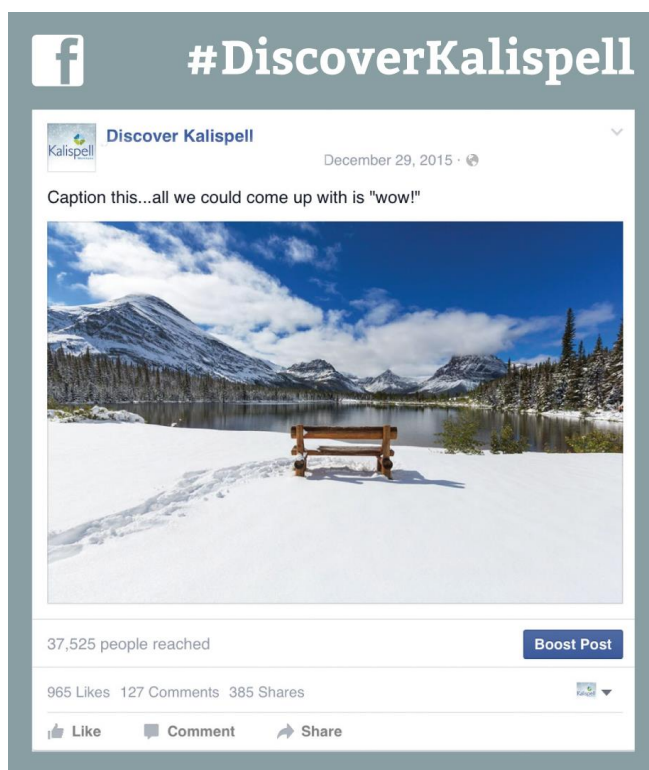
The Flathead Valley gets to the heart of what Montana is all about – breathtaking landscapes and peaceful vistas surrounding a vibrant economy that is a rising star in the region.

In a valley busting with adventure and opportunity, Kalispell is the historic, economic and government center. It boasts a wide range of leading industries – tourism, agriculture, manufacturing, and health care – that are tucked between towering mountain ranges, the largest freshwater lake in the West and the famed Glacier National Park. One of the fastest growing cities in Montana, Kalispell blends its “Old West” roots to its modern identity as a small town with global reach.

Kalispell is a place where historic character converges with contemporary culture. Up and down Main Street and radiating for blocks to the east and west, today’s vibrant downtown core offers a lot more than just window shopping and architecture gazing. The dining scene is full of casual sophistication, storefronts open their doors and welcome passersby for events that showcase wine and art displays or musical acts, and the community is filled with artists and artisans from musicians and singers to painters and sculptors.

Living here means adventuring. Hiking and camping throughout the idyllic Crown of the Continent. Skiing knee-deep powder at one of the largest resorts in Montana, riding miles of single-track on a mountain bike, casting a homemade fly at the silver sheen of a trout or paddling one of the 500-plus lakes that fill this corner of the state, including the crystal-clear waters of Flathead Lake.

What’s best about Montana, Kalispell has it.



Executive Summary

2015 Nonresident Data for Kalispell

22% of groups all first time visitors

62% of groups with all repeat visitors

53% stated primary reason for trip is vacation.

Of those who had visited Montana before, 42% said their last visit was less than one year ago

24% flew on a portion of their trip

Top Entry Points:

2015 - Superior, West Yellowstone

2014 – Superior, Roosevelt

Residence of Origin:

2015 - WA, CA, OR, ID, CO

2014 - WA, BC, OR, MN, AB

Lodging:

2015 - 48% stayed in hotel/motel;

22% home of friend/relative;

6% rented cabin/ home

2014 - 61% hotel/motel;

18% home of friend/relative;

4% rented cabin/home

Flathead County

Nonresident visitors spent \$668 million in 2014, the highest level of all counties. (ITRR)

Nonresident Travel is 20% (the largest single category) of Flathead County's economic base. (BBER)

Top 5 Expenditures



State of Kalispell

- During 2015 Kalispell saw growth in the financial, healthcare and hospitality sectors with new construction and acquisitions.
- The retail sector saw growth both from national brands such as Dress Barn and Ulta and a strong influx into our historic downtown core with businesses such as The Toggery and Sage & Cedar.
- Construction began on the final \$34M segment of the bypass which will serve to reduce truck traffic through historic Main Street.
- Kalispell was awarded a \$10M TIGER grant for Glacier Rail Park and downtown infrastructure enhancements.
- To keep pace with the needs of our growing community the City of Kalispell launched a Core Revitalization Plan and Downtown Plan.
- Kidsports sporting complex was awarded a \$1.4M grant for facility additions and improvements.
- Discover Kalispell, in cooperation with the City of Kalispell, is completing the city-wide phase of the Kalispell wayfinding project.
- Glacier Park International Airport set a new record of 452,588 total passengers, a 3.8% increase over 2014.
- Glacier National Park recorded an all-time visitation record of 2.3M visitors despite a serious fire season.
- Kalispell is the state's seventh largest city with a population of 21,518 (2014) and a growth rate of 40% since the 2000 census.

Discover Kalispell – The Kalispell Convention & Visitor Bureau

Structure

The Kalispell Convention & Visitor Bureau is a division of the Kalispell Chamber of Commerce. It is funded through Kalispell's share of the 4% Lodging Facility Use Tax (Bed Tax) and the \$2/room night Tourism Business Improvement District (TBID) fee. The Kalispell CVB is governed by Kalispell Chamber board and the Tourism Advisory Council that approves and oversees spending of bed tax funds, and the Kalispell TBID board of directors and the Council of the City of Kalispell that approves and oversees spending of TBID funds.

THE 2015 KEY ACCOMPLISHMENTS



AWARDED

Montana Event of the Year- *Pond Hockey Classic*
Montana Film Friendly Community- *Kalispell*



4 EVENTS

Produced four highly successful events in the shoulder and winter months



\$6.7 MILLION

The signature events generated \$6.7 million of economic impact to the local area



CONFERENCES

Discover Kalispell booked several key conferences including Montana Governor's Conference on Tourism, Professional Outdoor Media Association, Montana State Parks Division, Clan Donald, Enlisted Association of the National Guard of Montana



MEDIA EARNED

Received media in major publications and broadcasts: Sunset Magazine, American Profile Magazine, Alaska Airlines Magazine, Calgary Herald, American Cowboy, Meetings Today, NBC Sports-Montana Spartan Race, and Tom Gruenwald Outdoors.

During FY'15 the TBID revenue increased by 5% over FY14 with the highest increases in Q3 (Jan-Mar) and Q4 (Apr-Jun).

Purpose of marketing plan

The FY17 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 complimentary to support one marketing plan.

The mission of Discover Kalispell is to build awareness of Kalispell as a travel destination and increase room night stays in Kalispell hotels and motels. This is done with a consistent brand message delivered through a mix of advertising, signature events, public relations, group sales, and service programs to promote visitations during the shoulder and winter seasons.

Kalispell Chamber of Commerce/Convention & Visitor Bureau and Visitor Information Center

President/CEO: Joe Unterreiner, joe@kalispellchamber.com

Director/CVB: Diane Medler, diane@discoverkalispell.com

Group Sales Mgr: Dawn Jackson, dawn@discoverkalispell.com

Sales & Admin Assist: Vonnie Day, vonnieday@discoverkalispell.com

Visitor Services: Meche Ek, info@discoverkalispell.com

www.kalispellchamber.com | www.discoverkalispell.com

15 Depot Park, Kalispell MT 59901

406-758-2811 888-888-2308

Kalispell Exemplifies the Montana Brand

More spectacular unspoiled nature: Kalispell sits in a valley where one national park, two national forests, and one wilderness area converge.

Vibrant and charming small town: A vibrant downtown that merges historical charm with contemporary culture.

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.

Discover Kalispell compliments the Montana brand by using large-landscape inspirational images, photos showing the active adventurer set within the landscape, and casual interactive images demonstrating local amenities.

About Kalispell

Strengths

- Kalispell offers visitors a balance of city and outdoor adventure with our museums, shopping and dining located right in the middle of Montana's most iconic natural places. Its residents are welcoming tour guides and genuine people who care about the visitor experience. Kalispell is not a resort town, but a real Montana community with an authentic history, traditional industries and real, local events.
- Kalispell provides a full range of lodging, dining and shopping options that help make for a great vacation on any budget and with a sense of Montana sophistication that visitors find both surprising and comfortable.
- The place to discover the history of the Flathead Valley through three well-preserved museums and iconic Main Street buildings.
- Energized downtown that is experiencing a reinvention including new retail that have a local and global reach as well as popular new eateries and breweries.
- Annual signature events such as the Montana Dragon Boat Festival, Montana Spartan Race, Montana Pond Hockey Classic and The Event at Rebecca Farm that attract participants from across North America.
- Kalispell is the regional hub of the Flathead Valley and the location to host larger meetings and conventions.

Opportunities

- The 2016 National Park Centennial provides a great opportunity for the KCVB to capitalize on our close location to Glacier National Park (GNP). Discover Kalispell primarily promotes GNP in the shoulder and winter seasons highlighting the unique activities and experiences available outside of the busy July-August reliance on the full length of the Going To The Sun Road. We will continue to work with GNP leadership and staff and be proactive to inform visitors of delays during peak times and redirecting visitations to other times of the day and seasons.
- From Flathead Lake cherries to huckleberries from the surrounding mountains, locally grown and raised vegetables, or yak and bison, this valley is home to an assortment of tasty foods that are blended into the community flavor. Agriculture is a deeply rooted tradition with generations of families living and working in local farms and ranches. Discover Kalispell will continue play a role in promoting and building our agri-tourism product through promotion of locally sourced products, tours, and activities that are available to visitors and groups.
- The historic 1896 McIntosh Opera House was a primary element in the Main Street commercial district. It served as an opera house, lodge meeting hall, ball room, theater, and was the pride of Kalispell at the time. Discover Kalispell will continue to work with the property owners, the City of Kalispell and other local stakeholders to assess the feasibility to restore the space as a unique event venue to compliment the historic downtown.

Challenges

- Although the area's tourism industry is making strides in smoothing out the hotel occupancy levels between the height of summer and quiet of November and April, seasonality continues to be a challenge. The seasonality creates work force issues both due to a shortage of qualified workers in the summer and ability to maintain adequate staffing levels during the fluctuating shoulder and winter months.
- Climate change is affecting our weather, stream flows, water temperature and forests. Weather conditions that are deviating from historical patterns are posing a challenge for tourism in northwest Montana. Our area relies heavily on predictable water and air temperatures and appropriate levels of precipitation for winter activities, events, and to avoid summer wildfires.
- The Flathead Valley will see an increase of 325 new guest rooms during the summer of 2016. That is a significant amount of new inventory to absorb outside of the summer busy season.
- Alberta has been the number one residency for visitations into northwest Montana over the past several years, and as a key component of our drive market visitations during months outside the busy summer season. With the current state of the Canadian economy and fluctuation of the dollar, Flathead County has seen a significant decrease in visitations from Alberta. The Alberta economy is predicted to see a modest recovery of 0.09% during 2016.
- Costs and availability of air travel continue to be a barrier for Kalispell to effectively increase visitations from some geographic and psychographic markets. There is a local effort in place to capture more direct flights (Glacier AERO). New markets actualized to date include seasonal flights to Chicago, Portland, and Los Angeles. The lack of public transportation throughout the Flathead Valley as well as from Kalispell to Glacier Park impacts certain visitors including the international traveler.

- The traditional lodging properties in Kalispell have begun to feel the impacts of the increasing popularity of VRBO, Airbnb and other shared economies. There has been a measurable decrease in room night stays by teams attending signature events and an obvious increase of businesses utilizing space within the historic downtown buildings to create rental space that doesn't fit within the room requirement structure for TBID. As the shared economy options grow and shift it is crucial that Montana Department of Revenue and local municipalities ensure proper taxes are collected.

Kalispell is Discovery In Every Direction



Kalispell sits in a valley where one national park, two national forests, and one wilderness area converge. Discover unlimited possibilities in and around this charming small town.

The Travel Decision Process

The **Inspiration phase** is one in which the traveler is made aware of the general product and develops a desire to visit the destination. Discover Kalispell's marketing plan and initiatives leverage the Montana brand awareness achieved by the Montana Office of Tourism and Business Development (MOTBD) then connects with our target markets to provide inspiration about our destination through compelling imagery, engaging text and strong incentives to travel. Potential visitors connect with Kalispell's iconic natural resources (Glacier National Park and Flathead Lake) while gaining a sense of the welcoming small town and lifestyle. It's important to connect with those that already love you and talk about you, which includes the locals, as they can be your best spokespersons. That's where social media plays an important role. The media used during this stage is DiscoverKalispell.com, print and online advertising, video, social media, emarketing, collateral, travel shows, signature events and publicity.

In the **Orientation phase** travelers begin to figure out the details of the trip. This phase focuses on the route the traveler will take, stops to make along the way, and what activities and attractions best fit their lifestyle and travel group. Media used to help orient the visitors to the offerings of our destination include DiscoverKalispell.com, Trip Advisor, social media channels, online advertising that points to associated landing pages, print collateral, PR, and emarketing targeted to specific interests and other demographic factors. At this stage we offer suggested day trips and tours, informative articles on the website, consumer reviews, and niche brochures such as Brews, Wines and Spirits.

In the **Facilitation phase** travelers drill down and select specific activities and make reservations for transportation, lodging and activities. This would include day trips and tours outside of the primary trip purpose (i.e. Glacier Park vacation: what are other activities for activities outside of the park) and group activities. The resources Kalispell provides to the visitor at this phase of the planning cycle is DiscoverKalispell.com – including responsive web design, event listings, lodging packages, the visitor information center, wayfinding signage, maps, lodging packages, and Trip Advisor for dining and event reviews and recommendations.

Discover Kalispell's Key Markets

Primary Market - Leisure/Consumer Travel

The leisure market for Kalispell is active matures and young families that are looking for affordable variety and a bit of culture and shopping with their outdoor-centered vacation.

The first time visitor is primarily here for Glacier National Park, and specifically to experience the Going To The Sun Road. Travelers will choose Kalispell as the base camp for their trip because we offer a central location to a number of activities and provide affordable vacation options, particularly for families. The repeat visitor is less dependent on availability of all areas of Glacier Park and branches out to the other attractions such as Jewel Basin, Lone Pine State Park, and partakes in local culture such as the museums and downtown events. Kalispell also supports a strong business and group market.

Visitors from Canada come to Kalispell for signature events, golf, winter activities, shopping, and medical tourism. They enjoy the traditions such as Moose’s Saloon, Western Outdoors, and a black Friday weekend getaway as well as hockey, baseball, soccer and other sports tournaments. We are seeing an increasing number of young families visiting from Canada to enjoy the variety of kid-friendly activities offered in Kalispell. This has been stimulated by hosting press trips of journalists that write for family-centered media outlets in Canada.

Top non-resident activities while in Kalispell: (Source: 2015 ITRR Nonresident visitor study for Kalispell)

- 63% scenic driving
- 45% nature photography
- 41% day hiking
- 37% wildlife watching
- 35% recreational shopping

Demographic: Drive market; 35-64 years old – average age 57; household income \$100k to less than \$150k; couples and younger families.

Geographic: Drive Market: Washington (Spokane area, Seattle); Portland, Oregon; Northern Idaho (Coeur d’Alene, Bonners Ferry); Alberta (Calgary and surrounding area, Lethbridge, Edmonton); British Columbia (Cranbrook, Fernie/Sparwood); Montana (Helena, Great Falls, Missoula and Billings).

Top residency of nonresident visitors to Kalispell

Source: 2015 ITRR Nonresident visitor study for Kalispell:

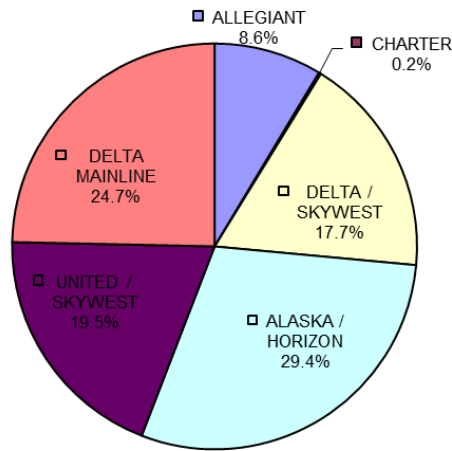
Washington
California
Oregon
Idaho
Colorado

Source: Kalispell VIC walk-ins:

Alberta
California
British Columbia
Minnesota
Washington

Direct Flight Markets: Seattle, Portland, Minneapolis, Chicago

Glacier Park International Airport is serviced by Delta (SLC, MSP), Alaska (SEA & PDX), United (DEN, Chicago & Atlanta (seasonal)), Allegiant (Las Vegas and Oakland (seasonal)). Alaska and Delta had the highest enplaned market share during 2015 and the highest percentage of increase for enplanements and deplanements as compared to 2014.



Discover Kalispell's initiatives to support and promote direct flights:

Chicago: new direct winter service is promoted through press trips and online marketing directed to the Chicago market between December and April.

Seattle and Portland: direct flights are promoted through media events, press trips and advertising campaigns.

Trip Type: Shoulder and winter seasons: extended weekend, Discover Kalispell signature events, sport tournaments, business, groups, FIT.
Summer: base camp and/or pre-post stay for Glacier National Park and Flathead Lake vacations, and attendance at notable events such as The Event at Rebecca Farm.

Primary Market - Groups, Meetings & Conventions

Kalispell accommodates groups from 10-500 comfortably and adequately. The most common group size is from 50-120. The largest event space in our hotel properties can hold up to 880 for a reception.

With twenty TBID hotels in Kalispell we can accommodate over 1,700 rooms. The two larger convention hotels can accommodate up to 280 rooms per night and have over 16,000 square feet of meeting room space; or there is plenty of nearby and affordable overflow rooms for groups.

Shoulder and summer seasons (July and August) bring in corporate and government. Group business for the shoulder seasons consist of teams, associations and state government. Summer season group business is made up of national associations, SMERF and state and federal government.

Group participants are interested in outdoor activities, brewery and distillery tours and local area events.

Kalispell Convention & Visitor Bureau Quarterly Occupancy Mix

	July	August	September	QTR 1 AVG	October	November	December	QTR 2 AVG
Corporate	20%	20%	21%	20%	15%	25%	20%	20%
Event	1%	0%	1%	1%	0%	0%	0%	0%
Government	3%	6%	9%	6%	5%	8%	6%	6%
Group	10%	7%	8%	8%	16%	7%	10%	11%
Tours	5%	6%	4%	5%	0%	0%	0%	0%
Transient/Leisure	61%	60%	57%	60%	63%	60%	65%	62%

Emerging Market – Leisure/Consumer Travel

Demographic: 30-45 years old

Geographic: Markets identified through our signature event participants
Growing direct flight markets: San Francisco Bay Area, Los Angeles area
Tri-Cities WA, the 4th largest metropolitan area in Washington

Discover Kalispell leverages the PR exposure received from the annual signature events to gain exposure in new geographical markets.

Dragon Boat examples: Tacoma Washington, Portland, and Texas

Pond Hockey examples: New England states, San Diego area

Spartan examples: 48 states and the District of Columbia as well as four Canadian provinces attended the 2015 event

Trip Type: Shoulder and winter seasons: extended weekend, 5-7 days centered around events, ski vacations, girls weekends, multi-generational groups, meetings and group travel
Summer: base camp and/or pre-post stay for Glacier National Park and Flathead Lake vacations, and attendance at notable events such as The Event at Rebecca Farm

Emerging Market - Groups, Meetings & Conventions

Bleisure travelers are those coming for meetings and business travel while also bringing families for extended stays. They want destinations that have a strong leisure component. KCVB is working in conjunction with the event planners to market a strong message about the area activities prior to conferences. Our social media channels can be used along with direct e-blast communications to the group database.

The Tri-Cities consist of Kennewick, Pasco and Richland cities and make up the 4th largest metropolitan area in the state of Washington. It is considered the fastest growing city in the United States by MSA. Major employers include top industries in healthcare, agriculture, food processing and manufacturing. Where there is growth, there is opportunity. This is a market not tapped into.

Healthcare is the leading employment industry for the Flathead Valley with a 16.3% increase from last year, according to a recent Flathead Valley Economic Forecast. Kalispell Regional Healthcare is expanding services and their recruiting efforts continue to bring accomplished and experienced health care professionals from all over the world. The incentive to live in the Flathead Valley is the lifestyle. The Medical Tourism department at Kalispell Regional has been drawing business from Canada and U.S. based cities. They design medical discounted packages that include consultation, surgery and follow up. Medical concierge are the point of contact from the beginning to the time they return back home. Kalispell is considered the 4th least expensive healthcare area in the country. Discover Kalispell can leverage that message to promote Kalispell as a great breakout session for medical conferences and groups.

Supporting Research

Destination Marketing – Trends for 2016

Technology platforms, devices, and the latest trends continually change. What hasn't changed over the past few years is that travel marketing is closely tied to online searches. The internet provides a platform for a destination to connect, create relationships and incentivize conversion within small moments of time along a traveler's journey. What is evolving is the necessity for refining your online footprint. It is no longer an option for a travel brand. Your online presence impacts your ability to connect with consumers. A destination has to convey an image of trust, reputation and authority in order for Google to consider your website when it presents pages and sites to a traveler.

Dreaming, planning, booking and experiencing. These are the moments of a traveler's journey. Google states that 37% of travelers in the U.S. think about vacation planning once a month; 17% think about it at least once a week. Those people want information at their fingertips – on their mobile devices. Two of the top questions travelers type into Google about travel are "What to do in (destination)" and "Where is (destination). Once on the ground a visitor's mobile search behavior is about making sense of the unfamiliar with many searches including the phrase "near me". A destination needs to be there for those moments.

Content – fresh, continuous and a variety – contributes to a destination's reputation. The only way to be found on the internet via search is with rich content. That content is then shared and commented-on via social media platforms. "Trust is built through demonstrating a strong brand, not trying to be all things to everyone. Be who you are and be the best you can be." (Bronwyn White, My Travel Research.com)

Be mobile and nimble. The adoption of the smartphone is rising with about 2 billion consumers worldwide expected to own a smartphone in 2016. In the past year, mobile's share of travel visits has grown by 48% while conversation rates have grown 88% on mobile travel sites. (Google Travel Trends, Nov 2015 and Lynan Saperstein, Experience Experts) The rise of mobile devices and the growth of the millennial generation have led to a surge of spur-of-the-moment trips. In the upcoming year, 73% of Millennials plan on taking a last-minute trip, as do 58% of the total respondents. (Boxever)

Today's Traveler

A study by Upshot, *Travel Quest: Building a Travel Superbrand*, states there aren't many differences among Boomers, Gen Xers, Millennials, Gen Zers, road warriors or vacationers – at least not when it comes to how they travel. "Distinctions have blurred as today's travelers fluidly shift between mindsets depending on their immediate circumstances."

The study surveyed 500 frequent travelers (having taken three or more trips a year) with equal representation of generations as well as an equal number of business and leisure travelers. What they found was that they all share similar patterns in "mindsets" or travel values. Mindsets are about finding opportunities for cultural immersion, escaping the everyday, enabling spontaneity and having a hassle-free experience. Millennials are the biggest group currently in terms of numbers (75.3 million in the U.S.

in 2015 according to Pew Research Center) but if destinations overly focus on Millennials they may be missing out on those who are actually doing the most traveling and spending the most on these travels in the present. The highest-spending group for both domestic and international travel among Upshot's respondents was the Boomers: 28.5% spent more than \$1,000 on last domestic trips and 11.7% spent more than \$5,000 on last international trip.

The most important thing to remember, as we're developing our marketing campaigns and messaging, is to not get caught up in definitions or categories or traveler types. "All travelers as a whole, regardless of age or travel type (business or leisure) are looking for a unique, authentic, personalized, seamless travel experience that is culturally immersive and offers local, human connections." (A Radical Thought: Do Millennials Really View Travel Differently? Skift, Mar 21, 2016)

The Shared Economy

The sharing economy began as a niche sector but has blossomed into a whole industry with over 9,000 companies according to Mesh, a directory for the sharing economy. Advocates claim that the sharing economy is creating a stronger sense of community and breaking down the distinction between companies and customers with peer-to-peer models. What is also known is this trend is impacting traditional travel brands like hotels and motels. Researchers at Boston University estimated that every 10 percent rise in Airbnb supply in Texas caused a 0.35 percent drop in monthly hotel revenue – equivalent to a fall in revenue of over 13 percent in Austin. They also found hotels had cut their room rates as a result of pressure from the lower peer-to-peer prices appealing to cash-conscious consumers (The New Economy, Apr 13, 2015). Traditional hotels and motels are the mainstay for the collection of the bed tax and TBID funds in Montana. The Department of Revenue, local municipalities, and DMO's need to be aware of this growing trend and find ways to monitor, adapt and evolve.

Media Trends

Broadcast marketing and reach-frequency models are becoming increasingly inadequate for brand engagement. Travel is emotional so consumers are eager to engage in dialogue. Messaging – real time, and two-way channels like Twitter, enable destinations to engage in conversations. "In the Post-App Economy, travel brands must be able to adeptly engage with their customers in conversations across channels. And to effectively capture customer attention today, marketers must stop shouting and start engaging." (How Travel Marketers Can Be Heard, Skift, Feb. 29, 2016)

Videos influences travel decisions. Auto playing video content on Facebook and Instagram is catching the attention of consumers thinking about travel. As of November 2015, Facebook was serving 8 billion video views per day, which is double the rate from April of the same year. Engagement on video tends to be higher in general. (Skift, Feb. 26, 2016) In 2014, subscriptions to top travel channels on You Tube increased over 100% YOY and those subscribers watched 86% longer per view than nonsubscribers (YouTube data, 2013 and 2014). Travel vlogs receive 4x more social engagement than other types of travel content on You Tube (Google, Travel Content Takes Off on You Tube, August 2014).

Photos are a big part of travel marketing so Instagram has growing potential to reach consumers during each phase of the travel process. But the platform isn't just about increasing likes and followers, the

goal is to grow and engage your audience to help guide them from aspiring traveler to an actual traveler. (Adventure Travel News, Katie Hardin)

Location-based technology targets consumers at the initial point of engagement and serves up content relevant to their interests at that moment. Mobile marketing's rise has prompted more consumers to opt in to location-based deals. Destinations can leverage this trend for highly targeted promotions which provide a high return on investment. (Luxury Daily, Jan 11, 2016)

Wherever travelers go in 2016 they'll be using social media to discover, plan and share. Social media is decreasing the gap between someone searching to find where to buy and the destination serving up the appropriate content with new buttons such as Buy, Learn More, and Book. It is important to pay attention to hashtags and current social trends and find ways through social media channels to educate your audience with key pieces of information. This will help to set a destination apart. (Adventure Travel News, Katie Hardin)

Local Goods and Services

The promotion of local products and services increases the amount spent by nonresident travelers. ITRR's report titled *The Importance of Traveler Spending on Locally Produced Goods & Services*, shows that 16% of travelers purchased locally-made products or services and spent nearly \$184 more than the traveler who did not spend on those products. Visitors who purchased local products and services stayed, on average, 4.39 nights longer than those who did not purchase locally. The geotraveler has a higher spending level than other travelers because they seek to sustain and enhance the local geographical character of place and as such, buy local products. One of the goals in this FY17 marketing plan is to enhance the promotion of the flavor of our community. Agriculture is a deeply rooted tradition in the Flathead Valley and spending time in Kalispell means becoming intimately familiar with the local flavors through local products on menus at restaurants, Flathead Cherries, wild huckleberries and a variety of farm-to-table activities for visitors and groups.

Group Activities

Agritourism activities are gaining popularity for both visitors and farmers. This is due to the increased interest in where our food is coming from, process method and the unique experiences for visitors to be up close and personal on the farm. For the farmers, it allows added revenue to help keep their farm viable and diversify their income. (Local-Food-Tours.com)

Association memberships are seeking to maximize their learning while attending unique meeting destinations by utilizing area businesses for off-site events and tours. Professional events (EduTour) were created and merged by Visit Detroit. They take real learning experiences and satisfy attendee demand for unique travel opportunities. The EduTours are similar to school field trips to specific industry businesses to see behind the scenes of how the operation works or just visit with the management and have a Q and A. Groups see this value and it differentiates Visit Detroit and supports the association attendees' educational mission at the same time. (Skift-September 22, 2015 - Detroit Tourism Turns To Local Industry Leaders to Help Lure Conventions)

DMO's and CVB's are putting a more concentrated effort on selling the attendee a destination experience. (CVENT Blog – July 1, 2015)

Meetings-Groups-Business Travel

With many U.S. travelers taking minimal vacation time, the thought of a business trip involving family members is the only soft spot some people can find. 54% of business travelers who take business trips involving leisure bring their family members along, according to data from a Bridge Street survey, which included respondents from all corners of the world. (Skift-September 24, 2015 – Resorts tap into bleisure trend to combine business and family travel)

“Many organizations still see meetings as a cost center, or a hospitality expense, rather than an investment in strategic development”, MacMillan told Skift. So meeting professionals are now turning to DMOs as a source to help grow their revenue. They're requesting financial incentives and subsidies, more marketing support to boost attendance, and more help to secure sponsorship in the destination to drive a meeting's overall business performance. Also, survey respondents reported that the two most appealing selling points for a potential meeting destination were the availability of financial incentives and broad meeting industry collaboration. (Skift-January 18, 2016 – Meeting planners are relying more on tourism bureaus).



Marketing Plan Goals and Objectives

Goals

1. Increase awareness of Kalispell as a travel destination to expanded markets and audiences.
2. Build relationships with visitors as demonstrated through increased usage and engagement with our key platforms.
3. Grow winter and shoulder season visitations.
4. Diversify the promotion of Kalispell's amenities to decrease an over-reliance on activities that can be affected by climate conditions.
5. Provide sponsorships to events and sports tournaments that have growth potential during the shoulder and winter seasons.
6. Connect with active meeting planners in drive market and regional areas.
7. Promote Kalispell as a meeting destination to local businesses and organizations.
8. Play an active role as a voice for tourism in the state and the community through positive publicity and outreach.

Objectives

1. Consumer Travel
 - a. Increase total unique visitors to website by 10% over FY'16.
 - b. Increase new sessions to website from mobile devices by 15% (avg. of mobile & tablet).
 - c. Increase occupancy at TBID hotels between November to April by 2% (as measured by STR).
 - d. Generate 6 media stories in target markets through public relations efforts.
 - e. Increase total social media reach by 5% over FY16.
 - f. Create 2 campaigns that enhance local agricultural products.
2. Events and Sports Tournaments
 - a. Successfully produce established signature events: on budget and with increased economic impact to community.
 - b. Establish sponsorship for two other events or sports tournaments that have long term growth potential during off-season.
3. Meetings & Conventions
 - a. Build a 200 member database of qualified and interested meeting planners.
 - b. Retain engagement of meeting planner database through quarterly newsletters.
 - c. Establish a comprehensive group activity and teambuilding list.
 - d. Create meeting referral program for local businesses and organizations.
 - e. Attend 2 regional tradeshow to promote Kalispell as a meeting destination.
 - f. Create 3 informational handouts for group planners.

Discover Kalispell's Cooperative Marketing

Past Cooperative Marketing Efforts

Discover Kalispell participated in MOTBD co-op programs between FY'10 and FY'15. We focused our participation to winter and spring online campaigns. For the most part the campaigns demonstrated success as measured by impressions, CTR and clicks to website. We did not choose to participate in MOTBD co-ops during FY'16 and are not anticipating participation during FY'17 due to issues we encountered with ad development and scheduling and receiving adequate and timely reporting. Discover Kalispell is open to reevaluating the co-ops as they become available and reengaging with MOTBD.

Discover Kalispell works cooperatively with the PR and Group Travel departments of MOTBD and Glacier Country to assist with hosting press trips and participating in media events held in Seattle, Portland and San Francisco. For the group travel, meetings and conventions segment, Discover Kalispell participates in FAM trips and meeting planner shows such as IMEX. We also appreciate the cooperation and sharing that occurs with photos and videos between Discover Kalispell and MOTBD and the Film Office.

In our local market Discover Kalispell works closely with our partners at Glacier National Park, Flathead Forest Service, Associated Chambers of Flathead Valley, Kalispell Downtown Association and Business Improvement District, Montana West Economic Development, Flathead County Parks and Recreation and Fairgrounds, Kalispell Parks and Recreation, and Montana State Parks. We also collaborate as applicable with Explore Whitefish (WCVB).

Anticipated FY 2017 Cooperative Marketing

Discover Kalispell is planning several cooperative initiatives with Glacier Country such as media events in Seattle, Portland, and San Francisco, and consumer-based and group travel-based press trips and FAMS.

The National Park Centennial provides unique opportunities for increased visitation as well as concerns of potential issues due to overcrowding and wildfires. Discover Kalispell will continue to work closely with the staff at GNP, Glacier Country and Whitefish CVB to develop crisis management plans and PR. As a group we are also providing information and collateral for Glacier Park's staff training to help educate their staff on other activities and opportunities in the Flathead Valley to provide to Park visitors during peak traffic and congestion times.

Discover Kalispell will monitor and analyze MOTBD partnership opportunities as they become available.





Funding

KCVB Combined Budgets FY'17

TBID Projected Revenue	\$ 525,000
FY'16 Carryover	\$ 49,000
Total	\$ 574,000

Bed Tax Projected Revenue	\$ 124,000
FY'16 Carryover	\$ 6,000
Total	\$ 130,000

Program Description	Project	Program Total		Project	Program Total
Administration *		\$27,250			\$21,600
Staffing - Wages, Employer Expenses		\$227,000		Staff employer expenses (VIC)	\$15,000
Director, Group Sales Mgr, Admin Asst)					
Marketing Support		\$8,500			\$36,000
Smith Travel Reports	\$5,500				
Memberships & Education	\$3,000			TAC/Gov Conf	\$1,000
				VIC Staff – year round	\$25,000
				seasonal	\$4,000
				Opportunity	\$5,000
				Outreach	\$1,000
Website		\$18,000			\$ -
Maintenance and enhancements					
SEO & SEM					
Fulfillment		\$			\$4,350
				phone (800 line)	\$100
				postage	\$4,000
				supplies	\$250
Consumer Marketing		\$86,750			\$38,050
Photo and video library	\$5,000			Photo and video library	\$3,000
Social Media admin & advertising	\$12,000			Social Media admin & adv	\$7,500
Creative services	\$20,000				
Media buy: print and online	\$30,000			Online Advertising	\$14,000
				Print Advertising	\$10,000
Travel show attendance	\$2,500			Travel show attendance	\$1,550
Trade show booth	\$1,500				
Airport displays	\$750				
EMarketing	\$5,000				
Visitor guide and niche brochures	\$10,000			Printed Materials	\$2,000

Events and Sports -Operations and Promotion		\$118,500			\$15,000
Dragon Boat Festival	\$30,000		Event Promotion - Press/media	\$3,000	
Spartan Race	\$23,000		Event Promotion - Printed Adv	\$3,000	
Pond Hockey	\$30,000		Event Promotion - Radio/TV	\$3,000	
Other event & sports sponsorships	\$14,500		Event Promotion - Social Media	\$3,000	
Event Operations Management	\$21,000		Event Promotion - Electronic	\$3,000	
Groups and M&C		\$58,000			\$15,000
Meeting Planner Shows	\$10,000				
Meeting Planner FAM	\$12,000				
Meeting planner incentive program	\$15,000				
Group photo and video library	\$6,000				
M&C guide	\$7,000				
Customer Relationship Mgmt System	\$6,000				
M&C memberships	\$1,000		Online Digital Advertising	\$5,000	
Sales calls	\$1,000		Group Marketing Personnel	\$10,000	
Publicity		\$30,000			\$ -
Travel media press trips/FAM	\$13,000				
Proactive & reactive PR	\$16,000				
Kalispell branded merchandise	\$1,000				
TOTAL		\$ 574,000	TOTAL		\$ 130,000

*Administration includes bookkeeping, rent, office supplies, postage & copies, tech support, equipment & furniture, phone, audit



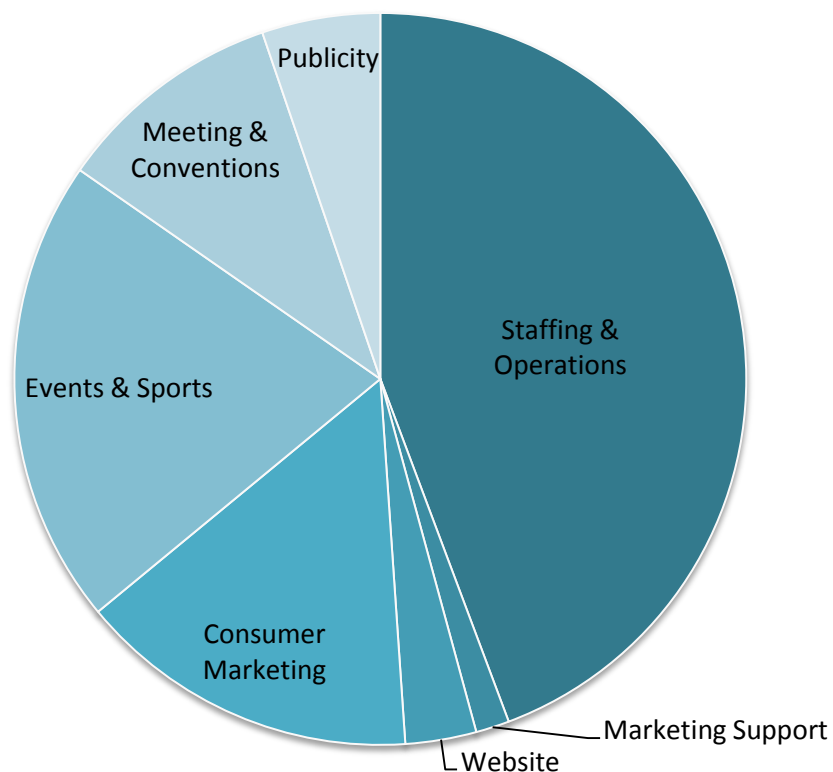
Bed Tax - Total budget = \$130,000

83% of total allocated to marketing – marketing support, consumer, event, group, fulfillment



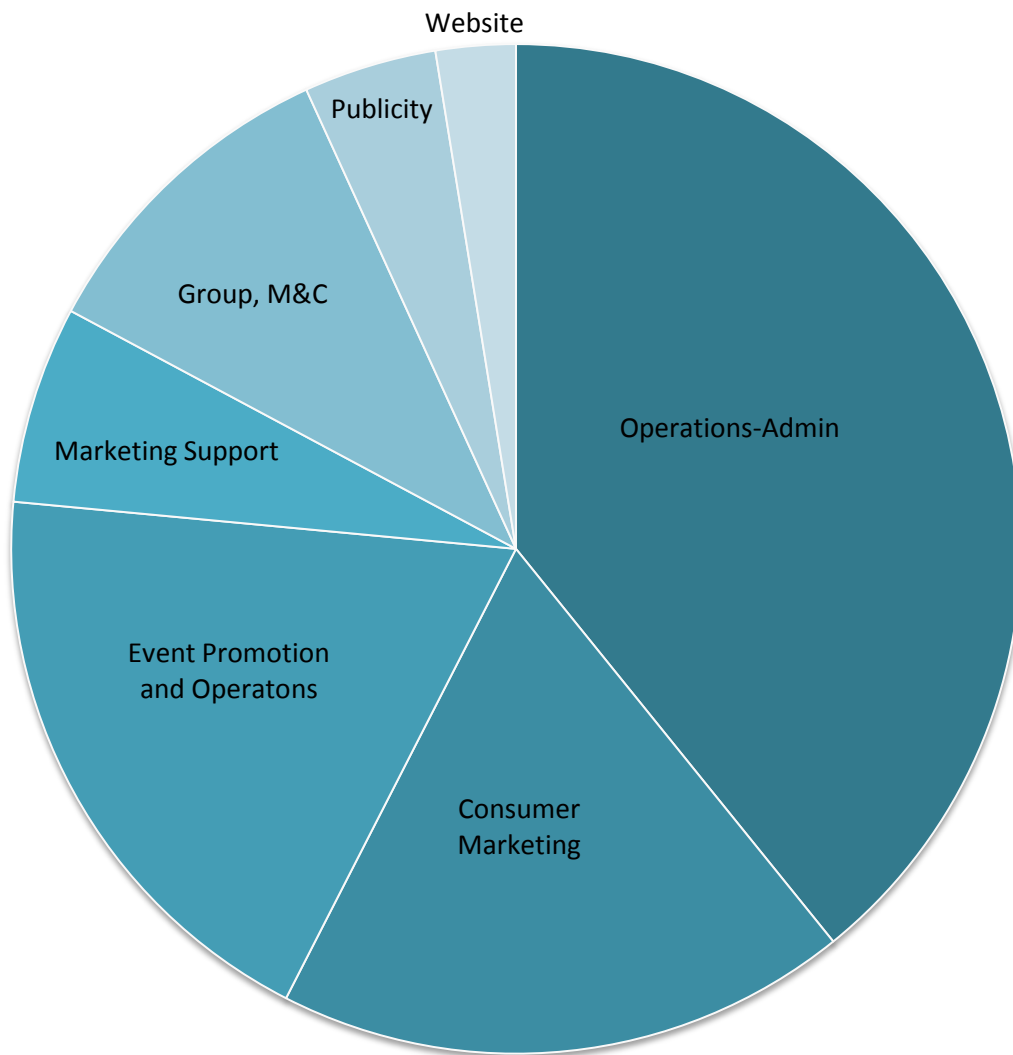
TBID - Total budget = \$574,000

56% of total allocated to marketing – marketing support, website, consumer, events & sports, M&C, publicity



Combined Budgets – Bed Tax and TBID

Total budget = \$704,000



Marketing Segments and Methods

Consumer

The consumer-facing campaigns are divided into late-fall/winter and spring/summer campaigns with approximately 60% of the budget directed at fall/winter. Each campaign is designed to highlight the unique activities available in Kalispell and the surrounding area. Primary media includes social platforms, online ads, content amplification, location based advertising, and print ads with accompanying editorial. The marketing initiatives are not directed at the busy July-August summer season when occupancy levels at hotels is near capacity. It is important to note that when crisis management is needed (example: local wildfires) the PR and opportunity funds are directed at managing that process.

Method	Description	Rationale	Supporting Research	Measure Success
Photo/video library	Secure new photos & videos that support the PR, social media & advertising.	Images play an important role in promoting a destination and engaging with potential visitors.	Images touch a traveler during each phase of the decision process through social media, online adv., and mobile marketing.	Imagery is a branding tool. Effectiveness would be gauged through social media insights.
Social media	Update and manage social media sites that foster consumer engagement and enhance cross platform consistency. Facebook, Twitter, Instagram and YouTube.	Majority of travelers (all demographics) use social media to connect with sphere and share travel experiences and get consumer reviews.	Wherever travelers go in 2016 they use social media to discover, plan and share. (Adventure Travel News, Katie Hardin)	Increased level of engagement; increase total reach by 5%.
Online and print advertising	Creative services and media buy for online ads, location marketing, social media advertising and targeted print publications.	Online adv. enables a destination to reach targeted consumers and connect them with website and other platforms. Lifestyle print publications speak to specific geographic and psychographic markets and are effective in building brand awareness.	Online adv. has measurable ROI and drives shares and referrals. A targeted approach with print adv. provides ability to choose editorial subjects to deliver highly targeted content to an already engaged audience. (INMA ROI Study, Marketingland.com)	Online adv.: number of impressions and CTR. Print adv.: supports the overall brand awareness.
Travel show attendance	Kalispell will attend at least two consumer travel shows during FY17.	It is an economical way to connect directly with consumers interested in our destination. One-on-one conversations allow us to create a strong inspiration to move the interested traveler into the orientation phase of trip planning.	Travel shows allow us to connect with a target market to grow off-peak visitations.	Number of brochures distributed and opt-in subscribers collected.
ENewsletters	Send quarterly newsletters to consumer database.	Emarketing enables us to keep database engaged with our destination and provide specific incentives and information for trip planning.	91% of U.S. adults like to receive promotional emails from companies they do business with. (MarketingSherpa, 2015)	Open rate, CTR and unsubscribe rate.
Visitor Guide & printed collateral	Design and production of annual travel guide, locator map and niche brochures.	Annual travel guides serves as fulfillment piece for VIC and is requested by thousands of potential	Through fulfillment requests and distribution of guides at targeted racks and travel shows we are	Used in conjunction with our website for brand awareness. Number of fulfillment

		visitors each year. The Kalispell tear-off map is a popular item and includes area map and detailed Kalispell map that identifies locations of hotels.	able to engage with potential visitors and lead them to website and social channels to learn more. Niche brochures play a role such as suggested itineraries to incentivize travel.	requests are measured.
--	--	--	---	------------------------

Events and Sports

Discover Kalispell's signature events are designed as destination events that impact visitations during specific months of the year. The events are created with our target geographic markets in mind and comprise an activity that is already popular in Canada and United States. The PR received through the events creates awareness of Kalispell in markets we could not otherwise afford to be in. Many participants select to attend our events because a) they are already interested in the sport, and b) it provides a reason to visit Montana which has always been on their bucket list. Discover Kalispell also provides grants to new or existing sports tournaments and events that show ability to create significant out of market participation during shoulder and winter months. TBID funds are used for event operations, promotion and sponsorships. Bed tax funds are used for promotion of signature events only.

Method	Description	Rationale	Supporting Research	Measure Success
Event promotion – press/media	Story pitches and press releases announcing event in target markets to solicit teams and promote teams coming to our events through hometown media.	Connect with markets that have existing teams/ participants to increase event awareness.		Part of event brand awareness, measured by registrations and spectator volume.
Event promotion – printed advertising	Print ads run in target markets that promote the event to solicit registrations and spectators.	Connect with markets that have existing teams/ participants to increase event awareness.		Part of event brand awareness, measured by registrations and spectator volume.
Event promotion – radio/tv	Broadcast coverage to promote event and solicit registrations and spectators.	Increase awareness of event and promote economic impact. Communicate event details and key communication messages.		Part of event brand awareness, measured by registrations and spectator volume.
Event promotion – social media	Social media advertising to promote event and solicit registrations and spectators.	Economical and targeted approach to promote event registrations.		Part of event brand awareness, measured by registrations and spectator volume.
Event promotion - electronic	Online advertising including video promos and emarketing to promote event and solicit registrations and spectators.	Connect with markets that have existing teams/ participants to increase event awareness.		Part of event brand awareness, measured by registrations and spectator volume.

Groups and M&C

Shoulder season months will continue to be the focus for new meeting opportunities (any months outside of July and August). Ideal group size is between 50-120 for individual properties and up to 500

for citywide conferences. We will be creative in offering incentives for groups that meet in the shoulder season and in more than one hotel property.

Discover Kalispell will continue to meet as many planners face-to-face with appointment based tradeshow, inviting them to Kalispell for a first-hand look at how we provide professional services and offer a variety of group activities from the adventure seekers to the historians. Visiting with our local business community members will be significant in our search for potential conferences. Many of our Kalispell leaders sit on national, regional and state boards as well as belong to various organizations, both professional and social.

Developing “out of the ordinary” group activities will help to sell Kalispell as a meeting destination and provide a unique experience for attendees. With so many recreational, business and educational opportunities we will continue to build a comprehensive list to sell the experience.

Method	Description	Rationale	Supporting Research	Measure Success
Tradeshow attendance	Attend 2 appointment based shows. Continue to Partner with Glacier Country and Montana CVB's for IMEX.	Appointment based shows allow interested planners to learn more about destinations. Partnering with other tourism entities for larger shows to help with costs and build the Montana brand as a meeting destination.	Meeting and event professionals worldwide have said for years there is still no better way to network than face to face meetings with those in your field. (Fast Future Research-Convention 2020 survey)	Number of qualified leads and RFP's.
Meeting Planner FAM	Identify and invite meetings planners with an interest in our area and that qualify for our specific meeting criteria.	Showcase Kalispell and let planners experience first-hand the quality of meeting facilities and all that our area has to offer to their group.	They provide many benefits for event planners. It is a quick way to learn specific destinations, new venues, and excursions that are of value to clients. (Event Planning-blog from CVENT)	Increase our database with qualified planners for future opportunities.
Meeting Incentive Program	Provide incentives / sponsorships to groups during our shoulder seasons months and need times.	Organizations are reaching out to CVB's/DMO for promotion & financial assistance and resources. Use these to provide attractive alternate dates.	Organizations are not increasing budgets but planners are feeling the pressure to produce the same results with less resources. (Skift 1/18/16)	Through participation rate and booked business.
Group photo & Video Library	Continue to add quality group photos and order new pull up meeting displays.	Have a variety of professional imagery that promotes Kalispell as a meeting destination. Use images in quarterly group newsletters, website and collateral. Promote at local conferences and events.	Content marketing boost brand visibility and enhances the organizations' online presence to ensure that you can connect with a larger consumer base. (Blue-The Importance of imagery in your content marketing strategy)	Part of brand awareness.
M & C Memberships	Join associations or organizations that have local community ties.	Utilize membership lists for emails and newsletters to promote Kalispell as a meeting destination.	Maximize benefits by joining organizations. Includes: database, networking, sponsorship exhibit opportunities, and promotional emails to members.	Increase database.

Sales Calls	Appointment based sales calls to local community and drive market. Focus on corporate, association, social group business and our signature events for groups.	Members of local business community sit on state, regional and national boards & belong to various organizations. Utilize their buy-in to promote Kalispell. Leverage our valley events to encourage out of area participation.	Personally asking for referrals during local business calls has resulted in a booked conference and RFP's.	Number of qualified leads and RFP's.
Lead Generating Service	Maximize all resources and opportunities to access quality leads specific to our area. Utilize industry research to assist us in building our database.	Empowermint is part of DMAI and offers leads to their members. This gives us the chance to research and target a qualified meeting that fits Kalispell.	Empowermint provides a database of information on organizations and meetings and events and training specifically for CVB's and DMO's. You will find demographics, preferences and histories of those meetings. (Empowermint.com)	Number of qualified leads and increase our database.

Publicity

Publicity and public relations methods include creation of story pitches which are sent to targeted media based on editorial calendars, used on DiscoverKalispell.com, press room and quarterly newsletters. Discover Kalispell participates in opportunities that become available such as the NPS centennial and travel platforms that offer exposure where we can control content. The publicity method also includes travel media and influencer press trips in fall, winter and spring and participation in media events in target markets. Discover Kalispell purchases branded items to provide to travel media, influencers and used for contest prizes.

Method	Description	Rationale	Supporting Research	Measure Success
Travel media press trips/FAM	Host top producing journalists to promote experiences in shoulder and winter months that are unique to Kalispell and the Valley and promote our charming small town and amenities.	Educate travel writers and their readership of our destination and its proximity to Glacier Park and the unique activities offered.	Earned media is the most trusted and influential source of commercial information and holds 3 of the top 4 spots of most trusted sources. (Conductor Spotlight, Nielsen Studies)	Generate six media stories in target markets that promote shoulder and winter travel to Kalispell and area.
Proactive and reactive PR	Editorial calendar research, response to specific opportunities and requests, maximize the Discover Kalispell pressroom.	Identify editorial opportunities relevant to our destination.	PR can have a positive ROI by improving brand equity, the value of a brand, handle and dissipate negative situations and natural disasters. (Russell Huebsch, Demand Media)	Part of brand awareness strategy and integrity. Also measured as part of the earned media received.
Kalispell branded merchandise	Discover Kalispell purchases branded merchandise for promotional purposes.	Branded merchandise distributed to targeted individuals helps to sustain and build interest in our destination.		Part of the brand awareness strategy.

