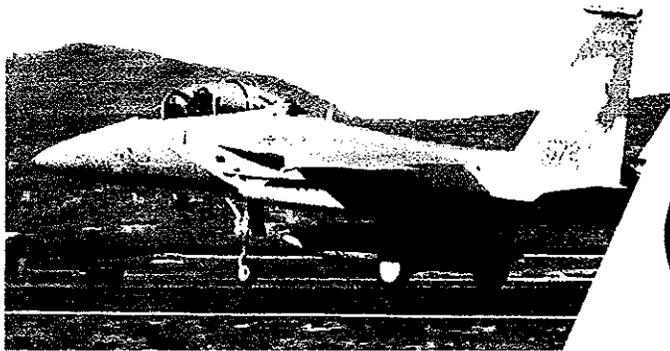


KLAMATH COUNTY TOURISM
GRANT PROGRAM APPLICATION

DISCOVER
KLAMATH
OREGON UNEXPECTED

SENTRY EAGLE 2013



Date Issued: March 1, 2013

Date Submitted: March 29, 2013

Issued By: Klamath County Finance
305 Main Street
Klamath Falls, Oregon 97601

(541) 883-4202

Applications Due: 2:00 p.m., March 29, 2013

TOURISM GRANT APPLICATION

Organization Applying: Discover Klamath Visitor & Convention Bureau
Address: 205 Riverside Dr., Ste. B.
City, State, Zip: Klamath Falls, OR 97601
Contact Person: Jim Chadderdon, Executive Director
Phone Number: 541-882-1501
Tax ID # or SSN: #26-4038270
Email Address: JimC@DiscoverKlamath.com
Web Site Address: DiscoverKlamath.com
Title of Project: Out of County Promotion of Sentry Eagle 2013
Brief Description of Project: This project will be a joint partnership between Discover Klamath Visitor & Convention Bureau and several flagship lodging establishments to draw out-of-town visitors, specifically, to the Sentry Eagle Open House the weekend of August 10, 2013.

The undersigned, as proposer, declares that he/she has carefully examined the requirements of the Klamath County Tourism Grant Application packet and agrees, if the application is funded, that proposer will enter into an agreement with the County to furnish the services as specified, in accordance with the grant application attached.

Signature of Applicant *Jim Chadderdon* Date 3-29-13
Jim Chadderdon
Signature of Board Chair *J. Roe* Date 3-29-13
Jenifer Roe

Tourism Grant Budget Form

| INCOME | Committed | Pending | Total | Actual | Comments/Explanations |
|---|------------------|-----------------|------------------|---------------|---|
| Tourism Grant Request | 10,000.00 | | 10,000.00 | | |
| Cash Match - Source: Discover Klamath | 1,000.00 | | 1,000.00 | | |
| Total Cash Match | 1,000.00 | | 1,000.00 | | |
| Other Funding Sources: Source: Running Y Ranch | 500.00 | | 500.00 | | |
| Source: Best Western | | 500.00 | 500.00 | | |
| Source: Holiday Inn Express | | 500.00 | 500.00 | | |
| Total Other Funding Sources | 500.00 | 1,000.00 | 1,500.00 | | |
| Total Projected Revenue | 11,500.00 | 1,000.00 | 12,500.00 | | |
| EXPENSES | | | | | |
| Advertising: | | | | | |
| Print / Magazines | 0.00 | | 0.00 | | |
| Television; Market A (No. Cal) | 3,000.00 | | 3,000.00 | | |
| Television: Market B (So. Ore) | 3,000.00 | | 3,000.00 | | |
| Television: Market C (Eugene) | 3,000.00 | | 3,000.00 | | |
| Radio: (Markets TBD) | 1,500.00 | | 1,500.00 | | |
| Web: Discover Klamath Banner | 500.00 | | 500.00 | | |
| Other Internet: Trip Advisor | 1,000.00 | | 1,000.00 | | |
| Other Internet: Email Blasts | 0.00 | | 0.00 | | Discover Klamath Lists |
| Other: Feature Story/DK Mag | 500.00 | | 500.00 | | |
| Public Relations Outreach | 0.00 | | 0.00 | | Discover Klamath Labor |
| Total Advertising | 12,500.00 | | 12,500.00 | | |
| Printing | 0.00 | | 0.00 | | |
| Postage | 0.00 | | 0.00 | | |
| Misc/Other (Explain): | | | | | |
| Produce TV, Radio, Web Ads | 0.00 | | 0.00 | | Discover Klamath will absorb estimated production costs of \$1500 |
| Day of Event-Onsite Promotion | 0.00 | | 0.00 | | Discover Klamath Booth |
| Total Miscellaneous/Other | 0.00 | | 0.00 | | |
| Total Projected Expenses | 12,500.00 | | 12,500.00 | | |
| Net Projected Income<Expense> | 0.00 | | 0.00 | | |

PROJECT DESCRIPTION

Project Plan:

1. What is the main focus of this proposal?

The focus of this grant application is to promote the Sentry Eagle Open House 2013 to potential out-of-county visitors. Discover Klamath and its three lodging partners (Running Y, Best Western, and TBD) seek to entice people to Klamath County to enjoy the unique exercises and activities the 173rd Fighter Wing will display at its public event, Saturday, August 10, 2013. Because the base is a federal organization, it is restricted from actively marketing themselves. Discover Klamath and its partners believe it would be a wasted opportunity not to take advantage of highlighting this unique-to-the-basin (and to southern Oregon) event offered by the 173rd Fighter Wing.

2. What are the project activities?

Discover Klamath will employ an integrated marketing approach to inform potential visitors of the Open House, as well as to additional activities and venues in Klamath County. Discover Klamath plans to produce and air several television commercials focusing on the event, lodging options, and other recreational opportunities while in the Basin. The TV campaign will be supported by web banner ads, public relations, spot radio ads, email blasts, and a feature story in its summer e-magazine. Also, Discover Klamath will have an on-site presence on the day of the event, to help educate visitors about the myriad recreational and cultural opportunities in the Basin.

3. When will the project occur? How long will it last?

Public Relations releases will be issued six weeks in advance of the event (which is on 8/10/13) to an established list of media contacts. Active marketing will begin four weeks in advance, in established markets as discussed with the Sentry Eagle public affairs office and lodging partners. This active marketing will last through the day of the event.

4. Who is the target market? What is your strategy for reaching the target market?

a) *Target Audiences:*

The demo for this type of event is broad, essentially an 18-80 audience, so the majority of our media will target a general population base. However, several demos will receive greater focus (all out of county):

- (i) Households with children at home
- (ii) Veterans and/or people connected to the services
- (iii) Adventure Seekers – those who are excited by adrenaline situations

b) *Promotional Strategies:*

- (i) Market in regions where Klamath Falls is accessible by car within 2-5 hours
- (ii) Use TV predominantly, because it reaches a large and general population base, plus, TV is a visual medium which does a great job of telling our story.
- (iii) Use Radio sparingly in prime drive time, to augment TV, because radio is inexpensive and builds message frequency effectively when used in combination with TV.
- (iv) Use Public Relations to get the word out and get the event calendared on TV, Radio, Newspaper, Blogger, and other sites. Also, PR will be used in advance of the event to secure coverage (using video files from 2011's event) to generate interest on out of town local newscasts, newspaper articles, etc...
- (v) Use Digital Media (web/internet/email) in a variety of ways to reach younger audiences, more tech-savvy audiences, and people who are mobile
- (vi) Have an on-site presence at the event to engage the audience for purposes of collecting data/research, as well as to service the public with information about other things to do/see in the Klamath area while folks are in town for the air show.

Project Goals:

5. How many visitors do you expect to attract to Klamath County? How will you count the number of visitors versus the number of locals?

In 2011, the Sentry Eagle anecdotally drew 10,000 visitors both locally and from outside the area. Discover Klamath developed a TV campaign for this event which aired in the Redding/Chico, Southern Oregon, and Eugene markets.

As there were no solid measures of success in place last time (that we were aware of) measuring audience size and disposition, Discover Klamath proposes (if funded for this project) a survey with an incentive for visitors to complete. Our goal would be a statistically projectable sample size of 300+ respondents. Discover Klamath will have a table at the event and collect surveys/market research, including visitor counts, where people are from, how they heard of the event, etc...

6. How are you planning on extending the visitors length of stay? How will you encourage early arrival and late departure?

Discover Klamath will work with key lodging establishments to offer multiple night discount packages. Lodging packages will be promoted across all media through hot deals channels such as social media, television commercials, e-blasts, and on the new Discover Klamath mobile application (launched February 2013).

QUALIFICATIONS OF APPLICANT

7. Describe your organization.

Discover Klamath Visitor & Convention Bureau is Klamath County's official tourism agency, promoting the beauty and culture of over 6100 square miles to those outside of the area. Our mission is:

"Discover Klamath strengthens Klamath County's economy by attracting and encouraging visitors and residents to experience the Klamath region by promoting the area's strengths including its unique natural environment, vibrant cultural communities and rich heritage resources."

Since 2009, Discover Klamath has delivered the message of "Oregon Unexpected" through both traditional and cutting edge media. By developing partnerships, Discover Klamath seeks to leverage its budget and extend its reach and the reach of its partners to increase visitors and the length of stays to Klamath County.

In its four years of operating, Discover Klamath has leveraged approximately \$600,000 (roughly \$150,000 annually) into approximately 80,000,000 gross media impressions (people seeing our message of come to Klamath County).

8. Describe your experience in operating past or similar projects. Have these projects been successful in bringing tourists to Klamath County? How are you uniquely qualified to carry out this project?

Discover Klamath has extensive experience partnering with event organizers in Klamath County to promote their activities. Because Discover Klamath is an outbound marketing agency, we are uniquely qualified with relationships already established to media outlets to help organizations obtain more efficient media negotiations and placement of advertising. Discover Klamath helped Sentry Eagle in 2011, spending approximately \$3,000 to actively marketing the event.

MARKETING PLANS

9. Describe specifically how you will market the event to visitors.

First, we will meet with the lodging partners to firm up target markets selected for this promotion. Right now, we are thinking (i) Redding/Chico, (ii) Southern Oregon, and, (iii) Eugene are key markets but we asked the lodging folks for their thoughts and one market that is coming up is Reno. So, we will look more closely at Reno. I actually think Reno could be a good one because the Reno Air Show is one of the oldest and well known in the country so there are already a lot of people predisposed toward this type of event in that market.

Second, we will develop creative materials using our regular suppliers who develop TV, radio, web ads, press materials and more. We will work with the communications officers at Kingsley (as we did in 2011) to secure video footage and photography of the types of aircraft that will be used this year, in addition to obtaining all the fine details of the event so we can integrate those into our materials and promotional efforts.

Third, we will allocate promotional dollars by market and by medium, then send out RFPs to TV, radio, and other media outlets who will provide proposed placement schedules. We will go back and forth to negotiate the best deals. Usually, we negotiate what is called "Value Add" – these are extra TV, radio, web placements because (a) we are a non-profit, (b) we are a tourism agency, and, (c) we tend to buy from these media outlets on a regular basis so we can easily ask for extra favors.

Fourth, we will create a media placement schedule and work against that schedule. PR is the longest lead time item, usually 4-6 weeks out from the event date. TV and radio production is also done 4-6 weeks out. TV and radio placement begins 4 weeks out (around July 10th). Digital media – such as email blasts, web banner ads, etc.. will also fall in the period of occurring from 0-4 weeks out.

Fifth, Discover Klamath will be assembling its SUMMER GETAWAY GUIDE in May. We will work with Kingsley Communications Staff (specifically Jennifer Shirar and Jefferson Thompson) to write a story that will be included in our 16 page quarterly guide. That guide will be pushed out digitally to our database of names, and, between 1500 and 2500 printed copies will be produced and sent out as a fulfillment piece to people requesting information about Klamath during the May/June/July/August time period.

Finally, Discover Klamath will be on-site at the event, capturing information via survey from attendees to obtain a sense of where people are coming from, how they heard about the event, demographic information, etc... This will provide the important feedback loop into our marketing efforts.

10. How will you measure your success or attendance? Examples: Survey, Raffle, Ticket Sales. (be specific)

Success will be via several measures. First, the additional media will contribute to a four-year Klamath County brand-building effort. This effort is proving to be positive at raising awareness and interest in visiting Klamath County. Secondly, Discover Klamath will deploy a survey to track local and out of town participants, while capturing more information about how people became aware of the event, and more. And third, participating lodging partners will offer packages which can be tracked. Lodging will share their pre-post occupancy with Discover Klamath. Finally, web/online offers can be redeemed through Discover Klamath's website and online application. These can be tracked with Google Analytics with post-event reports generated.

11. If your project is already underway explain how this grant will increase your likelihood of success.

Discover Klamath will support and market the Sentry Eagle because it is an event with proven drawing power. Should it be awarded some or all of its requested funding, Discover Klamath will be able to increase its communication reach in targeted markets. With greater awareness for the event, it is likely more visitors will attend, bringing tourism dollars to our community in the form of lodging, restaurants, gasoline purchases, and more while they are in our community (see Other (8) below).

12. Describe any in-kind or volunteer assistance you expect to receive in support of this project. Letters of support may be attached. Letters should specifically address your proposal and why the writer believes the project will benefit the community.

Volunteer assistance will be utilized on the day of the event. Discover Klamath will have its 10' x 10' pop-up display set up on-site and staff plus volunteers will man the booth, answering questions of those who visit the booth. Also, we will be conducting "intercepts" at the event, to collect marketing research information. Again, volunteers will be used in addition to staff for capturing this information. We estimate the volunteers savings to be in the range of \$400 dollars (5 volunteers times \$10/hour times 8 hours).

OTHER

While not on the application as an official question, I/we thought we might take a shot at quantifying the benefit to our community from non-locals / out of towners attending this one day event. Feel free to challenge these numbers because they are certainly not in cement and were put together just to get a sense of the rough magnitude of revenue (and taxes) this event may generate:

- 1) Number of people at 2011 event: 10,000 (estimated by Herald and News)
- 2) Target for 2013 event: 11,000 (+10% versus two years ago)
- 3) Assumption of in versus out of county attendance: 75/25
 - a. 8250 are local, 2750 are from out of town
- 4) Assumption on how much money is spent by out of town people:
 - Lodging: (i) 1/3 get rooms (916) for one night, (ii) Avg. room rate is \$76.59 (rate in Aug 2012).
Total lodging revenue = \$70,156
 - Food: \$20 per person per day: 2750 x \$20 = \$55,000 (\$8250 in Tip Revenue @ 15%)
 - Fuel: 1 in 4 non-locals has a car/fills up locally 12 gallons @ \$4.00/gallon. 688 x 12 x \$4 = \$33,024
 - Other: 1 in 10 non-locals spends \$10 on something else (gift, etc.): 275 x \$10 = \$2750
 - Total Spend: \$160,930
- 5) Tax Benefit (lodging): 8% x \$70,156 = \$5613.00 back into the county's lodging tax fund
- 6) Other Tax Benefits (alcohol, cigarettes, gas taxes, etc...): Unknown
- 7) Branding Value of new people seeing/experiencing Klamath: ??? (not easy to quantify)
- 8) NOTE: Discover Klamath has been doing a continuous visitor study since July 2012. Our data shows the average person spends \$194.50 per day while in the area, which would amount to \$534,875 left by out-of-town visitors. If true, then our (above) figure of \$160,930 is very low. When you consider the 5 to 7 times recirculation those dollars have in our community, then the overall economic impact could be in the range of \$800,000 to \$2,750,000.