

# San Antonio Tourism Public Improvement District (SATPID) Updated FY 2020 Service Plan

## PROJECTED EXPENDITURES FY 2020

The SATPID budget will be allocated as shown in the table below.

SERVICE	%	\$
Marketing	49.5%	\$5,420,151
Sales	40.5%	\$4,434,669
Industry Partnerships	5%	\$547,490
Research and Administration	3%	\$328,494
Contingency Marketing/Sales Funds	2%	\$218,996
<b>TOTAL</b>	<b>100%</b>	<b>\$10,949,800</b>

## PROJECTED EXPENDITURES – 8 Year Term

The estimated eight (8) year projection is shown in the table below.

Fiscal Year	Marketing	%	Sales	%	Industry Partnerships	%	Research & Admin	%	Contingency Sales/Mktg Funds	%	Total
2019	4,010,231	49.5%	3,281,209	40.5%	405,080	5.0%	243,048	3.0%	162,032	2.0%	8,101,600
<b>2020</b>	<b>5,420,151</b>	<b>49.5%</b>	<b>4,434,669</b>	<b>40.5%</b>	<b>547,490</b>	<b>5.0%</b>	<b>328,494</b>	<b>3.0%</b>	<b>218,996</b>	<b>2.0%</b>	<b>10,949,800</b>
2021	5,173,591	45.0%	5,173,591	45.0%	574,843	5.0%	344,906	3.0%	229,937	2.0%	11,496,869
2022	5,432,271	45.0%	5,432,271	45.0%	603,586	5.0%	362,151	3.0%	241,434	2.0%	12,071,713
2023	5,703,884	45.0%	5,703,884	45.0%	633,765	5.0%	380,259	3.0%	253,506	2.0%	12,675,298
2024	5,989,078	45.0%	5,989,078	45.0%	665,453	5.0%	399,272	3.0%	266,181	2.0%	13,309,062
2025	6,288,531	45.0%	6,288,531	45.0%	698,726	5.0%	419,235	3.0%	279,490	2.0%	13,974,513
2026	6,602,958	45.0%	6,602,958	45.0%	733,662	5.0%	440,197	3.0%	293,465	2.0%	14,673,240
<b>Total</b>	<b>44,620,695</b>		<b>42,906,191</b>		<b>4,862,605</b>		<b>2,917,562</b>		<b>1,945,041</b>		<b>97,252,095</b>

## **SAN ANTONIO TOURISM PUBLIC IMPROVEMENT DISTRICT SERVICES**

The SATPIDC Board has the authority to make adjustments of up to ten percent (10%) of the funds between approved budget categories of the adopted service plan. For FY 2020, the SATPIDC Board elected to exercise these adjustments and increased the assigned budget for marketing from 45% to 49.5% and correspondingly adjusted the assigned budget for sales from 45% to 40.5%. These adjustments were strategically employed to help positively influence leisure travel in FY 2020 to help offset an anticipated softer group business outlook for the coming year.

### **Increased Marketing Initiatives**

*FY 2020 – Increased Marketing: 49.5% – \$5,420,151*

Forty-nine and a half percent (49.5%) of the annual budget shall be targeted for increased marketing initiatives to drive more hotel activity to San Antonio. The Marketing program will promote San Antonio hotels within the District for increased leisure, meeting, and event business at District hotels. The program will set out to increase room night sales and may include but is not limited to the following activities.

Programs to increase demand at assessed hotels within the District through:

- Increased internet marketing efforts to grow awareness and optimize internet presence to drive higher overnight visitation and room sales to assessed hotels within the District;
- Additional print ads in magazines targeted at potential visitors to drive increased overnight visitation and room sales to assessed hotels within the District;
- Increased television ads and online video allowing San Antonio’s messaging to increase from 14 to 30 TV markets;
- Additional radio and streaming radio ads targeted at potential visitors to drive increased overnight visitation and room sales to assessed hotel properties within the District;
- Preparation and production of new collateral and promotional materials such as brochures, flyers and maps featuring assessed hotels within the District;
- Development and implementation of an enhanced and new public relations and communications strategies, inclusive of social media outlets and press release distribution designed to increase overnight visitation at assessed hotels within the District;
- Development of Return on Investment (ROI) analysis on the effectiveness of SATPID expenditures and programs to increase overnight visitation at assessed hotels within the District.
- Marketing initiatives will result in minimum ROI threshold of 7:1 in collective consumer spending versus total marketing investment. The marketing initiatives will be overseen by the San Antonio Tourism Public Improvement District Corporation (SATPIDC) Board, the oversight entity composed of stakeholder hotels within the district. The SATPIDC Board will review applicable metrics for the 7:1 ROI measurement for all SATPID marketing initiatives.

### **Increased Sales Initiatives**

*FY 2020 – Increased Sales: 40.5% – \$4,434,669*

Forty and a half percent (40.5%) of the annual budget shall be targeted for increased Sales initiatives. The Sales initiatives will be designed to increase room night sales for assessed hotel properties within the District and may include but are not limited to the following activities:

- Provide additional financial incentives to maintain and attract new meetings, conventions and events that will have a significant impact on demand for hotel activity for assessed hotels within the District;
- Increased sales and strategy staff and re-deployment in key regions to supplement the selling of San Antonio as a premier destination;
- Increased attendance at professional industry conferences and affiliation events to promote increased business for assessed hotels within the District;
- Additional lead generation efforts designed to attract increased tourist and group events to assessed hotels within the District;

- Attendance of additional trade shows to promote increased leads for assessed hotels within the District under 500 rooms;
- Additional sales blitzes featuring assessed hotels within the District; and
- Additional key market specific familiarization tours showcasing assessed hotels within the District.
- Sales initiatives will result in a minimum ROI threshold of 7:1 in collective hotel revenue versus total sales investment. The ROI for all Sales initiatives will be measured based on increased room revenue production. The SATPIDC Board will review the applicable metrics for the 7:1 ROI measurement for all SATPID sales initiatives.

## **Industry Partnerships**

**5% - \$547,490**

The Industry Partnerships program is geared to protect the flow of existing and new hotel business and a positive business environment for hotels at the local and state level. It includes coverage for various services by key industry organizations that work with the local hotel industry, which may include but is not limited to the following: 1) San Antonio Hotel & Lodging Association; 2) Texas Hotel & Lodging Association; and 3) Visit San Antonio member services.

## **Research and Administration**

**3% - \$328,494**

Research and Administration includes the costs for research initiatives that will help to assess the effectiveness and ROI of SATPID funded sales and marketing initiatives. This category also funds the costs for any supplemental administrative staffing of SATPID programs and other general administrative SATPID costs such as insurance, legal, and accounting fees. It is the intent of the stakeholders within the District that the SATPID funds be used to maximize the provision of service that generate demand for incremental additional room nights. SATPID funds may be used as provided in this service plan to pay for actual direct administrative costs associated with providing the SATPID services. However, such costs shall not include existing staff costs or existing overhead costs that are already fully covered by the current Visit San Antonio budget, unless specific SATPID duties for a Visit San Antonio staff member are identified and approved to be performed by the SATPIDC Board.

## **Contingency Sales/Marketing Costs Reserve Fund**

**2% - \$218,996**

These funds may be used to supplement the marketing, sales, or the other budget categories outlined within the service plan, with any such funding allocations to be approved annually by the SATPIDC Board.