



City of San Antonio

Agenda Memorandum

File Number: 15-5854

Agenda Item Number: 20.

Agenda Date: 1/28/2016

In Control: City Council A Session

DEPARTMENT: San Antonio Convention & Visitors Bureau

DEPARTMENT HEAD: Casandra Matej

COUNCIL DISTRICTS IMPACTED: City-Wide

SUBJECT:

Foreign Representative Services in Canada for San Antonio Tourism

SUMMARY:

An Ordinance authorizing a three-year Professional Service Agreement with Pulse Travel Marketing, LTD for foreign representative services assisting the San Antonio Convention & Visitors Bureau (CVB) in its marketing and tourism efforts in Canada, in an amount not to exceed \$100,000.00 per year, with an option to renew for one additional two-year (2) term.

BACKGROUND INFORMATION:

On an annual basis, the San Antonio's hospitality industry has an economic impact of \$13.4 billion, brings in 31 million visitors, employs more than 122,500 workers and has a \$2.5 billion payroll. The CVB is the entity primarily charged with promoting and marketing San Antonio as a premier convention and meetings destination and a domestic and international visitor destination, for the purpose of positively affecting the City's economy.

One of the important tasks for destination management and marketing organizations is to identify potential markets for growth. The CVB vision is to position San Antonio as Canada's preferred global destination for tourism. The CVB completed its last contractual year with the prior agency which expired on September 30, 2015. The RFP was released on August 14, 2015 and closed on September 16, 2015. A five -member Evaluation Committee with representatives from the private sector coupled with CVB staff reviewed the responses and performed a thorough review of all written responses. Four responses were received and

evaluated. The evaluation committee interviewed two of the short-listed firms (Pulse Travel Marketing and Vox International). The Committee recommends the highest ranked firm, Pulse Travel Marketing for award based on their scores in the following evaluation criteria: Experience, Background and Qualifications; Proposed Plan; Price Schedule; Local Preference Program Ordinance and Veteran-Owned Small Business Preference Program Ordinance.

Pulse Travel Marketing will assist the CVB in expanding the CVB's marketing and tourism efforts in Canada and will promote tourism resources to designated audiences. Pulse Travel Marketing has extensive experience with key strategic partners in all areas of tourism development around the country, such as airline market leaders, major trade associations, key players in meetings, incentives, conferences, exhibitions (MICE) and leisure industry, government high-level network (federal, state, and local levels), wholesale operators, travel agencies and online travel agencies in Canada. The overall goals of this partnership are to establish a comprehensive understanding of the Canadian market that will lead to promising opportunities for (1) enticing new visitors, (2) getting current visitors to increase their frequency of visitation, (3) increasing length of stay and (4) increasing the amount spent when visiting.

An overview of the scope of services includes promoting tourism resources, creating and sustaining an accurate image and/or understanding of San Antonio and developing promotional campaigns coordinated with the CVB in order to promote and market San Antonio as a premier leisure visitor and convention/meeting destination.

In order to increase the awareness and number of visitors to San Antonio from Canada, primary services and activities performed by Pulse Travel Marketing under this contract include the following:

- I. Operational Services - Provide communication needs/services (e.g. telephone line, fax email address)
- II. Sales Calls/Client - make personal calls and/or client training sessions per month to key travel account representatives
- III. Strategic Direction - participate in strategic direction meetings in San Antonio in development of the marketing/advertising/media plans in Canada
- IV. Communication Objectives - work to increase awareness and focus communications on stimulating more Canadian travelers to San Antonio and obtain a minimum of \$350,000 in media value on an annual basis
- V. Consumer Initiatives - provide CVB staff with logistic and effective consumer promotion opportunities
- VI. Travel Shows - review and analyze all consumer travel and consumer trade show opportunities
- VII. Familiarization ("FAM") Trips - coordinate aspects of individual and/or group media trips to San Antonio; identifying participants and verifying their influence on travel
- VIII. Airline Opportunities - identifying the potential for adding new direct flights and/or marketing opportunities; aligning with City of San Antonio Airport Initiatives

ISSUE:

To assist in staying competitive within the hospitality/tourism industry and to increase awareness to our destination, the CVB is requesting authorization to award a professional services agreement to Pulse Travel Marketing. If approved by City Council, the partnership with Pulse Travel Marketing and the CVB would begin in February 2016.

The Local Preference Program was applied in the evaluation of responses received for this contract; however the highest ranked firm is not a local business.

The Veteran-Owned Small Business Preference Program was applied in the evaluation of responses received for this contract; however, the highest ranked firm is not a veteran-owned small business.

ALTERNATIVES:

Alternatives to approving the agreement as presented with Pulse Travel Marketing would be to approve the contract with changes in the scope of work, or to postpone or deny approval. Postponement or failure to approve this ordinance request will delay the opportunity to maximize awareness, number of visitors and visitor spending from Canada visitors to San Antonio.

The CVB does not recommend any of these alternatives. The terms and conditions of this proposed agreement have met the expectations of the CVB in providing the City with foreign representative services in Canada.

FISCAL IMPACT:

This ordinance authorizes the execution of a three-year Agreement with Pulse Travel Marketing, with an option to renew for one additional two-year (2) term, in an amount not to exceed \$100,000.00 per year for the first three years. The annual amount for the Renewal Term, if utilized, shall be \$110,000 for the additional two-year renewal period. Funds for this program are available within the CVB budget funded by the Hotel Occupancy Tax.

RECOMMENDATION:

Staff recommends approval of the authorization to award a professional services agreement to Pulse Travel Marketing for foreign representative services to assist the CVB in its marketing and tourism efforts in Canada.