



Proposal for Research and Consulting Services:

- **Resident Sentiment & Perspective Study**
 - **Visitor Profile Study**
- **Strategy Recommendations**

Prepared for:

Visit Mendocino

Submitted by:

Travel Analytics Group



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Introduction

Mendocino County is located in the rural coastal region of California, a 2 – 3 hour drive north of San Francisco and about the same distance west of Sacramento, the region's main population centers.

With its beautiful scenery and rugged coastline, Mendocino is an attractive visitor destination for outdoor recreation, exploring, relaxing, and visiting wineries and cannabis sites among its many popular activities. As such, tourism is an important element of the regional economy and its tax and employment base.

In the past few years two key issues have emerged:

- The issue of peak travel, or "overtourism," impacting the quality of the visitor experience in the destination and quality of life for local residents;
- COVID-19, which essentially shut-down travel and tourism in 2020; while now emerging from the pandemic, it has altered the destination visitor profile.

As the official destination marketing organization for Mendocino County, Visit Mendocino (VM) is concerned about area tourism impacts in terms of resident perceptions and on the natural environment. VM also seeks to identify who are current visitors and how to effectively market to them. These two issues are interrelated; who visitors are and what they do can influence resident perceptions about tourism.

The Travel Analytics Group (TAG) is proposing an integrated approach to conduct research to:

- gather and understand resident perceptions
- identify current visitors, their destination experiences and perceptions
- develop strategy based on the research to optimize the destination experience and management.

TAG principals are Carl Ribaud, SMG Consulting a research and strategy firm, and Lauren Schlu, Lauren Schlu Consulting, a research firm.

Presented below is our approach, timing and cost to conduct this research, first detailing the resident study, then the visitor profile study. Note the studies will be developed concurrently, conducted separately, with the results analyzed separately and jointly to identify commonalities.

1. Resident Study

The issue of peak travel, referred to as, "overtourism" is a growing industry concern, trending in many published works and with varying approaches and opinions. Dissecting this critical issue is imperative to gain a clear understanding and to develop better management and positive future outcomes.

While destination crowding and seeking "the road less traveled" are not new to tourism, overtourism has become more pronounced, especially as destinations literally started closing venues and times of visitation due to negative impacts *attributed* to tourism. The World Tourism Organization (UNWTO) defines overtourism as:

"The impact of tourism on a destination, or parts thereof, that excessively influences the perceived quality of life of citizens and quality of visitor experiences negatively."¹

This definition of overtourism includes impacts both to locals, who may view tourism as disruptive or a burden on daily local life, and visitors, who may find crowds and other impacts diminish their destination experience.¹

Overtourism has become visible and increasingly discussed in many California destinations including Mendocino County, with the key factors being: too many visitors in an area, both in urban and natural settings, on peak periods, disturbance (impact of over-congestion), physical impacts (overdevelopment at the expense of the natural environment) and over-use of natural resources (e.g., water), and their impacts on these same spaces or resources shared by residents.

As the issue has grown, many DMOs seek to better understand its impacts on the local community and residents. As such, Visit Mendocino leaders have identified the importance of assessing how residents perceive and experience tourism impacts on their quality of life, and to identify ways to address them. Well developed outcomes will enhance both resident quality of life and the visitor experience.

Beyond focusing on collecting and reporting data, we use a different lens to identify issues and solutions. Having worked in destinations throughout the state, we believe the data and analysis are integral to forming sound fact-based strategic recommendations. We will work to design each aspect of the project to contribute to optimal approaches and strategy for Visit Mendocino.

¹ World Tourism Organization-UNWTO.org

Philosophy of Research and Strategy

Research and strategy are living, breathing things. They are not static. It's meant to measure change and adapt to take advantage of that change, not resist it.

Implementing research and developing a strategy is meant to be thoughtful, creative, and stretch your thinking about possibilities, not just the outcome you think you want.

Implementing research and developing strategy is meant not only to exert your advantage but to also learn, for it is knowledge and insight that fuels the strategist's mind.

The thought process of implementing research and creating strategy is as or in many cases, more important than the plan itself.

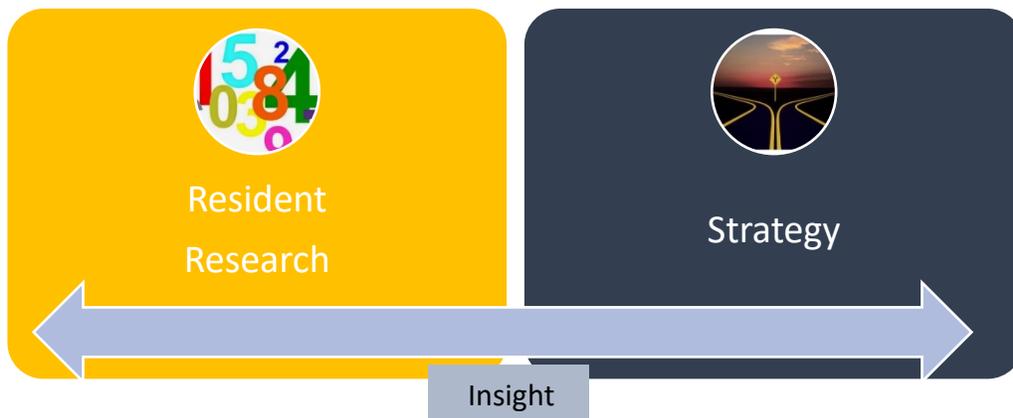
It's the process that creates confidence to move forward or change course.

Overview

Visit Mendocino has requested a proposal to conduct a comprehensive resident sentiment and perspective research study. Our approach is to include, in addition to and on the basis of the research and strategy, recommendations to provide Visit Mendocino with actionable solutions.

This approach comes from our experience as to how DMOs need to and do create value for the *destination*, no longer just for area lodging or attractions. DMOs need to consider a new value creation model that includes and aligns the tourism industry, residents, and local government, the underpinning of destination *management*. Additionally, we bring extensive knowledge and experience in Mendocino County and insights into the destination's challenges and opportunities.

Mendocino County Tourism Study Framework



This approach will provide comprehensive and integrated results, intended to provide Visit Mendocino with the information, data, and strategic insights to help adapt to an ever-changing and ever-competitive environment to best manage resident (as well as visitor) needs and expectations.

Project Overview

The **sentiment and perspective and research study** will identify resident perceptions of tourism within the county, including how they perceive benefits and challenges that tourism brings. Again, study design, from questionnaire to data collection and analysis, will inform developing solutions to resident's expressed concerns.

Project Objectives

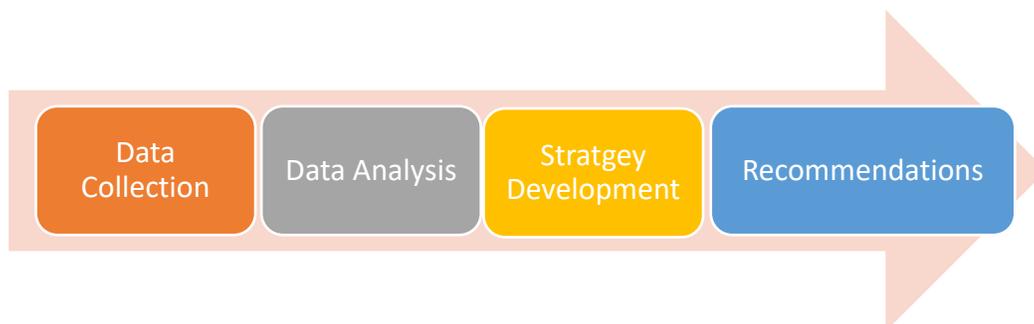
1. Identify resident sentiment, including favorable and unfavorable perceptions of tourism.
2. Identify what residents need and want from tourism beyond just employment.
3. Engage the local community in collecting the information to make them part of the coalition to find solutions to identified challenges. Provide a profile of spending patterns and economic and fiscal impacts.
4. Ultimately, collecting the data and the strategy helps favorably position Visit Mendocino as part of the solution to overtourism.

Scope of Work

What We Intend to Accomplish for Visit Mendocino.

In considering this critical project, we intend to provide Visit Mendocino with a comprehensive study (research + strategy) to understand resident sentiment and perspective on tourism, as depicted:

Visit Mendocino Project Scope



Phase 1: Data Collection

Collect primary research information and data of Mendocino County residents, specifically collecting information on tourism **perceptions, attitudes, and needs from the industry.**

Phase 2: Data Analysis

Analysis of the collected information and data with an eye toward how the information can inform a resident strategy for Visit Mendocino.

Phase 3: Strategy Development

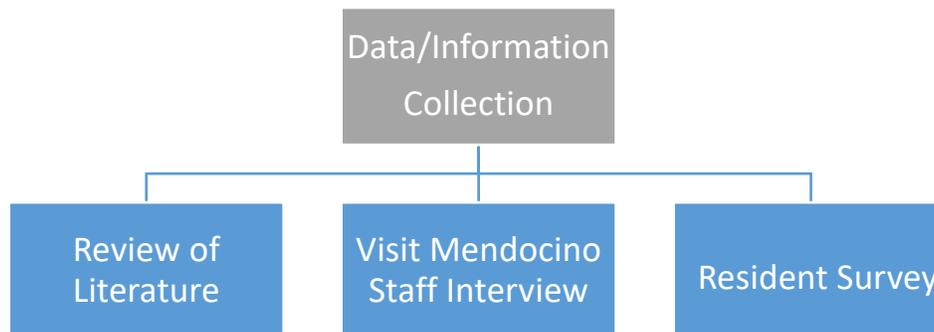
From the analyzed visitor information, develop a comprehensive strategy and recommendations that will optimize Visit Mendocino's strengths and areas of opportunity with residents as identified in the study.

Phase 4: Recommendations

Specific strategy recommendations to address issues uncovered in the study.

Methodology**Information/Data Collection**

This phase includes the collection of data from three distinct source areas:

**Review of Literature**

- A. Will implement a review of the most current literature on the issue of Overtourism. (Maximum 10 Articles).
- B. I will summarize the key observations, findings as possible solutions being implemented for consideration.

Visit Mendocino Staff Interview

- A. **"Zoom Meeting"** to gain the Visit Mendocino perspective on the issue, surface any potential areas of inquiry that should be included in the survey. Part of this discussion may be based on findings in the literature review.

Resident Survey Development and Implementation

A. *Survey Development:* We will develop a questionnaire/survey to be completed via the internet, first in draft in MS Word for your review and comment. On that basis, we will then refine and finalize the survey for programming. Sample question areas include these among others:

- Current resident living In Mendocino County
- How long residing within Mendocino County
- Employed in tourism/hospitality industry
- Perceptions of tourism economic development role
- Types and frequency of experiencing negative impacts of tourism
- # of visitors or a specific segment of visitors
- Impact of tourism on quality of life
- Tourism as a positive for the County
- Tourism impact on the environment
- Tourism impact on the housing
- Tourism impact on the employment
- Tourism creates more opportunities for you
- Tourism management appropriate
- Others TBD

B. *Survey distribution/deployment:* Once the survey is programmed it will be distributed by Visit Mendocino and other stakeholders who have resident databases. We will develop the outgoing email solicitation and explanation of the survey with the survey access link. Community groups who may distribute the survey include the following:

- Chambers of Commerce
- Rotary Clubs & other Service Organization
- PAMA - Pt. Arena Merchants Association
- MCLA - current version
- Community Foundation of Mendocino County
- West Business Development Center
- Noyo Harbor District
- Visit Fort Bragg
- Ukiah Downtown Merchants Association
- MAPS - Mendocino Area Parks Association
- City of Ukiah
- City of Fort Bragg
- City of Willits
- City of Point Arena

Engaging community groups early and throughout the process is integral to the strategy, enabling Visit Mendocino to present the study as "**community-based**" and to achieve better buy-in for future implementation.

Data Analysis

- A. Collected data will be tabulated, and banner points selected for the analysis
- B. Develop data crosstab/segment plan with variables such as resident tenure, age, etc.

Strategy Design and Recommendations

- A. Strategy development will be based on the information collected and analyzed previously.
- B. Once the data has been analyzed, we will develop a strategic framework to develop the recommendations and a final report.

Project Deliverables

A. Project Deliverables

The following are proposed deliverables:

- Resident sentiment and perspectives study market research report
- Final report Including findings, strategy, and recommendations

B. Resident Study Timeline

The proposed project timeline is as follows, subject to agreement with Visit Mendocino.

	<i>Month 1</i>	<i>Month 2</i>
<i>Information Gathering</i>		
Review of literature		
Staff Interview		
Survey development		
Survey Implementation		
<i>Data Analysis</i>		
Analyze Colelcted information		
<i>Strategy Development</i>		
Develop conceptual strategy		
<i>Recommendations & Final Report</i>		
Draft Report		
Final Report		

Visitor Profile Study

Overview

In 2020 the COVID-19 pandemic essentially shut-down travel and tourism; emerging from the pandemic in 2021 has shown that visitors have differed from who destinations had attracted, including Mendocino.

A key question is, who are Mendocino's current visitors? And, as this new visitor is expected to continue to come into the near-term future, it is important for Visitor Mendocino, the destination marketing organization, to have current and comprehensive visitor profile information and data for effective marketing.

Research Background

Visit Mendocino (VM) had gathered visitor profile data in conjunction with forming its tourism improvement district (TID). A limited visitor study was conducted in 2017 to support a rebranding effort. In both cases the data were not comprehensive relative to the breadth of visitation to the region, and as well, are now dated.

Given the changes in the visitor market and the need for Visit Mendocino to have a current and comprehensive visitor profile, we are proposing a visitor study as described below.

Scope of Work/Approach

The visitor profile study will be conducted in these phases:

1. Project & Questionnaire Development
2. Deployment
3. Data Analysis and Strategy
4. Report and Presentation

1. Project & Questionnaire Development

- a. Hold a preliminary meeting to finalize all details.
- b. In conjunction with Visit Mendocino, we will develop the questionnaire first in Word format for your review and comment, then finalize and program on that basis.
- c. Once the survey is programmed, we will send you a test link for review and final approval.
- d. The types of questions to be asked include: visitor geographic origin, prior visitation to Mendocino, purpose for traveling there, why selected Mendocino versus other destinations, season of visit(s), activities in the region, sites visited, length of stay, transportation to and in the destination, overnight lodging/ accommodations, travel group type, demographics e.g., age, gender, ethnicity, household type, household income.
- e. We also will include questions about destination satisfaction and related experience topics based on your interest and input.
- f. The questionnaire will be limited to 40 questions.

2. Deployment

- a. We understand that Visit Mendocino has a current and robust database of visitors who have inquired for information on the website. We ask you to develop a list of email addresses inclusive of the period 2020 and 2021, i.e., COVID period visitors.
- b. The survey link will be provided to Visit Mendocino to send out to the database; we will assist with developing the outgoing email messaging.
- c. We suggest that a small “thank you” incentive be offered to respondents completing the survey to ensure a sufficient response sample. We would like at least 350 complete surveys. We will work with you to determine the best incentive option.
- d. We suggest a response period of 3 – 4 weeks with a reminder sent after week one and week two.

3. Data Analysis

- a. Once the response period closes, we will download the data results for the “Total” base of respondents. On that basis we will identify and discuss with you the data segments (“cross-tabs”) and then will run the detailed data tables.

4. Report and Presentation

- a. We will analyze the data and develop a written report including insightful narrative discussion, data tables and graphs.
- b. In addition, we will include strategy recommendations based on the research data and findings to help best design, position and communicate Visit Mendocino messages to potential visitors.

- c. We will send you the report, first in draft for your review and comment, then on that basis finalize it.
- d. We will make an in-person or Zoom presentation of the results to your stakeholders upon your request.

Timing

- We anticipate a twelve week study period, assuming no unforeseen stoppages or delays. Should any arise, we will alert you.
- We assume a start date in early December to initiate the project.
- We will develop the questionnaire in December for deployment in early – mid January.
- We expect to deliver the draft report to you by the end of February

	Dec 2021				Jan 2022				Feb 2022			
Task / Week of Study	1	2	3	4	5	6	7	8	9	10	11	12
Project & Questionnaire Development, revisions, programming, testing												
Deployment/response period												
Data Analysis												
Report												
Presentation												TBD

Cost and Billing

Professional fees:

Resident study	\$11,200
Visitor Profile study	\$18,500
Strategy recommendations	<u>\$ 5,800</u>
Total	\$35,500

- These fees include time to prepare and make a final presentation to stakeholders by Zoom or in person.
- These fees exclude travel expense, cost to produce the database sample, to deploy the survey, or for the incentive.

Billing

If acceptable, we propose to bill you as follows, with all payments due and payable within 30 days of each invoice date.

- Initial invoice for one-third of the project fees or \$11,766 upon your written authorization of the study.
- Interim invoice for another one third, \$11,766 when we receive complete "Total" sets of data tables.
- Final invoice for the remaining final one-third, \$11,768 when we send you the draft report.

ABOUT THE TRAVEL ANALYTICS GROUP (TAG)

SMG Consulting, Carl Ribaldo President

SMG Consulting, located in South Lake Tahoe, CA, is a consulting firm specializing in strategic research, strategic planning, and marketing and strategy development services for tourism, recreation, and community-based organizations.

We pride ourselves on providing our clients with insights and solutions. As strategists who assist our clients by understanding significant issues needed for their success, we have attracted a roster of blue-chip public and private sector clients seeking real solutions to their challenges and opportunities.

As a consultant, Carl Ribaldo, President, brings a wealth of skills, experience, and knowledge relevant to this project, including the following:

- Extensive understanding of destination communities' key issues, including climate change, traffic and crowding, housing, and labor issues.
- We are experienced in over sixty destinations and a variety of organizations.
- Extensive experience and understanding of the Mendocino County marketplace.
- Extensive experience in research and analysis.
- Extensive experience in change management strategy.
- Expansive knowledge and experience in dealing with a variety of strategic and political issues related to tourism.

Consultant Profile

Carl Ribaldo – Project Director

As the President and Chief Strategist of SMG Consulting, Carl has developed new strategic approaches that tap into creativity as a unique competitive asset, with breakthrough insights, sustainable strategies, and plans that help leaders lead and get the change and results needed to be more effective. Experienced in over sixty destinations, he also develops effective change strategies that link an organization's capabilities to the ever-changing market environment. Carl is a trusted advisor to CEOs and senior executives throughout the west.



Carl has written extensively on business and strategy issues for tourism and destinations. A frequent guest speaker and panelist at industry conferences, Carl has served on Visit California's Research and ROI Committee and the Travel Nevada's Tourism Marketing Committee. Carl is also a partner in the OHV Partners Consulting Group, and is a strategist in the Insights Collective, a national tourism think tank in Denver, Colorado.

Carl earned a Bachelor of Science from California State University at Northridge and a Master of Business Administration (MBA) from San Francisco State University Graduate School of Business. He also completed a certificate program in Organizational Change Leadership from Cornell University and a certificate program in strategic thinking from Dartmouth College.

Lauren Schlau Consulting, Lauren Schlau, President

LAUREN SCHLAU CONSULTING has offered market research/consulting services since 1992 for private, not-for-profit, and public entities. We focus on economic development sectors including: travel/tourism; assessment districts; hospitality; retail; arts/culture/leisure.

We have assisted entities for which the ultimate goals are building value for consumers and businesses, growing the tax base, employment, and improving quality of life now and for future generations, all aligned with our own operating philosophy of *research for good*.

LSC offers a wide range of research services:

- **Quantitative:** Economic Impact, Brand development; Customer/visitor Demographic and Behaviors; Satisfaction studies
- **Qualitative:** Focus Group facilitation and in-depth interviewing

Notable Destination Clients include: Beverly Hills, Folsom, Inyo County/Eastern Sierra, Laguna Beach, Lake County, Los Angeles, Marina del Rey, Mono County, Newport Beach, Oceanside CA, Oxnard, Pasadena, Santa Barbara, Santa Cruz, Santa Monica, Solvang, Taos NM, Ventura, West Hollywood, Truckee, Visit California and California Welcome Centers.

Lauren Schlau, LSC President, has extensive market research/consulting experience. Prior to forming LSC, she was a senior manager at the Los Angeles office of PKF Inc., Consulting (now CBRE), and research director at the San Diego Convention & Visitors Bureau.

Ms. Schlau is involved with professional organizations including; CalTravel (board), Travel & Tourism Marketing Association (board, past president), Travel & Tourism Research Association, L A Tourism & Convention Board, LA5 Rotary.

Ms. Schlau earned a Master of Public Administration, University of Southern California and Bachelor of Science, Northwestern University. She holds two professional certificates; Leadership Development from UCLA Extension, and Management Development for Entrepreneurs from the premier UCLA Anderson School. She taught hospitality marketing at UCLA Extension.