

# Sun Valley Marketing Alliance

## Strategic Marketing Plan (SMP)

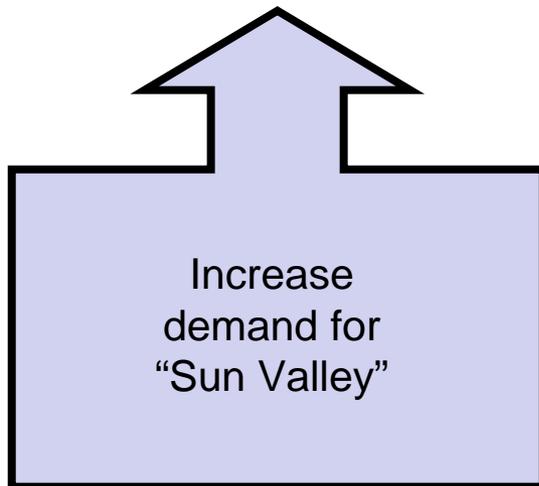
Presented to the Cities of  
Ketchum & Sun Valley

January 20, 2011

# Our mission

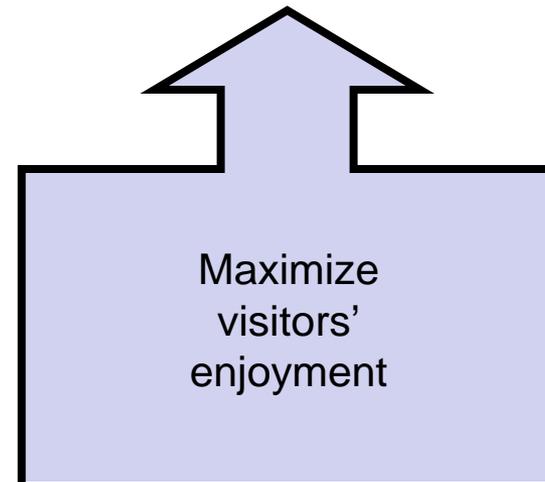
- Strategic marketing

- More people
- More days
- More LOT



- Local operations

- Visitor "coaching"
  - Match visitors with experiences
  - Promote all activities
- Conduct customer care training
- Manage US Nat'l MTB races
- Consolidate information about
  - Lodging
  - Events



Note: This presentation is focused on targeted marketing, not local operations

# This presentation is in four parts

- I. A reminder of our messages from October 2010
- II. Four minutes of a video of the CEO of Vail Resorts
- III. Observations from 11 Inc.
- IV. Our recommendations

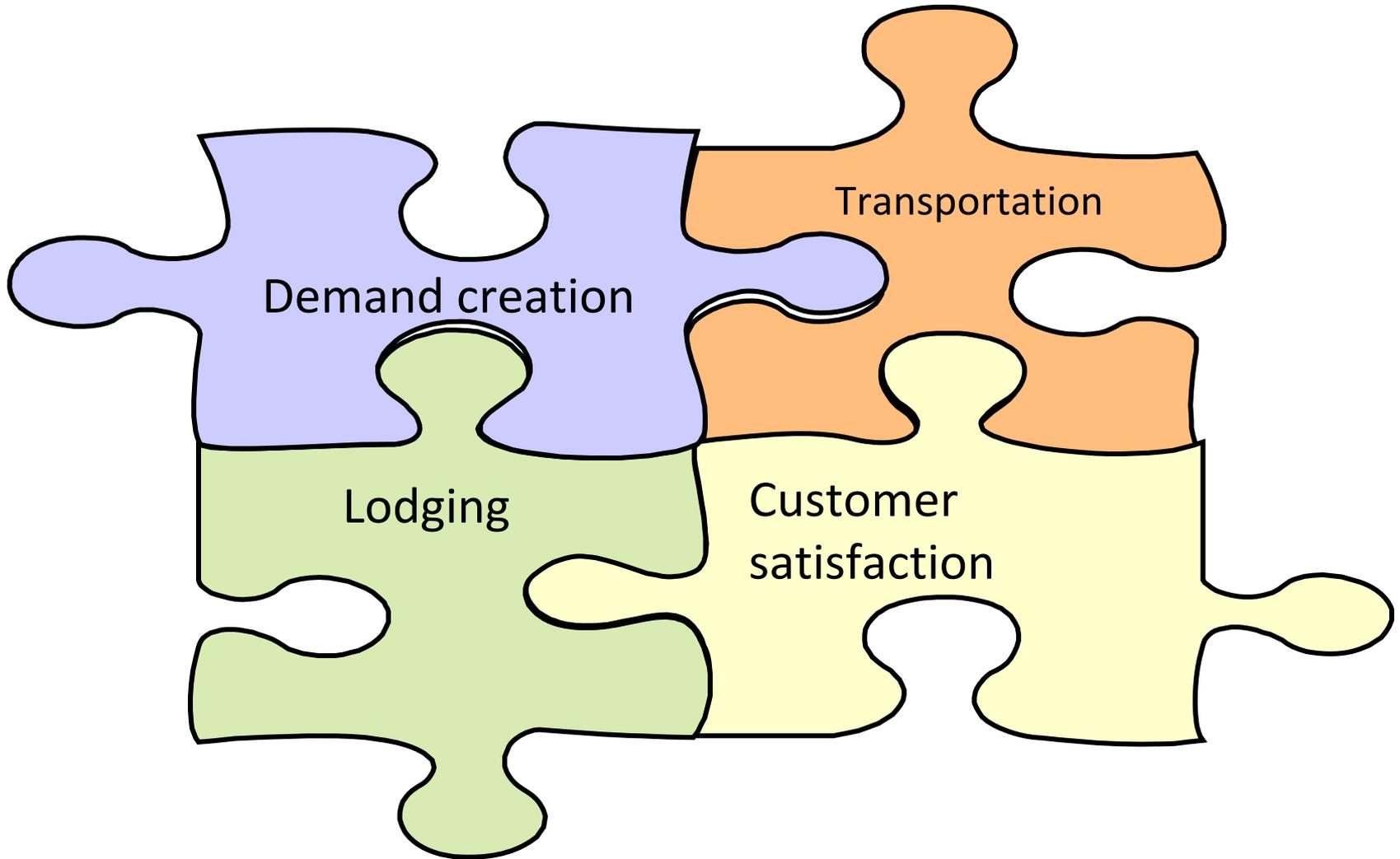
# I. Messages from October

# Marketing: The situation



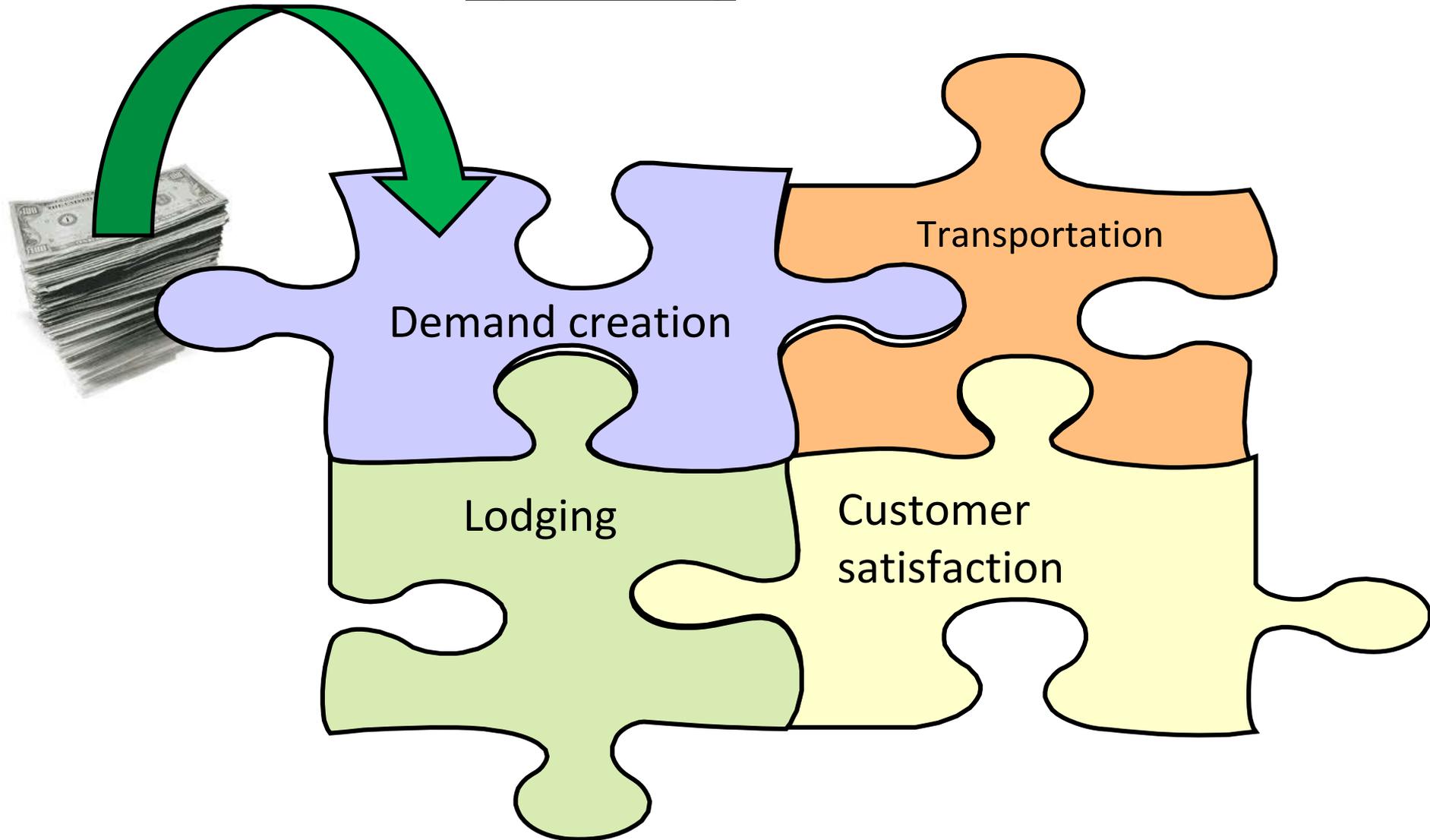
- “Sun Valley” has been underpromoted for many years
  - No cohesive brand strategy
  - Uncoordinated efforts
- Sun Valley Company has recently begun an external marketing program
  - Hired a new creative agency, 11 Inc., in May
  - Will launch a new “campaign” in late ’10.....
- Our budget will be either \$400,000+ or \$800,000+
- No Sun Valley entity can market in isolation
  - All Sun Valley marketing plans have “leakage”

# There are many areas in need.....



# Our recommendation:

Concentrate spending on demand creation



# Two ways to develop a “plan”

**Coordinated with Sun Valley Co.**

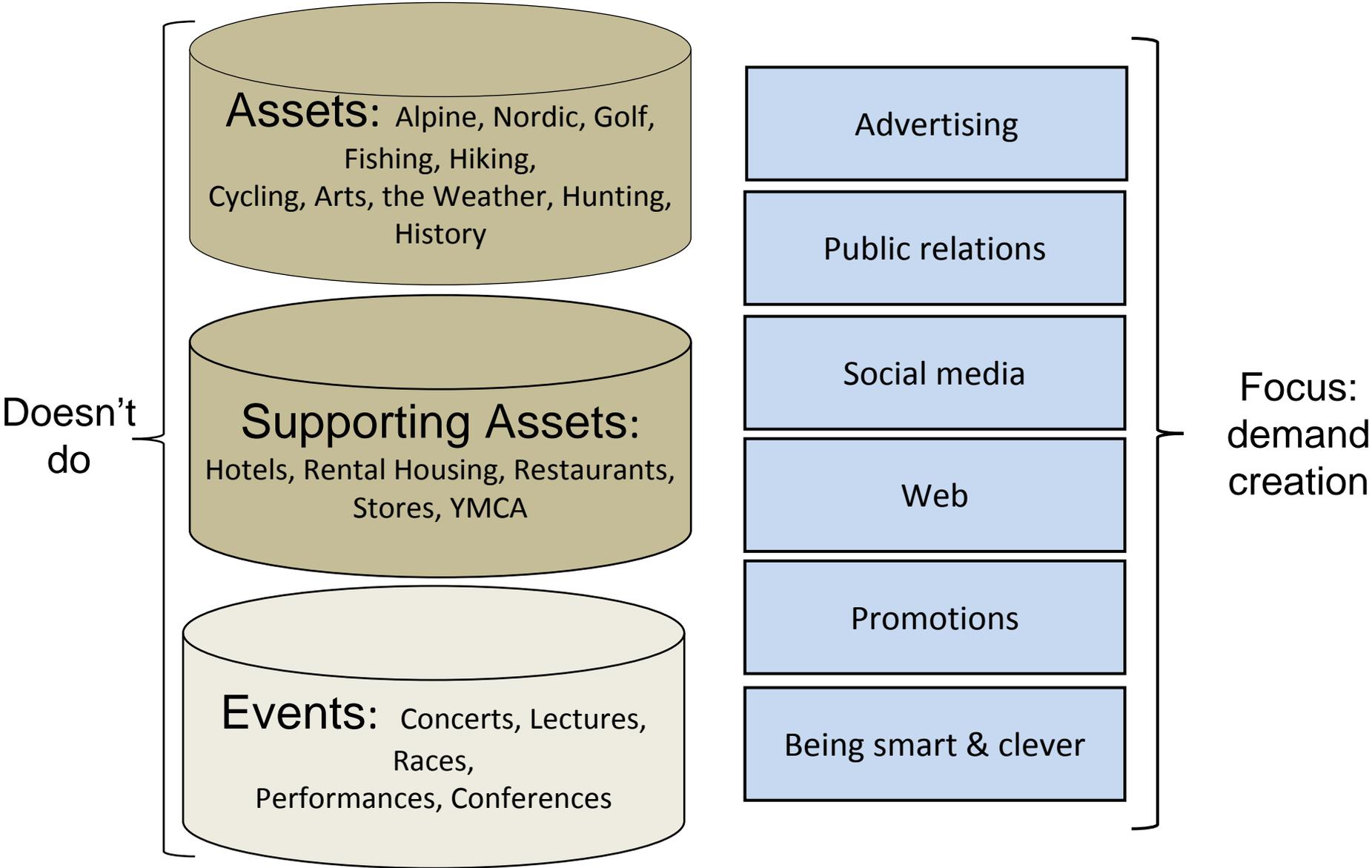


**Not coordinated with Sun Valley Co.**



A plan in harmony with Sun Valley Company's efforts might ~double our impact

# Proposed Marketing Board scope



# Our recommendations:

- Hire an interim CMO
  - Begin search for permanent hire
- Hire 11 Inc. to help develop a SMP
  - Collaborating with Sun Valley Company's new agency makes sense



# What's happened since then?

- Entered into contracts with both Cities
  - \$400,000/year in funding from LOT revenues
- Hired interim CMO to help develop the SMP
  - Candice Pate
- Hired 11 Inc. to help develop the SMP
- Hired Backbone Media to begin a PR & social media campaign
  - Backbone Media was also hired by Sun Valley Co.
- Coordinated our plan development with Sun Valley Co.
  - Silva was not part of those discussions on behalf of SVMA
- CMO search in process
  - Candice Pate is a candidate

## II. A very short video

<http://www.youtube.com/watch?v=fZaGPG4KhC4>

III. Materials prepared by 11 Inc.

# Sun Valley

Presented by Eleven, Inc.

December 16, 2010

## ASSIGNMENT

- .Strategic framework for the Sun Valley brand
- .Creative marketing and experiential ideas
- .Recommendation for brand assets
- .Spending allocations/plan

## OUR MIND SET

If we were the CMO, this is what we would do.

**Why are we here?**

ONE OF A KIND

Collective love and passion for this place.

**FUNDAMENTAL CHANGE FROM A COLLECTIVE EFFORT\***

“We must hang together or we will surely hang alone.”

\*This will be 80% art, 20% science—with the many stakeholders this will take conviction to get this done.

## CHALLENGES

- .Resort travel is down (it's just down further in Sun Valley)
- .Aging consumer base
- .Surprisingly low awareness numbers (particularly with under 35)
- .Infrastructure constrained (hotels, airport)
- .Low hotel occupancy rates
- .Smaller marketing budget than that of our competitors

## THE REAL ISSUE WE NEED TO ADDRESS

Lost relevance with a generation\* of destination travelers, skiers, boarders and adventure seekers.

\*We've relied on a generation that is losing its influence.

## MARKETING REALITY

- .No easy fix (long-term change)
- .Traditional marketing is expensive and incremental
- .Promotions are an unsustainable strategy
- .In destination travel, the experience is the best marketing

## WHY ARE WE HERE?

Attract a new generation by making the past relevant, the present differentiated and the future undeniable.

**What is our brand opportunity?**

## HISTORY

- .Sun Valley 1.0—remote luxury: a place to escape
- .Sun Valley 2.0—pure mountain experience: a mountain playground
- .Sun Valley 3.0—family destination: a place to connect and gather

## DIFFERENTIATION

This place is an original.

## POSITIONING OPPORTUNITY

*The original mountain resort meets the original mountain town.*

## HOW WE LOST RELEVANCE WITH A NEW GENERATION

We stopped being an original.

**BUT CULTURAL TRENDS HAVE COME FULL CIRCLE\***

- .Search for authenticity and permanence
- .Seeking tradition
- .Return to craft/handcrafted
- .Desire to mix old and new

\*Driven by hyperlife, generational shifts in role of family, rise of technology and overabundance.

WHAT IS OUR BRAND OPPORTUNITY?

**Create original experiences that become traditions.**

BRAND POSITIONING

Sun Valley Brand



SUB-BRAND POSITIONING

The Resort

SUB-BRAND POSITIONING

The Alliance

**BRAND POSITIONING**

**Original experiences that become traditions**



**SUB-BRAND POSITIONING**

**The original mountain resort**

**SUB-BRAND POSITIONING**

**The original mountain town**

**Who can we win with?**

## NEW GENERATION REDEFINING AFFLUENT

- .Badge experiences vs. badge value
- .Social stories vs. social status
- .Cultural currency vs. net worth

## TRADITIONAL AFFLUENT

- Collect things
- Identified by job
- Social community
- Serve me
- Exclusive brands (Bogner)
- Environmentally aware
- Tourist
- Informed

VS

•

## NEW ACTIVE AFFLUENT

- Collect experiences
- Identified by activities
- Social activities
- Teach me
- Inclusive brands (Patagonia)
- Environmentally active
- Explorer
- Engaged

NEW ACTIVE AFFLUENT

19MM

25-54 / \$75K+ / West Coast

Are active and spend time outdoors

Trusted for advice

Look to physical community and  
online communities for advice

Trust online media the most, prefer to plan  
travel online, mobile and socially connected

Have kids and careers

**WHO CAN WE WIN WITH?**

**Authenticity seekers looking for badge experiences.**

**Who can we win against?**

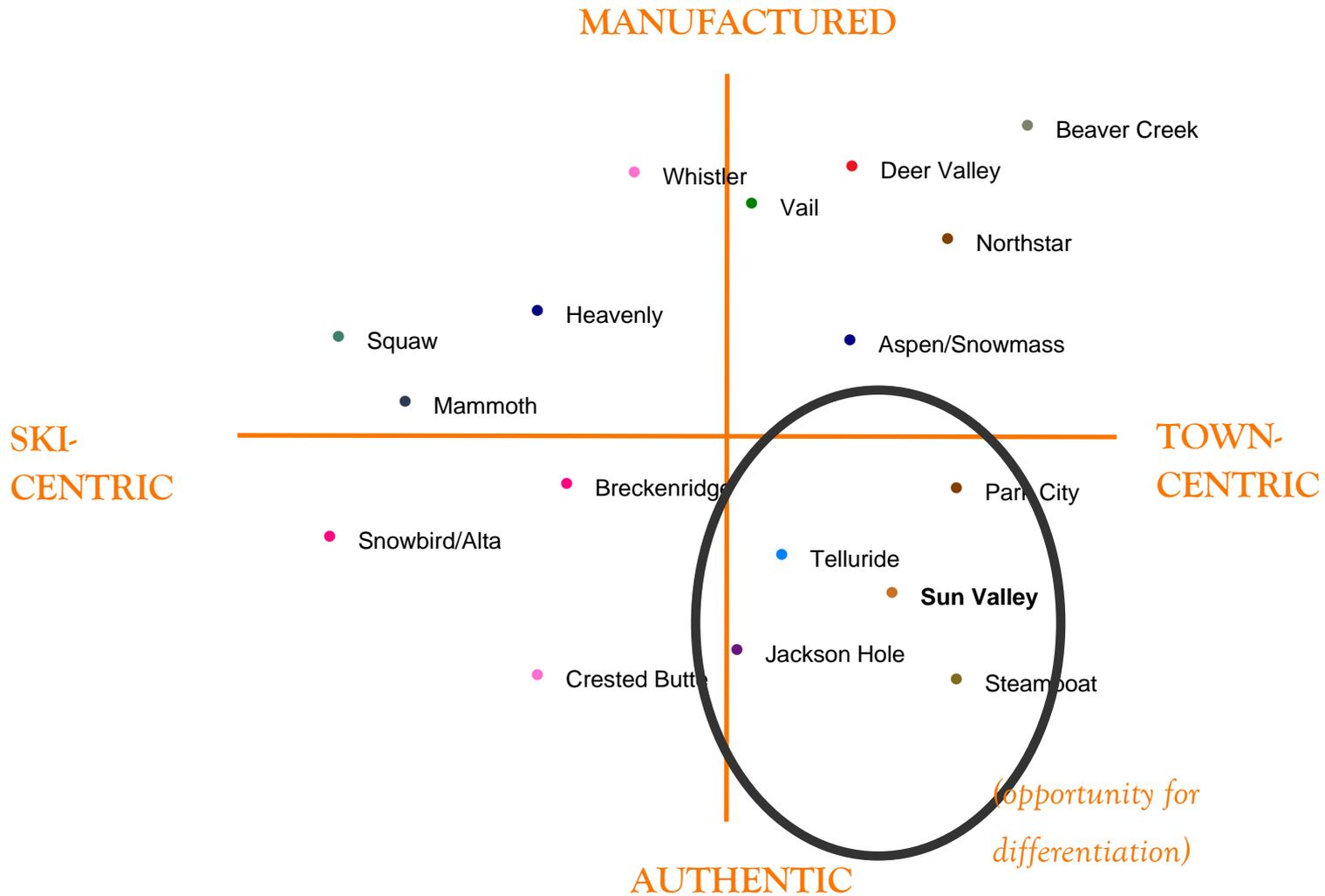
## SKI-CENTRIC\*

- Grooming (7th)
- Lifts (4th)

## TOWN-CENTRIC\*

- Service (2nd)
- On-mountain food (3rd)
- Lodging (3rd)
- Dining (3rd)
- Apres-ski (7th)
- Off-hill activities (3rd)
- Family programs (7th)

\*Ski magazine *Resort Guide* Sun Valley top  
10's



\*Top Resorts, *Ski* magazine

WHO CAN WE WIN AGAINST?

**The manufactured mountain experience.**

**What is the marketing opportunity?**

## MARKETING TRENDS

- .Brand image-building *to* Brand experience-building
- .Marketing under operations *to* Operations as a function of marketing
- .Paid marketing *to* Media that covers marketing

## OUR RECOMMENDATION

- Limited traditional media (mainly focused on digital, advertorials, and possibly targeted print down the road)
- Rely on PR and social media/conversations to get the word out
- Town—focus on community/Resort—focus on curation

## IV. SVMA recommendations

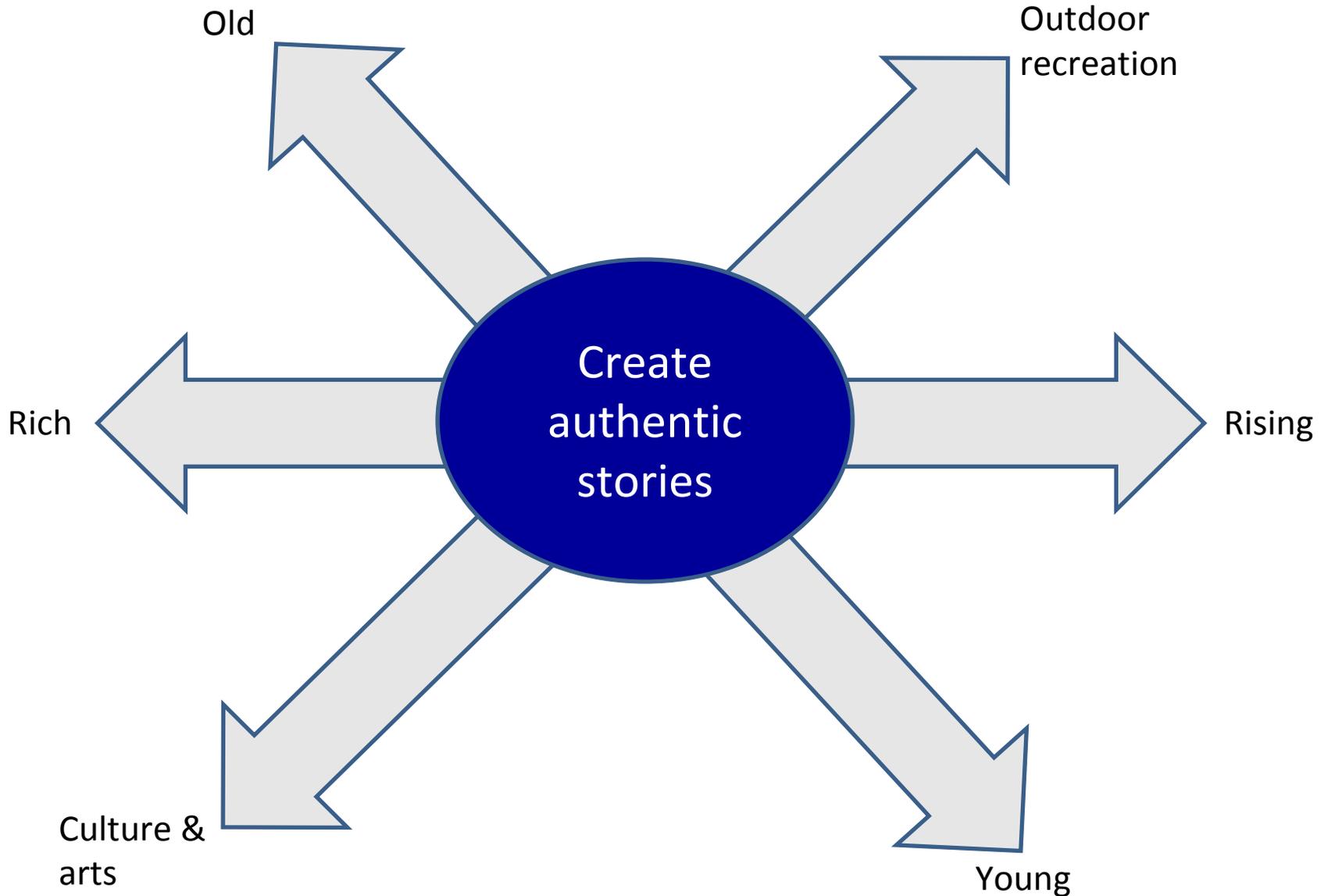
What theme makes sense?

# The obvious choice



This train already left the station with Sun Valley Co.

# What does that mean?



Such as.....

The world's  
best dog  
walking

Fly  
fishing on  
the Big  
Wood

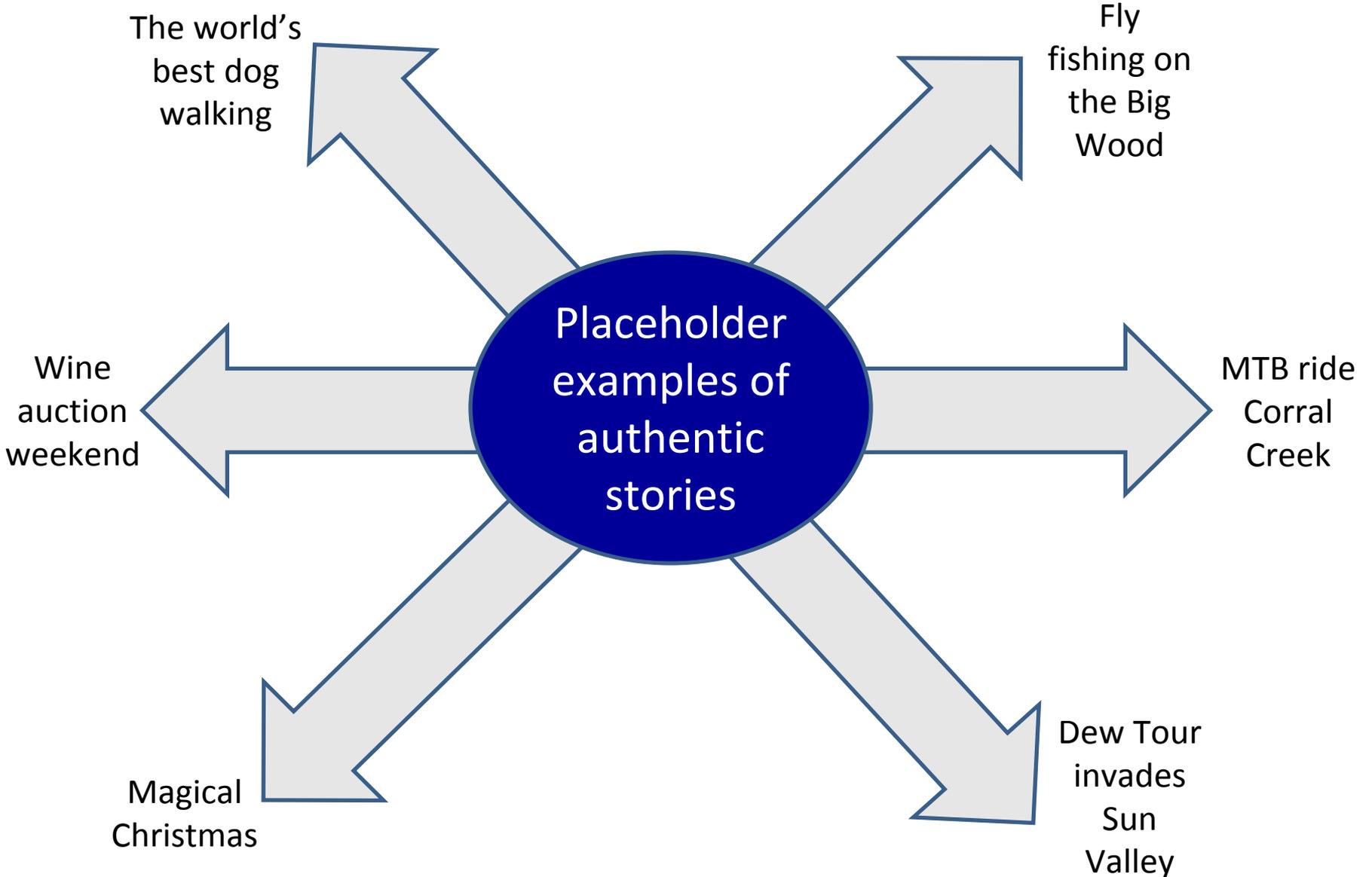
Placeholder  
examples of  
authentic  
stories

Wine  
auction  
weekend

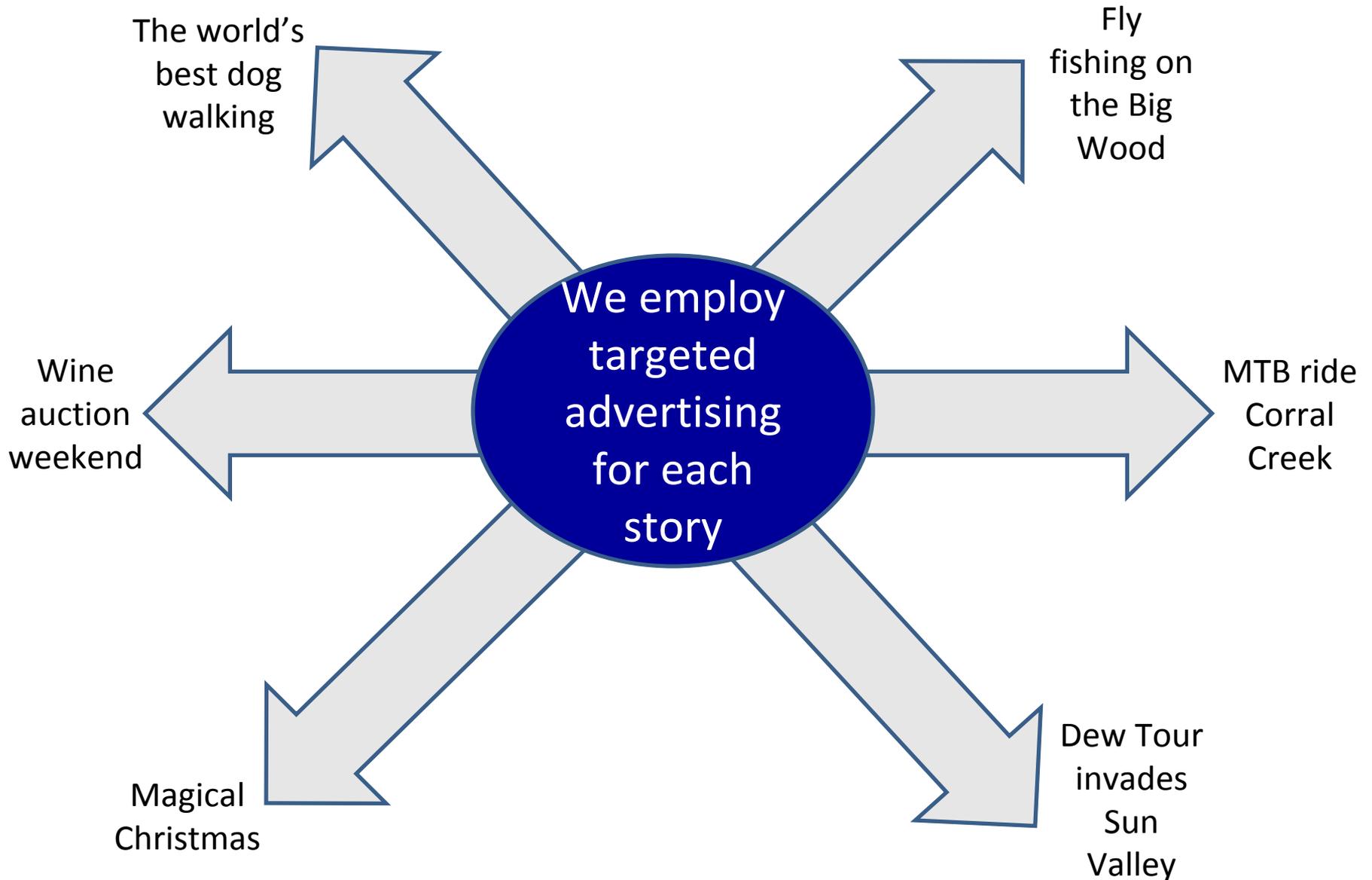
MTB ride  
Corral  
Creek

Magical  
Christmas

Dew Tour  
invades  
Sun  
Valley



# Targeted storytelling



Did you coordinate with Sun Valley Co.?

# Yes - SVMA and Sun Valley Co. joint initiatives

1. Share a brand experience site, [discover.sunvalley.com](http://discover.sunvalley.com)
2. Create shared “stories” to tell
3. Create a shared Facebook page
  - [facebook.com/sunvalley](http://facebook.com/sunvalley)
4. Each of SVMA and Sun Valley Co. will purchase substantial advertising to target specific groups
  - Sun Valley Co. will purchase more advertising than SVMA
5. SVMA and Sun Valley Co. each hired Backbone Media
  - To conduct public relations
  - And/or social media

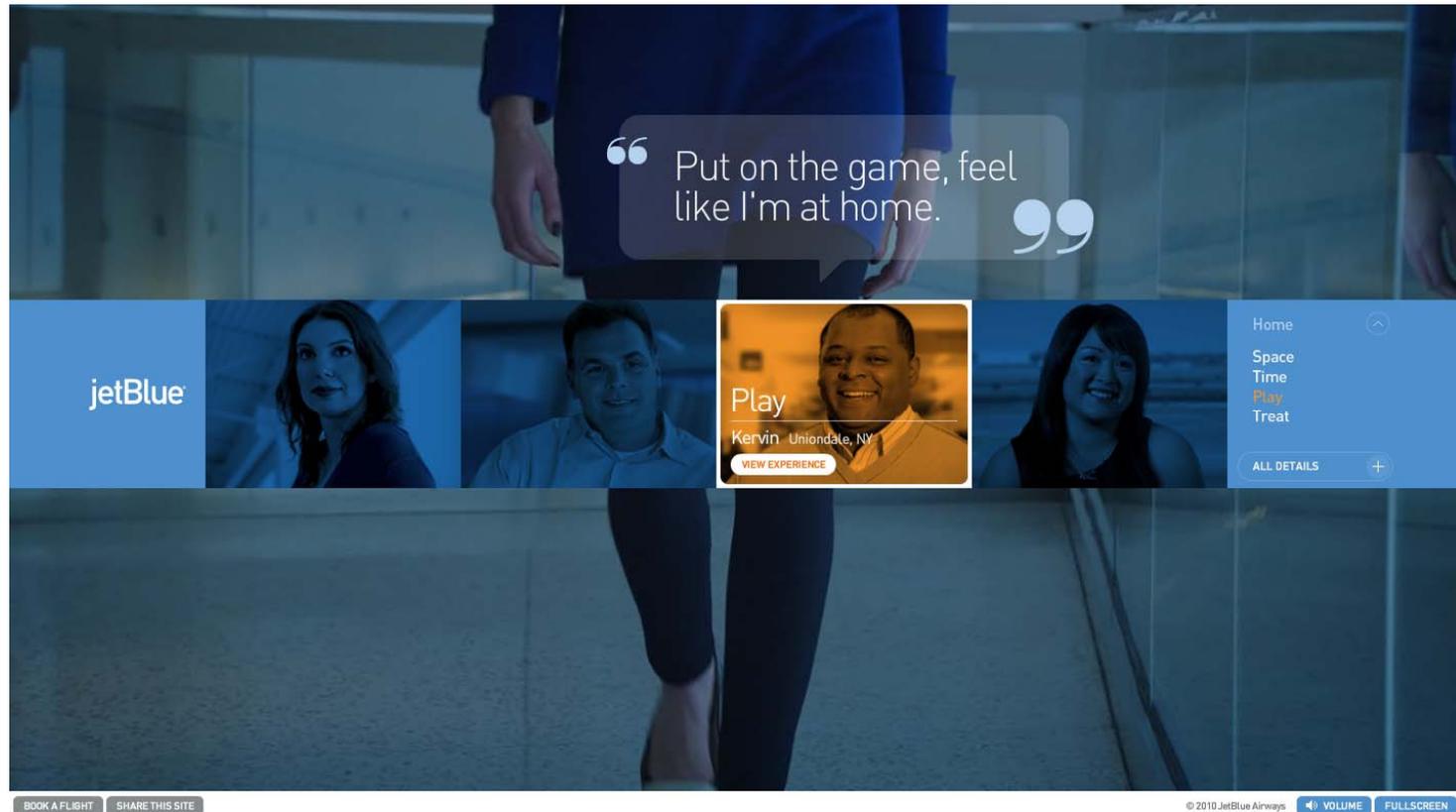
**Sun Valley Co. also provides significant in-kind support for SVMA’s efforts**

# 1. Brand experience website

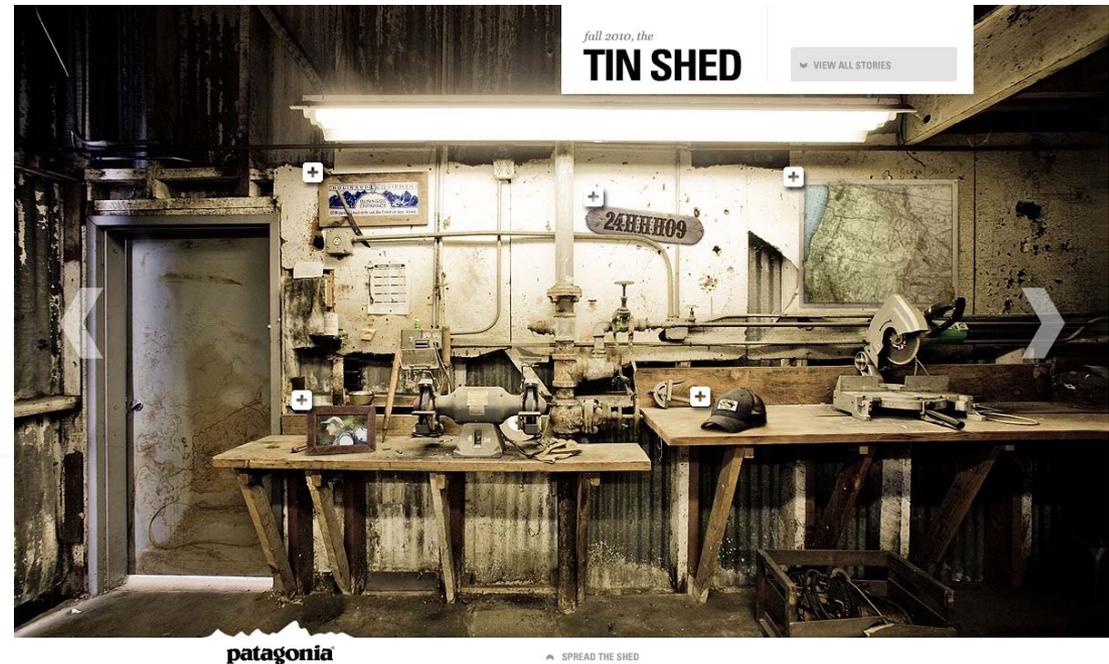
- [discover.sunvalley.com](http://discover.sunvalley.com) – One place where SVMA and Sun Valley Co. serve Sun Valley-is-great content
  - This site will be owned by Sun Valley Co.
    - SVMA will have appropriate rights in the event of a divorce
- Both SVMA and Sun Valley Co. will use this URL in their advertising
  - [discover.sunvalley.com](http://discover.sunvalley.com) is NOT a transaction site
    - Users have only three choices
      - Be served specific stories about Sun Valley
      - Link to [sunvalley.com](http://sunvalley.com) to transact with the Sun Valley Co.
      - Link to [visitsunvalley.com](http://visitsunvalley.com) to peruse SVMA's site

It is not sensible for Sun Valley Co. to advertise a site outside of their control

# What do brand experience sites look like?



# What do brand experience sites look like?



fall 2010, the  
**TIN SHED**

VIEW ALL STORIES

**The Tin Shed...**  
...once was home to the whole company, when we were a small band of friends who made great climbing gear, guaranteed. Yves Chouinard, Patagonia's founder, forged his pitons in here. The rest of us drilled holes, assembled ice axes, or inspected ropes (or slacked off when the surf was up).

**The Tin Shed...**  
...still stands -- and stands for all we hold close and dear, though there are more of us, for great clothes and gear, guaranteed, and a host of wild places. What once housed the heavy equipment now holds our stories.

Come join us in the Tin Shed to find the latest dispatches from our friends and ambassadors in the wilder world -- in videos, audio and written word.

patagonia

SPREAD THE SHED

Email the Tin Shed to a friend

Facebook Twitter Google Plus

© 2010 Patagonia, Inc.

MAYBE YOU'VE HEARD

We make outdoor clothing.

visit patagonia.com

Sign up for Patagonia email

alerts: sales, new gear and more

patagonia

SPREAD THE SHED

# discover.sunvalley.com – The concept



## SUNVALLEY.COM

- transactions and communications
- lodging and bookings
- resort specific activities and events



## SUN VALLEY BRAND SITE

- serves as a consumer-centric content aggregator for both properties
- home for brand experiences and stories
- audience filtered activities and events

## VISITSUNVALLEY.COM

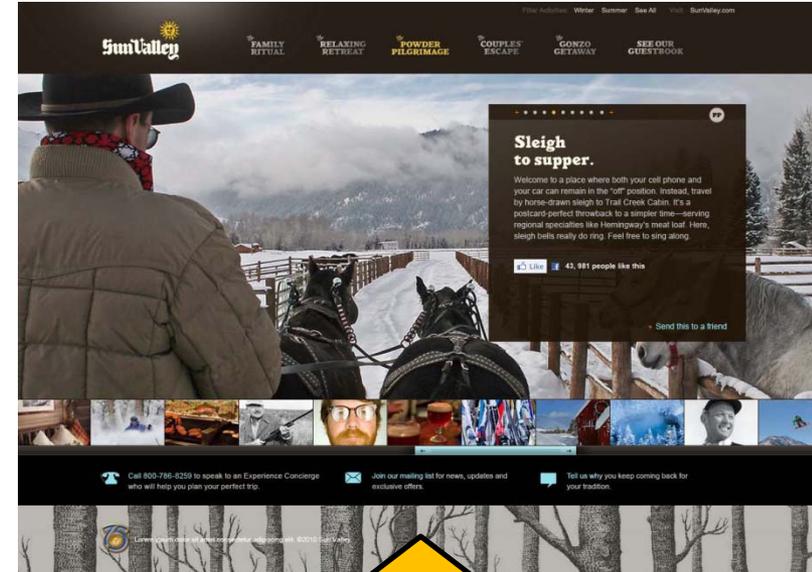
- transactions and communications
- lodging facilitator
- town specific activities and events

# discover.sunvalley.com – why?

- Destination branding is about selling the experience
  - Something we don't currently do
- Potential visitors increasingly look to the web
  - For research
  - To transact
- The product “Sun Valley” is outstanding
  - Our mission is to get visitors to do something here
    - That may be our best way to get them interested
    - They tell their friends.....

## 2. Curate good Sun Valley stories

- The stories that will be served on [discover.sunvalley.com](http://discover.sunvalley.com)
- Each of SVMMA and Sun Valley Co. will purchase the same amount
  - The stories will be shared
- Having 11 Inc. produce the first tranche is sensible
  - The stories will have high production quality
    - Primarily video
  - We will receive the templates and formatting
    - Subsequent batches will be produced locally



Get visitors to  
enjoy the  
perfect activity  
for them

# What might this look like?

Filter Activities: Winter Summer See All Visit: SunValley.com

**SunValley**

FAMILY RITUAL RELAXING RETREAT POWDER PILGRIMAGE COUPLES' ESCAPE GONZO GETAWAY SEE OUR GUESTBOOK

**Gotta go to Grumpy's.**

Beer and mountain sports go together like, well, beer and pretty much anything. So come see where the post-mountain party was invented—at Grumpy's. Take in the museum-worthy beer can collection and order 32-ounce schooners of your favorite suds. It's the original hole-in-the-wall. With a dartboard over the hole.

Like 43,981 people like this

Send this to a friend

COOKIE DETOUR

Call 800-786-8259 to speak to an Experience Concierge who will help you plan your perfect trip.

Join our mailing list for news, updates and exclusive offers.

Tell us why you keep coming back for your tradition.

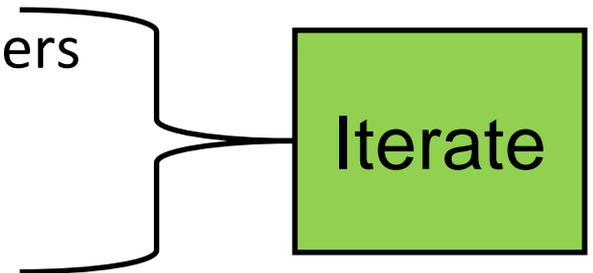
75 Lorem ipsum dolor sit amet consectetur adipiscing elit. ©2010 Sun Valley

# Good Sun Valley stories – why?

- Video resonates better with today's audience than print
  - We cannot afford TV
- The stories will have high production quality
  - Primarily video, designed to bring our stories to life
- Our subject matter is very photogenic
  - Sun Valley is very conducive to action

# 3. Targeted advertising

- Drive traffic to [discover.sunvalley.com](http://discover.sunvalley.com)
  - Both SVMA and Sun Valley Co. use these shared URLs in their advertising
    - > Doubles the effectiveness and impact
  - [facebook.com/sunvalley](https://facebook.com/sunvalley)
- Concentrate advertising spending online
- Target specific user/demographic groups
  - Align advertising targets with specific users
  - Keyword search buys
  - High impact geographic locations
- Very limited print advertising
  - To stimulate editorial coverage?



# 4. facebook.com/sunvalley



- This shared page went live Jan. 13
- Facebook is the source for an increasing percentage of our traffic
  - Sharing this page between SVMA and Sun Valley Co. eliminates:
    - Confusion, duplication and cannibalization
  - Operational issues have just begun to be addressed

Today this page is crude

The screenshot shows the Facebook page for Sun Valley, Idaho. At the top, there is a search bar and the Facebook logo. Below the header, the page name "Sun Valley, Idaho" is displayed with navigation tabs for Wall, Info, Photos, Video, Discussions, and Events. A share bar is visible with options for Post, Photo, Link, and Video. The main content area features a cover photo of two people snowboarding. Below the cover photo are options to "Add to My Page's Favorites", "Suggest to Friends", "Subscribe via SMS", and "Remove from My Page's Favorites". A text box describes the resort as "America's first and finest authentic mountain destination" and provides contact information: "Resort: 800.826.7859", "Snow Report: 800.635.4150", and "http://www.visitsunvalley.com/". There is also a section for social media links: "twitter.com/visitsunvalley", "blog.sunvalley.com", and "twitter.com/sunvalleyresort". An "Information" section lists "Location: Sun Valley, ID" and "Founded: 1936". The main feed contains two posts. The first post is titled "Sun Valley, Idaho At Whiskey Jacques tonight - the Salt Lake rock-a-billy sensation, Ugly Valley Boys. See you there!" and includes a link to "uglyvalleyboys on Myspace Music - Free Streaming MP3s, Pictures & Music Downloads" with the URL "www.myspace.com". The second post is titled "Sun Valley, Idaho Who's up for full moon Nordic and Snowshoeing tours next Wednesday? The guided tour costs \$15 and begins at 7 p.m. - Call 726-4010 for reservations and information." and includes a link to "Recreate by the light of the silvery moon" with the URL "www.mtexpress.com".

# The goal.....

A nice look

facebook

Search

Home Prof

Aspen Chamber Like

Wall Info Welcome WIN TIX!! YouTube Photos >>

“LIKE” ASPEN CHAMBER FOR A CHANCE TO WIN A FREE LIFT TICKET!

FIND US ON> SIGN UP FOR OUR NEWSLETTER

Add to My Page's Favorites  
Suggest to Friends

Compelling content

facebook

Search

Starbucks Like

Wall Info Starbucks Card Around The... Events Video >>

Starbucks Around The World

Coffee is a passion that knows no borders. Share yours with Starbucks community members across the globe.

Information

Founded: 1971 in Seattle's Pike Place Market

17 Friends Like This  
6 of 17 Friends See All

North America	Europe	Asia
Canada	Austria	Hong Kong
United States	Belgium	Taiwan
Puerto Rico	Czech Republic	Indonesia
Mexico	France	Malaysia

Likely elements to be added to facebook.com/sunvalley:  
Sweepstakes, Sun Valley calendar, user-created content, etc.

# 5. Public relations - Media efforts

- Backbone Media was hired
  - Make Sun Valley top of mind
    - Articles
    - Blogs
- Media familiarization trips to Sun Valley
  - Ski Hall of Fame, March 2011
  - USA Cycling Mountain Biking Championships with Sun Valley Co.
    - In concert with SCOTT USA's 2012 bike launch



# A key PR focus - promoting events



## Marquee Events TBC

**Nordic Festival:** Jan. 29 – Feb. 6

**Marley in the Mountains:** Feb. 19

**Lunar Eclipse Rail Jam:** Feb. 19

**USCSA Nat'l Championships:** Mar. 8 – 12

**US XC Long Course Nat'ls:** Mar. 26-27

**Ski Hall of Fame:** Mar. 28 – Apr. 2

**Hawaiian Nationals:** Apr. 2

**Snow Box Derby:** Apr. TBD

**Ketchum Wide Open:** May, TBD

**Wellness Festival:** May 27 – 30

**Half Marathon:** June 4

**Independence Day:** July 4<sup>th</sup>

**USA Cycling MTB Nationals:** July 14 – 17

**SVCA Wine Auction:** July 21-23

**Summer Symphony:** July 25 – Aug. 16

**Sawtooth Century Ride:** Aug. 13

**Sun Valley Writer's Conference:** Aug. 19-22

**Wagon Days:** Sep., Labor Day Weekend

**Sun Valley Harvest Festival:** Sep. 26 – 24

**Trailing of the Sheep:** Oct 7 – 9

**Christmas in Sun Valley:** Dec. 25

# Social media – A key focal point



- Facebook
  - Our initial area of focus
- YouTube
- Twitter
- Yelp
- foursquare

Will report more on these later

What about SVMA's stand-alone initiatives?

# SVMA specific initiatives

## 1. Overhaul of [visitsunvalley.com](http://visitsunvalley.com)

- Incorporate new branding
- Improve functionality & navigation
- Central reservations system

## 2. Re-conceive the visitor center

- Skype stations in Sun Valley Mall and the airport

## 3. Financial support of the Boise shuttle

## 4. Support events

- Events manager hire FY'12?

## 5. Research & metrics

- Necessary to enact accountability metrics

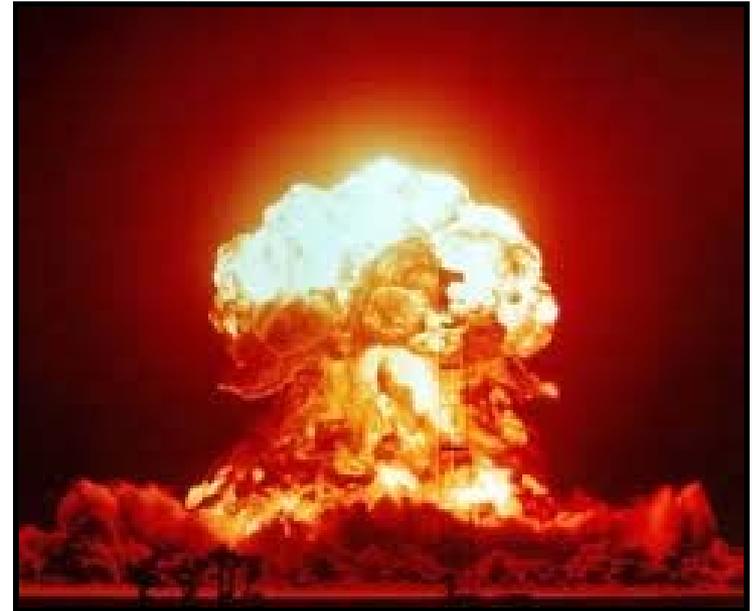
# 1. Overhaul visitsunvalley.com

- Harmonize the branding with:
  - sunvalley.com
  - discover.sunvalley.com
- Upgrade content and improve navigation
  - Sun Valley events calendar
  - Search
  - Listings
  - Maps
  - Central reservations; Vacation Roost
    - Launches January 24
      - Includes rating system

## 2. Reconstruct the [Visitor Center]

- Create all open space
  - Video monitors looping video content
  - Sun Valley Lodge vintage photographs revolving
  - The “Guides Corner”
- Skype monitors
  - Sun Valley village
  - Airport
- Every employee is a fun coach
- New branding
  - New signage

It's “gotta” have energy”

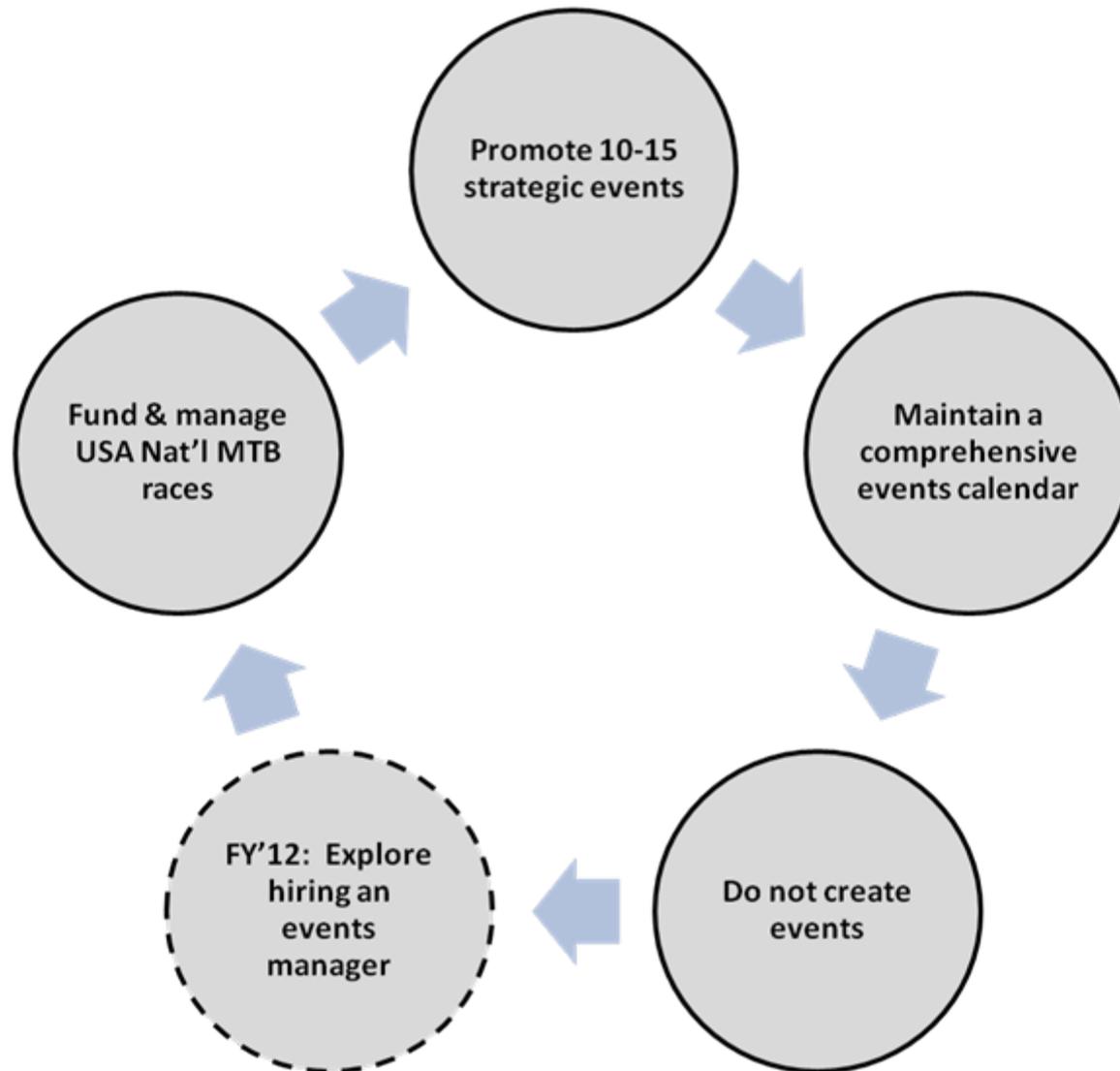


# 3. Boise shuttle service



- SVMA has agreed to pay 1/3 of the subsidy required for this service
  - Sun Valley Co. and Fly Sun Valley Alliance
    - Each also pays 1/3
  - The Boise airport is a significant positive asset for Sun Valley tourism
    - High reliability & comparable door-to-door travel times
    - Low cost
    - Direct and/or frequent service to many destinations
- Wrap shuttles with Sun Valley branding
  - Serves as “rolling billboard”

# 4. Events – A slippery budgetary slope



# 5. Metrics – Is this working?

Item	Benchmark	Measurement	Timeframe for results
Awareness of Sun Valley	Where? What ages? Perceptions. What motivates them?	% change and data	18+ months
discover.sunvalley.com	Zero. Or compared to sunvalley.com & visitsunvalley.com	<ul style="list-style-type: none"> <li>• # of Visitors</li> <li>• Time on site</li> <li>• % new</li> <li>• Conversion</li> </ul>	12 months of operations
facebook.com/sunvalley	facebook.com/sunvalleyresort + facebook.com/visitsunvalley	<ul style="list-style-type: none"> <li>• # of fans</li> <li>• # of posts</li> <li>• # active users</li> </ul>	6 months of operations
[Visitor Center] traffic	2010	% change	1-2 years
Backbone Media	Articles & blogs	Absolute quantity & quality/period	12 months
Member dues	Est. FY '11 \$82K	% change	1-2 years

What about the budget?

# Strategic marketing expenses

Item	SVMA	Sun Valley Co. "matches"
discover.sunvalley.com (site construction)	\$100,000	\$100,000
Content production	\$50,000	\$50,000
Ad creation	\$25,000	>\$25,000
Advertising (\$15K/mos. April-Sept.)	\$90,000	>\$90,000
SMP creation	\$25,000	Much more
Backbone Media	\$100,000	~\$50,000
Facebook upgrades	\$25,000	\$25,000
PR FAM trips	\$25,000	In kind
Events (MTB races, Nordic Festival)	\$82,500	In kind+
Site maintenance – visitsunvalley.com	\$38,500	
Research	\$20,000	
Upgrade visitsunvalley.com	\$45,000	
Boise shuttle bus subsidy	\$30,000	
[Visitor Center] rehab & tech. upgrade	\$35,000	
Staff (CMO partial year, part of GM, 1/2 of acctg.)	\$147,600	
Collateral materials & travel	<u>\$20,000</u>	
<b>Total</b>	<b>\$858,600</b>	<b>\$340,000+++</b>

11 Inc.

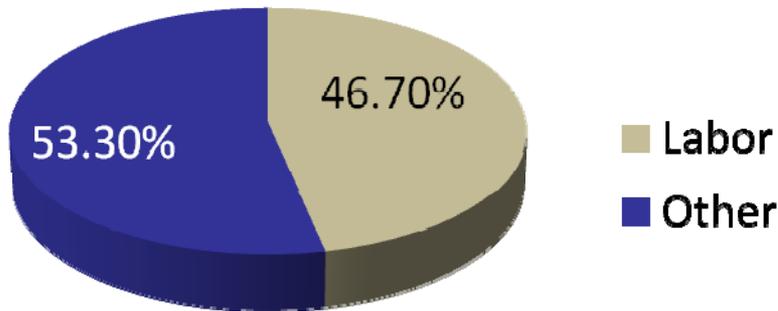
Backbone Media

Other outsourced

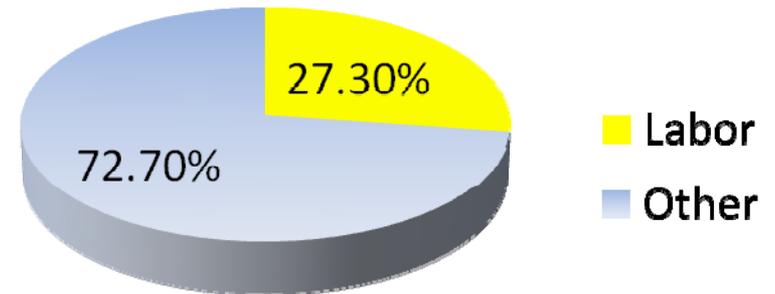
17%

# This budget is “labor light”

**SVKCVB total expenses  
FY '10 (excluding MRGs)**



**SVMA total expenses  
FY '11**



The majority of labor is in local operations

What else?

# Local operations

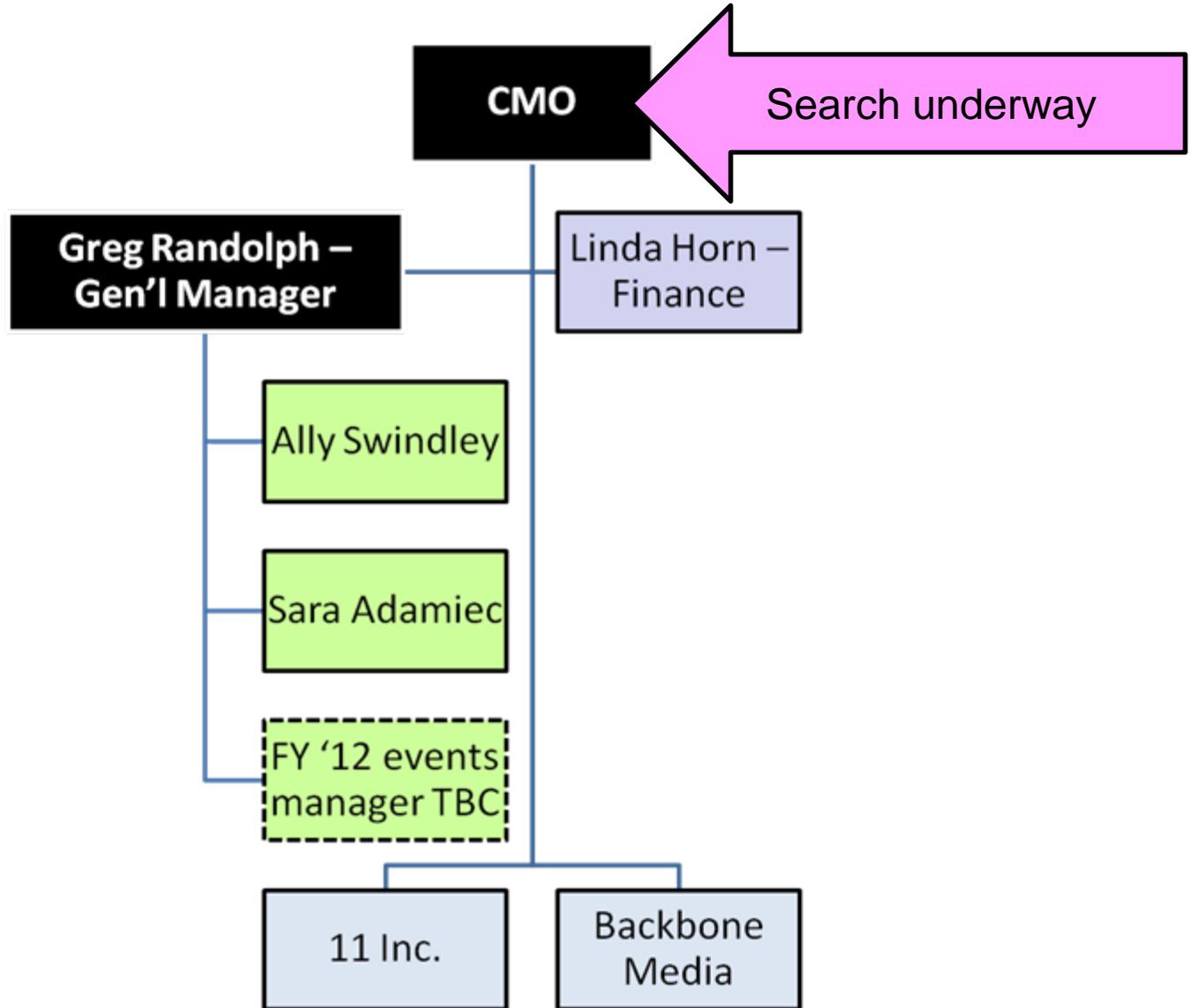
- [Visitor Center]
  - Maximize fun
  - Energy please
- Produce social media content
  - Video
  - Facebook & website
  - Blogging
- Member outreach
  - Provide meaningful resources
  - Customer care training
- Event calendar creation & hosting
- Oversee Vacation Roost

Greg Randolph, new GM

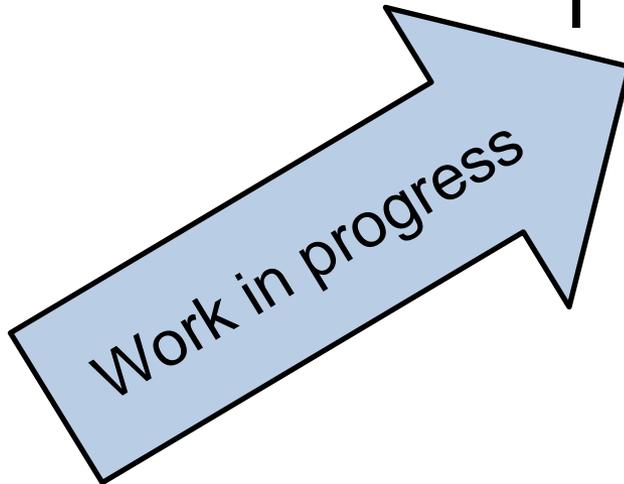


**Marketing/Communications  
Mgr. for Smith**

# SVMA staffing



# New logos and branding



# FY '11 vs. FY '12

## FY '11

- Start up costs
- Development costs
- Rebuilding costs
- Lower run rate spending
- Team forming

## FY '12

- **Higher run rate spending**
- Lower development costs
- Events manager hire?
- Other initiatives
  - Second homeowners
  - Business relocation efforts
  - Ski Academy
  - Move to Sun Valley

# Joint meeting schedule 2011

- January 20
- April 18 (Ketchum)
- July 15 (Sun Valley)
- October 17 (Ketchum)

# Conclusion

We would like your approval to:

1. Begin to execute on this plan
2. Hire the CMO