AMENDMENT NO. 2 TO THE AGREEMENT FOR SERVICES

San Luis Obispo County (hereinafter "County"), and TJA Advertising and Public Relations (hereinafter "Marketing Agency" or "TJA") hereby amend the Agreement for Services, dated August 6, 2013 ("Agreement"), as follows:

RECITALS

WHEREAS, on August 6, 2013, the County of San Luis Obispo Board of Supervisors entered into the Agreement wherein Marketing Agency agreed to perform specialized marketing services for Avila Beach Local Area of the San Luis Obispo Business Improvement District ("CBID"); and

WHEREAS, on April 16, 2014, the Avila Beach Local Area Advisory Board recommended that the Agreement with Marketing Agency be extended an additional twelve (12) months to April 30, 2015 to provide advertising and public relations services; and

WHEREAS, on April 30, 2014, the San Luis Obispo County Business Improvement District (CBID) approved a recommendation that the Avila Beach local area funds be used for this purpose; and

WHEREAS, on July 8, 2014, the Board of Supervisors approved Amendment No. 1 to the Agreement for Services with TJA Advertising and Public; and

WHEREAS, Marketing Agency has satisfactorily performed said services pursuant to the Agreement; and

WHEREAS, on April 8, 2015, the Avila Beach Advisory Board recommended that the Agreement with Marketing Agency be extended an additional twelve months; and

WHEREAS, on April 22, 2105, the (CBID) approved a recommendation that the Avila Beach local area funds be used for this purpose

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties agree to amend the Agreement as follows:

A. Section 1.1 **TJA Advertising and Public Relations Specified Services**:

Exhibit A referred to in Section 1.1 is hereby deleted in its entirety and replaced by new Exhibit A, attached hereto. All other provisions of this Section 1.1 shall remain unchanged.

B. Section 2 **Payment** is hereby amended as follows:

The second sentence is hereby deleted in its entirety and replaced with the following: "Total cost of services outlined in the Exhibit A shall not exceed One Hundred Fifty Thousand Dollars ($150,000)." All other provisions of this Section 2 shall remain unchanged.

C. Section 3 **Term of Agreement** is hereby amended as follows:

The term of the Agreement is extended to April 30, 2016. All other provisions of this Section 3 shall remain unchanged.

D. All provisions of the Agreement not affected by this Amendment No. 2 shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 2 to the Agreement as set forth below.

TJA ADVERTISING AND PUBLIC RELATIONS

By: _____

Title: Owner TJA

Dated: 5/11/2015

COUNTY OF SAN LUIS OBISPO

By: _____

AUTHORIZED BY BOARD ACTION

_____, 2015

ATTEST

By: _____
Clerk of the Board of Supervisors

DATED: _____

APPROVED AS TO FORM AND LEGAL EFFECT:
RITA L. NEAL
County Counsel

By: _____
Chief Deputy County Counsel

DATED: 5/15/15

Scope of Work

Marketing and Media Plan for 2015-2016

Prepared By:
TJA Advertising and Public Relations

Introduction and Goals

The marketing effort within this plan involves a turnkey, multi-layered approach that will differentiate Avila Beach, build a sustainable brand message, and drive increased responses to the tourism website, VisitAvilaBeach.com, managed by TJA Advertising & Public Relations. This effort will increase overnight stays within Avila Beach and build an effective collaboration throughout the local and regional constituency of hospitality operators, area attractions, retailers and tourism partners. The brand marketing, website management and social media efforts will capture the imagination of visitors, stimulate incremental visitation, and add value to the economic and environmental well being of Avila Beach.

The strategic marketing plan, will be executed by TJA Advertising and the Avila Beach Tourism Alliance for a full year starting in May 2015 running through May 2016 and includes result-oriented marketing communications that will position Avila Beach as an enriching and relaxing retreat for visitors to learn, play, explore, stay, and return.

Unified Goals

- Build and manage an effective and efficient local marketing process
- Position the destination as a distinctive coastal and valley retreat
- Increase awareness and usage of all local attractions and activities
- Generate incremental overnight stays, particularly during the off-season and mid-week
- Maximize effectiveness of all fulfillment tools (website, social media, collateral, public relations)
- Maximize effectiveness and collaboration of local strategic marketing partners

A solid Avila Beach brand is only as good as the media plan, public relations, market research, and social media program. The same philosophy holds true for the brand toolkit, most importantly an effective online/mobile presence and reliable website. If these fulfillment channels are not managed properly or supported by consistent marketing communications, they will not effectively convert awareness efforts into incremental lodging revenues.

Target Markets

For capturing incremental overnight stays, the primary geographic target markets of people who can be directly engaged to stay in Avila Beach are primarily within a 3 to 5 hour drive-time radius, including Central Valley, Northern California and Southern California.

TJA will prioritize marketing resources to engaging the audiences most inclined to visiting and staying in Avila Beach.

- Travelers originating within core drive markets – Central Valley, Los Angeles, Orange County, San Diego, Santa Barbara, Ventura, Monterey, Carmel, Salinas and Bay Area.
- International travelers & groups originating from Northern and Southern California.
- Empty nesters - traveling mid-week and in the shoulder season.
- Young working couples and singles - traveling in the shoulder season.
- Families searching for value – traveling mid week in the summer and shoulder season.
- Upscale wine, food and event attendees - visiting the county for multiple nights
- Leisure traveler groups profiled for specific interests – fraternal, active, coastal activities, eco-tours, cultural, educational, environmental travel experiences, including interpretive programs and stewardship activities
- Associations, meeting and event planners serving small and mid-size groups.

Marketing Approach

Destination branding will creatively showcase the unique assets to all audiences. To do so, the following programs and activities will be implemented:

- Enhance the visibility and functionality of VisitAvilaBeach.com to connect more visitors to the Avila Beach message, assets, nearby attractions and lodging promotions. Optimization for searching lodging deals, wine tours, beaches, agritourism, weddings, outdoor adventures, family fun, activities and more.
- Integrate the social media effort with frequent, enriching custom content and offerings that will shape the decision making of visitors.
- Leveraging our relationships with the San Luis Obispo Country Visitor's and Conference Bureau, the SLO CBID (Wine, Coast Country/CA Highway 1 Discovery Route), and other local organizations to increase the reach, impact and results of an integrated tourism marketing outreach.
- Use a third-party endorsement of public relations to actively market the region's beauty and pastoral settings, plus the abundance of events and outdoor activities in Avila Beach and Avila Valley.
- Embrace our rich aqua-cultural and wine region. Tour packages that start and end at the lodging entities may be available for the constituency to promote on VisitAvilaBeach.com and social media.
- Market local events as one component to attract regional and national travelers. The Agency will present event opportunities with contests and promotions that showcase the assets and increase mid-week and off-season demand.

Interactive Strategy & Toolkit

TJA Advertising has completed a full redesign of the VisitAvilaBeach.com website. The current website is performing very well compared to other destination sites.

The first priority is to maintain a high quality visitor website to be used as the central fulfillment tool for all marketing, social media and PR efforts for the hospitality constituency. We have established VisitAvilaBeach.com as the official destination site to fully support the constituent lodging needs.

Work to be performed after implementation (on-going)

1. Work with hospitality constituency to share content and linkages.
2. Add lodging listings as separate pages for SEO purposes.
3. Add lodging out-bound link tracking for referral reports.
4. Implement Google Adwords monitoring spending and producing click reports.
5. Develop useful, complete and compelling content to engage visitor.
6. Track outbound lodging links to determine return on Investment (ROI).
7. Recognize mobile users and address their interactive needs.
8. Completely manage and maintain the website on a daily basis. All tourism related events will be updated and posted; all activities, lodging properties, wine touring and tasting, culinary and other information must be kept current and complete at all times.
9. Linkage arrangements and shared footers will be set up with key area attractions and will help mutual search rankings and visibility.

Public Relations

Avila Beach offers tremendous appeal for the media covering family travel, wine travel, weddings, seasonal lifestyle, social, military, religious, fraternal group travel, agritourism, sports, pet-friendly, coastal and outdoor adventures as well as art, and historical and cultural activities. By securing feature coverage from regional, short lead print and online publications, broadcast media and influential travel blogs, Avila Beach will generate cost effective awareness while building image through the credibility of third-party endorsements.

Manage all contacts with journalists and editors and their reporting structure

- Respond to all media inquires, target lists
- Create journalist itineraries and manage hosting accommodations
- Record and track media coverage in a comprehensive database

Social Media

Thanks to an expanding online travel space, mobile marketing, social marketing, and corporate channels, travelers have more options for researching, planning and booking travel than ever before. They're consuming vast quantities of photography and video as they shop for travel on multiple devices. Ninety-two percent of travelers trust opinions of people they know more than advertising – making social media more important in the marketing mix. These trends require Avila Beach and the constituency to engage visitors in ways they value.

The social media efforts will use frequent, branded content throughout the most effective channels. Continue to increase followers/fan bases for the various Avila Beach social media accounts by using frequent, branded content to:

- Enhance relationships with the fan base and industry influencers
- Build enthusiasm for the unique attributes of the regions
- Reinforce PR and marketing campaigns
- Promote events, blogs and website content
- Support lodging promotions & specials
- Establish Avila Beach as a desired travel destination by creating content to increase visitors, attendance at events, and overnight stays
- Create shoulder season contests to encourage fan interaction
- Analyze Facebook Insights as a resource to improve fan interaction & engagement
- Research and update key conversations and participants in the social web.
- Identify keywords in SEO campaigns for social media optimization in press use, blog tagging, and news announcement optimization.
- Monitor social media dialogue blogs and related social media sites for content
- Link, Follow, Like: for potential visitors, and representatives of tourism groups
- Use of software to "translate" blog posts into e-Newsletter updates for partners and fans
- Ongoing video showcase series of visitors featuring activities and events to promote lodging, dining, shopping, galleries, and businesses
- Semi-annual Facebook contests to encourage fan interaction
- Social media icons are added to all City print ads, brochures, newsletters, and emails
- Monitor audience activity and delete spam and inappropriate comments

- • Local business linkage efforts to promote Visit Avila Beach Facebook on their own
- Continue to follow the 70/30 rule.
    - 70% of Avila Beach's content is engaging & shareable; 30% is promotional – Lodging promotions, booking overnight stays, contest, etc.

Goals

The goal of the Avila Beach social media outlets is to increase the fan base while creating awareness and establishing the Avila Beach as a tourist destination. Ultimately, we want to help drive more visitations and increased TOT for the regions through exposure and existing Branding.

Objectives

These objectives are for the 2015- 2016 fiscal year.

1. *Facebook*: Increase Page Likes by 25% from 37,167 to 46,459.
2. *Instagram*: Increase followers by 20% from 548 to 685.
3. *Twitter*: Increase followers by 15% from 1,871 to 2,152.
4. *Pinterest:* Increase followers by 20% from 347 to 417.

Social Media Tactics

1. Schedule content using Sprout Social and other social media scheduling tools to optimize timing and ensure quality posts are curated
2. Create Shoulder Season Contests
    a. Fan photo contests to encourage our fan base to share their Avila Beach experiences and for promotional use.
    b. Share any contests hosted on VisitAvilaBeach.com ie the
3. Frequently share and promote the content on VisitAvilaBeach.com
4. Continue to develop the Avila Beach YouTube Channel
5. Heavy imagery content in all social media posts.
    a. Photos have a higher weight in the Facebook algorithm and result in more impressions and shares.
    b. Imagery is also an integral part of Twitter, Instagram and Pinterest.
6. Cross-promote content from the website/blogs to social media channels.
7. Use hashtags to increase impressions of content.

a. #AvilaBeach
b. #VisitAvila
c. #VisitSLO
d. #VisitCA

8. Submit Content to Visit California. We have submitted a plethora of content including the itineraries, events, and travel show content and will continue to do so to promote monthly events & promotions.

Travel Blog

A regular, content-rich Travel Blog connects the visitor to Avila Beach and the surrounding regions. And, it is essential to improving the website search rankings. Blog postings will be organized in a calendar to ensure proper coverage of all key assets and interests. The content will inform, educate and inspire audiences to live vicariously through our bloggers by highlighting the unique personalities, experiences and reasons to visit, including:

- What's new and happening in Avila Beach and the region
- Lodging packaging opportunities and links
- Subscriber comments – for readers' personal experiences
- Guest blogger posts (edited) to include: hoteliers, chefs, celebrity visits, mommy bloggers, travel writers, new brides, wedding planners, artists and wine experts

Cost: $2000 total for May 2015-2016

Marketing, Website Updating, Public Relations and Social Media Agency Retainer-account service, public relations and social media

TJA will fully administer all aspects of tourism marketing and public relations tactics for Avila Beach

- TJA will completely manage and maintain the VisitAvilaBeach.com website on a daily basis. All events will be updated and posted; all activities, lodging properties, dinning and other information will be kept current and complete at all times.
- The agency will also prepare a monthly Google Analytics report that tracks visits to the site, top referring sites, area demographics, referrals to the lodging page and more.
- TJA will handle and administrate all social media activities for the Avila Beach destination and will post weekly including creating events and managing polls and contests on the Visit Avila Beach Facebook and other Social Media sites, which TJA developed at no charge for Avila. Our goal is to grow the Visit Avila Beach Facebook in a similar fashion, as we have with

Visit Pismo Beach, which now has over 125,000 fans. Our postings will encompass the entire Avila Beach destination, with emphasis on lodging, but also covering events, dinning, activities, wine tasting, golf and more.

- TJA will attend all monthly Avila Beach CBID marketing meetings, all sub committee meetings which include website subcommittee, public relations subcommittee, and event subcommittee. TJA will attend all appropriate County meetings and be present to offer promotional support if needed for events taking place in Avila Beach.
- TJA will work directly with all of the lodging properties in Avila Beach to develop overnight packages for the shoulder season to bring in more overnight stays to the area. TJA will work with our local wine industry (San Luis Obispo Wine Country and Avila wineries and tasting rooms) and attend meetings to continue the branding efforts and the staging of events in Avila area as it relates to the wine and food industry.
- TJA will work to promote Avila Beach through public relations activities and will produce and distribute one press release per month to be distributed to the target media including updating the online press kit.
- TJA will be the contact to assist travel writers who are coming to Avila to write an article. We will help coordinate their stay and assure that they have all the information needed to produce a positive story. We will also discern and qualify the media requesting comp or media rates to assure they have a worthy audience for Avila Beach.
- TJA will seek out credible travel writers and top rated bloggers to write about Avila's many vacation opportunities with an emphasis on staying at and enjoying the beach.
- TJA will be active in promoting and performing media outreach for the promotion of events such as the seasonal Avila Beach Farmers Market, Wine Harvest Festival, Central Coast Wine Classic, concerts, golfing events, and more.
- TJA publishes the Avila Community News. We continue to produce articles about the community and are currently expanding and developing a high quality Lifestyle Section for Food and Wine & Travel that will be of interest to both locals and tourists. This newspaper is circulated throughout establishments in Avila Beach, Shell Beach and Pismo Beach. The Avila Community News is also online, which will help increase the out of the area market for advertisers and those featured in the various articles.
- TJA will work with the Administrator with tourism fulfillments for the Avila CBID, which includes answering email questions coming from VisitAvilaBeach.com. TJA will also notify appropriate businesses as it relates to requests for lodging information, dining, weddings, etc.
- TJA will fully administer all aspects of work for the Avila Beach CBID.

Cost: $1500 per month total for May 2015-2016 = $18,000

Promotions and events

Well-planned events can help increase business and room occupancy for the City. While the City already has a strong list of quality events, the Agency and partners will help promote events and consult on the creation of events showing the potential to draw out of market visitation.

Here are some specific strategies, as it relates to events, we would employ.

- Directly support events, which will result in more overnight stays and out of market media coverage.
- Rather than simply supplying a dollar donation to an event, we believe it is much more effective to have the marketing firm place the ads with the approval of the board on behalf of the event or organization. This will ensure the dollars are spent wisely and support a lodging promotion centered on the event. We keep control of the dollars spent by Avila Tourism Alliance and make sure it gets strong return on investment.

Cost for 2015-2016 event development, funding and coordination $15,000

To stretch Avila Breach's advertising media budget, placements will focus on key tourism organization's guides and websites. In addition, targeted media co-op opportunities with San Luis Obispo County VCB, WWC and other partners will offer increased exposure at reduced costs. And, to react quickly to the most opportunistic media price offerings, an advertising contingency fund should be established for the Agency

Print Guide Placements

- San Luis Obispo Visitor and Conference Annual Guide full page
- Touring and Tasting Magazine

Total $12,000

Co-op placements: San Luis Obispo County VCB in Los Angeles Times, Fresno Bee and Bakersfield Californian as well as opportunities with Visit California.

Total $10,000

Internet Advertising

We recommend advertising on targeted travel websites using pay per click, geographical and behavioral targeting through Google, Facebook and YouTube. To maximize effectiveness of online advertising, we will create compelling online offers and calls to action.

YouTube Advertisements:

- YouTube Promoted Video ads can show up on search, browse, watch, or homepages and are served via Google AdWords. All Promoted Video campaigns are based through a cost-per-click (CPC) model.
- A defined set of keywords will be used to place our videos on relevant content across search, browse, and watch pages.
    - Examples of keywords we will use:
        - Avila Beach, Avila Wine Tasting, Avila Beach Video, Avila Hotels, Avila Beach Lodging, Central Coast Lodging, Central Coast beach Destination, etc.
- We will put a "call-to-action overlay" on the Promoted Video campaign. This incorporates a text overlay on top of the Promoted Video to link externally to a website or YouTube channel. The overlay appears at the 10-second mark and remains for 15 seconds. Our overlay could say: "Book your Stay today at VisitAvilaBeach.com"

Facebook Advertisements:

- There are 2 types of Facebook ads that we will focus on:
    - Promoted/boosted posts
    - Standard Newsfeed Ads
- These ads will target users outlined in our target market; who are friends with someone who is a fan of our page; have a similar interest as our page (i.e. surfing, wine tasting, beaches, events, etc.); and people who are in our demographics according to our insights.

Cost breakdown (running in the shoulder season only)
Facebook: six months @$1500 per month totally $9000
YouTube: six months @$1200 per month totally $7200

Website Improvements

Visitors to VisitAvilaBeach.com for the first 10 months of this year:

Total Visitors = 76,164
Mobile Device Visitors = 20,811 (27% of total)
iPad Visitors = 7,103 - Average time spent on site = 2 min 44 sec
Smartphone Visitors = 13,708 - Average time spent on site = 1 min 27 sec

After the home page, the #1 most visited page on smarthphones is the hotel page. By maintaining a mobile friendly website, we would be better serving our Avila Beach constituents with this project. Also, separating the content into its own file system will help with maintaining both site versions and will be a great asset for future website re-designs, etc.

Summary of contract costs with TJA

Agency monthly marketing retainer	$18,000
Event development	$15,000
Print advertising	$12,000
Co-op opportunities	$10,000
Travel Blog	$2,000
Facebook	$9,000
YouTube Advertising	$7,200
Co-op advertising	$18,000
Additional website development beyond retainer	$12,000
Contingency budget for 2015-2016	$46,800
Grand Total	$150,000