



MEMORANDUM

TO: Arroyo Grande Tourism Business Improvement District Advisory Board

FROM: Sheridan Bohlken, Director of Recreation Services

SUBJECT: Receive and Provide Feedback on Marketing Efforts to Date; Approve Strategic Direction and Budget for Paid Media Updates

DATE: December 17, 2024

RECOMMENDATION:

- 1) Receive and provide feedback on the marketing efforts, strategic direction and updates on paid media performance; and
- 2) Approve strategic direction and paid media budget.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The contract with Commune Communications to provide services is not to exceed \$225,000 in the FY 2024-25, and the media budget proposed falls within the scope of the approved contract with Commune Communications.

BACKGROUND:

On [February 20, 2024](#)¹, the AGTBID Board reviewed, amended, and approved the Request for Proposals (RFP) for marketing, communications, website management, and social media services. An Ad-Hoc Committee, composed of Vice Chair Kunkle and Board Member Worthen, was tasked with reviewing proposals and providing a recommendation to the AGTBID Board. On [August 20, 2024](#)², the AGTBID Advisory Body reviewed nine (9) proposals and unanimously recommended that the City Council approve a Professional Services Agreement with Commune Communications for marketing services. On [September 9, 2024](#)³, the City Council approved an Agreement with Commune Communications for tourism marketing services.

ANALYSIS OF ISSUES:

Beginning work on November 1, 2024, Commune Communications has conducted numerous interviews with stakeholders, updated the Visit Arroyo Grande website, and

¹ <https://pub-arroyogrande.escribemeetings.com/filestream.ashx?DocumentId=10017>

² <https://pub-arroyogrande.escribemeetings.com/filestream.ashx?DocumentId=12070>

³ <https://pub-arroyogrande.escribemeetings.com/filestream.ashx?DocumentId=12473>

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developed strategic direction for future campaigns. The firm has also established performance metrics in alignment with Visit SLO CAL for review and updates on paid and owned media. By approving the campaign strategy and budget for media, Commune Communications can move forward with paid media and campaigns to promote Arroyo Grande as a tourist destination.

An overview and summary of work to date include:

Progress to Date

- Conducted 9 stakeholder interviews and work sessions for marketing insights.
- Reviewed existing studies and research to understand consumer sentiment and opportunities in Arroyo Grande's feeder markets.
- Enhanced the "Time Well Spent" campaign, incorporating new assets such as photography, video, and refreshed creative concepts.

Current Campaign Highlights

- Media Channels: Utilizing paid search, CTV/OTT, Meta, TikTok, display banners, and programmatic pre-roll.
- Performance: Testing call-to-action messaging, optimizing keywords, and targeting strategies.
- Owned Media: Increased social media engagement with 9 feed posts and stories resulting in 1,208 combined likes and 6.39k unique reach. Website updates improved SEO and data tracking.

Strategic Goals

- Increase Arroyo Grande's share of overnight stays in SLO County.
- Target growth markets (e.g., Los Angeles, San Francisco) and nurture high-conversion markets (e.g., Fresno, Bakersfield).
- Position Arroyo Grande as a unique and authentic destination with "share-worthy" experiences for visitors.

Next Steps

1. Finalize January–June 2025 campaign strategy.
2. Approve a paid media budget of \$47,000 for the remainder of the fiscal year.
3. Focus on enhancing campaign tracking and reporting to refine performance metrics for visitation and hotel partner impact.

ALTERNATIVES:

The following alternatives are provided for the Boards's consideration:

1. Approve strategic direction and budget for media as-is;
2. Do not approve the strategic direction and budget for media;
3. Provide other direction to staff.

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ADVANTAGES:

1. Approving strategic direction and budget will ensure strategic alignment for Visit Arroyo Grande to ultimately increase overnight stays;
2. Regular feedback sessions allow the AGTBID Board to address challenges and refine marketing strategies in a timely manner. This ensures campaigns remain relevant, targeted, and responsive to evolving trends in tourism and visitor preferences;
3. Approving the campaign strategy and budget ensures that funds are allocated to the most effective channels and initiatives. This action promotes efficient use of resources, maximizing the return on investment in paid media.

DISADVANTAGES:

1. There are no known disadvantages at this time for the AGTBID Board approving the strategic direction and budget.

ENVIRONMENTAL REVIEW:

No environmental review is required for this item.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

ATTACHMENTS:

1. Arroyo Grande Strategy