

MIAMIBEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMITTEE MEMORANDUM

TO: Finance and Economic Resiliency Committee

FROM: Alina T. Hudak, City Manager

DATE: April 21, 2023

SUBJECT: DISCUSS THE GREATER MIAMI CONVENTION AND VISITORS BUREAU PARTNERSHIP PLANNING WITH THE CITY OF MIAMI BEACH

HISTORY

On June 23, 2021, the Mayor and City Commission accepted the recommendation of the Finance and Economic Resiliency Committee (FERC) and approved a Destination Marketing Agreement with the Greater Miami and Miami Beach Convention and Visitors Bureau (“GMCVB”), which Agreement included (1) a five (5)-year term, provided the City may terminate the Agreement for convenience upon 120 days prior written notice; (2) a Base Fee to the GMCVB comprised of ten percent (10%) of the two percent (2%) City Resort Tax (less a collection fee of four percent (4%)); and (3) an Incentive Fee up to \$2,000,000 based on the GMCVB's ability to achieve performance metrics, as more particularly described in Resolution 2021-31755.

The current Agreement between the City and GMCVB, enhanced the terms of the previous agreement and provides for more creativity and collaborative synergy amongst the City, GMCVB and other tourism stakeholders (e.g., Miami Beach Visitor and Convention Authority). The Agreement is divided into three (3) areas:

- 1) Promotion and Sales of the Miami Beach Convention Center and Campus;
- 2) Promotion and Destination Marketing of the City; and
- 3) Leadership and membership in the GMCVB administration and operations of the promotion and marketing of the Greater Miami community as a destination and economic driver.

On January 20, 2022, the Mayor and City Commission requested a referral to the FERC to discuss the GMCVB partnership with the City of Miami Beach, to include a presentation by the GMCVB to provide an update on the Miami Beach Convention Center (MBCC) sales, bookings and Miami Beach destination marketing goals.

The City has been contracting and partnering with the GMCVB since 1984 for the purpose of promoting the Miami Beach Convention Center (MBCC) and Miami Beach as a destination. The GMCVB is primarily responsible for marketing, pursuing, and securing MBCC sales and Miami

Beach destination marketing. Together with the City, MBCC management, Oak View Group (OVG360), formerly Global Spectrum L.P. (Spectra), and Sodexo Live!, formerly Centerplate, the GMCVB is responsible for pursuing large and long lead business bookings, with OVG360 and Sodexo Live! typically focusing on shorter term business.

The GMCVB, in collaboration with the City and the Miami Beach Visitors and Convention Authority, engages in local, regional, national and international marketing and communications of Miami Beach as the overall destination and the MBCC, as a venue destination, in an effort to promote Miami Beach tourism, with the goal of securing hotel room nights in the City, and to further enhance the City's tourism economy and brand.

ANALYSIS

Sixteen (16) months into the new contract, the City and the GMCVB are mutually adjusting to the modified partnership structure, evolving tourism and economic climate, new strategies, goals, and transparency in tracking and measurement as the City continues to recover, renew, and grow as a Tier 1 destination and the MBCC continues to be a venue of choice with two new event spaces opening soon and the utilization of Pride Park and Collins Canal Park. In addition, the MBCC continues to be recognized by the travel and hospitality community including:

- *NorthStar Meetings Group*, a premier online platform for business and sports event organizers and related professionals awarded the MBCC a 2022 Silver ***Stella Award*** in the “Best Convention Center: Southeast” category;
- *Exhibitor Magazine* named the MBCC as one of the “2023 Centers of Excellence” – joining an esteemed list of the 30 highest rated convention centers hosting events and trade shows in North America; and
- *Smart Meetings Magazine* named the MBCC amongst the top 16 “Best Conference Center” list also known as the “Planner’s Choice Award”.

Additionally, MBCC was included in the *ConventionSouth* magazine 2022 Readers Choice Awards list for Florida.

Promotion and Sales of the Miami Beach Convention Center

Commencing in January 2022, the Administration has worked with the GMCVB (in collaboration with OVG360 and Sodexo Live!) to outline strategic planning goals and reporting requirements consistent with the Agreement to spur enhanced economic impact by driving tactical booking policies, processes and procedures, partnering with the hotel community for united packages, building robust sales teams with national and international reach, and augmenting amenities to remain best in class. Collectively, the Administration and the GMCVB agreed to the following goals for FY 22/23 and plan to meet in April 2023 to review progress on the achievements of such goals.

MBCC / Miami Beach Hotel Updated Goals - FY 22/23

MBCC Booking Goal	Groups	Room Nights
P1	7	55,000
P2	4	30,000
Totals	11	85,000

Miami Beach In-Hotel	Groups	Room Nights
Bookings	205	115,000

Additionally, the team implemented a more transparent and trackable reporting structure to better measure success and to identify challenges including, but not limited to:

Monthly Priority 1 (P1) / Priority 2 (P2) Reporting:

- # of New Prospects added by GMCVB/Total Prospects at Month End
- # of Prospects Converted to Tentatives by GMCVB that Month by Year and Total Year to Date Prospects Converted to Tentatives
- # of P1 Tentatives Converted to P1 Definites by GMCVB that Month by Year and Total Year to Date Tentatives Converted to P1 Definites
- # of P2 Tentatives Converted to P2 Definites by GMCVB that Month/Total Year to Date Tentatives Converted to P2 Definites
- P1/P2 Definites Room Nights by Year and Total
- Conversion Dynamics
- Monthly Revenue Reporting – Booked
- Projected Facility Rental Revenues Booked from P1/P2 Events – by Month for Fiscal Year and Year to Date – Compared to Prior Years and Goal

With respect to generating revenue for Miami Beach hotels, Miami Beach continues to lead the country in average daily rate (ADR), revenue per available room (RevPAR), and rooms sold.

September - November 2022					
	Occupancy	ADR	RevPAR	Rooms Sold	Gross Revenue
Miami Beach	63.8%	\$295.40	\$188.51	1,253,517	\$370,294,396
Downtown Miami	65.9%	\$219.56	\$144.76	626,549	\$137,567,791
Miami-Dade County	68.5%	\$209.50	\$143.58	4,092,850	\$857,467,842
Miami-Dade County w/o Miami Beach	70.8%	\$171.58	\$121.55	2,839,333	\$487,173,447

Source: STR; Terms: ADR = Average Daily Rate; RevPar = Revenue per Available Room; Rooms Sold = Demand

Promotion and Destination Marketing of the City

Over the course of the last year, the Office of Marketing and Communications has worked in partnership with the GMCVB and their agency of record, VMLY&R, on several marketing and communications initiatives including the Davey award winning “Take Care of our City” campaign, Miami Beach Live and have undertaken the city’s largest marketing campaign with “Find Your Wave”. Each campaign has required a completely unique approach with a strategic vision, custom creative and paid / organic media plan.

Find Your Wave

In January 2022, the administration and the GMCVB began three months of market research on the Miami Beach brand. The research firm interviewed 25 community stakeholders, and surveyed hundreds more to better understand the tourism, business leader and resident perspective of Miami Beach as a destination, business hub and place to live. The in-depth market research was used to start to put together the City of Miami Beach’s first annual marketing campaign, which came to be called “Find Your Wave.” With the intent to launch in February 2023, the campaign will focus on promoting Miami Beach across various verticals including tourism, business attraction, health and wellness, arts and culture and residents / community. The creative will be executed across multiple paid media channels including digital, social, responsive search ads, search engine optimization, print, and out of home and will run until May 2023. The campaign will launch the first Miami Beach specific promo video and will feature all new photography of some of Miami Beach’s most iconic sites and venues and has been fully funded by the GMCVB through the portion of their funds that have been budgeted and set aside for Miami Beach specific marketing.

Miami Beach Live 2022

For Miami Beach Live 2022, the campaign was launched with existing funding allocated to the GMCVB per the Agreement. The bilingual campaign was comprised of paid social, search engine optimization, targeted geo-fenced events, radio, bus shelters, digital ‘out of home’ (billboards), magazines and articles by a selection of bloggers. The campaign began on December 13, 2021, and steadily built presence, with the bulk of the media buy hitting between mid-January – March 20, 2022. To ensure the campaign was both diverse and inclusive, we partnered with various Black, Hispanic and LGBTQ+ focused media companies with the authority and experience to engage with those individuals, and to ensure the campaign reached a breadth of audiences in a trusted way.

The campaign focused on the local tri-county area (Miami-Dade, Broward and West Palm), Orlando and Tampa, and a larger out of home billboard / digital component executed in our top fly-in markets – Atlanta, Chicago and New York City. With the hyper-targeted aspects of the campaign, we partnered with some of the industry’s largest media outlets (Amobee, Simpli.fi, and Outdoor) to execute programmatic DSP, finite targeting, and geofenced programs. The estimated impressions were set at 34,493,318 unique impressions, with the tactical elements of this vertical to include geofencing at the NY Art Show, the Chicago Show, and the NY Boat Show.

Within the tri-county area, we took advantage of high-profile, high-traffic digital advertising billboards with our brand presence on Interstate 95 at various locations with a return of 5,668,152 unique impressions. Other marketing and media elements within the tri-county area included bus

shelters throughout Miami-Dade, radio and paid digital. For our fly-in markets, we took a more digital approach by purchasing digital advertising boards that allowed us to retarget users via mobile. Our brand was seen in Chicago (Hwy 53, Interstates 294 and 55), and Atlanta (Piedmont, Presidential Parkway, and Peachtree Road). The mobile retargeting aspect of this campaign used the combination of rooftop mapping data and demographic data to create audience segments. It grouped physical locations and created audiences of anonymized mobile devices using location data, which allowed us to target them based on their lifestyle as well as brand categories.

In total, the Miami Beach Live! media campaign was expected to return 59,904,750 impressions. The campaign achieved a 123% return on investment, as follows:

- 73,864,174 total impressions (+23% of goal)
- Digital: 46,594,889 (+10% of goal)
- Outdoor: 25,236,885 (+75% of goal)
- Clicks: 129,900 unique clicks with a CTR of 0.27%, which was above the estimated 0.19% CTR benchmark.

The Administration again worked with the GMCVB and VMLY&R to execute the marketing and media plan for Miami Beach Live 2023.

Paid Media Impressions

PARTNER	IMPRESSION GOAL	IMPRESSIONS ACTUAL	DIFFERENCE
Amobee	9,422,931	12,508,888	132.75%
Miami Herald	1,787,500	1,807,733	101.13%
El Nuevo Herald	1,406,250	1,424,749	101.32%
Simpli.Fi	10,642,856	11,186,031	105.10%
Spotify	3,820,782	3,842,995	100.58%
The Root	1,538,461	1,665,000	108.23%
Reach Media	3,500,000	3,306,669	94.48%
Qdigital	4,330,000	5,424,272	125.27%
Miami Times	124,800	421,949	338.10%
Miami New Times E-Blast	55,000	76,217	138.58%
Time Parents	35,906	43,829	122.07%
Parents News	14,000	22,690	162.07%
Miami Moms	47,400	57,568	121.45%
Travel & Leisure Newsletter	266,800	278,605	104.42%
Food & Wine Newsletter	100,000	155,264	155.26%
City of Miami Beach E-Blasts	140,000	172,457	123.18%
Paid Social	5,252,233	4,347,768	82.78%
Organic Social	350,000	403,626	115.32%
Paid Search	100,000	100,879	100.88%
Outfront OOH - Billboards	14,427,531	25,236,885	174.92%
Outfront OOH - Bus Shelters	2,000,000	2,449,036	122.45%
iHeart Radio	3,087,300	2,032,400	65.83%
TOTAL	62,449,750	76,965,510	127.10%

Budget

PARTNER	BUDGET	ACTUAL	+ / -
Amobee	\$49,998.00	\$49,998.00	100.00%
Miami Herald	\$25,000.00	\$25,000.00	100.00%
El Nuevo Herald	\$20,000.00	\$20,000.00	100.00%
Simpli.Fi	\$35,000.00	\$35,000.00	100.00%
Spotify	\$50,000.00	\$50,000.00	100.00%
The Root	\$20,000.00	\$20,000.00	100.00%
Reach Media	\$35,000.00	\$35,000.00	100.00%
Qdigital	\$50,000.00	\$50,000.00	100.00%
Miami Times	\$4,300.00	\$4,300.00	100.00%
Miami New Times E-Blast	\$1,000.00	\$1,000.00	100.00%
Time Parents	\$4,000.00	\$4,000.00	100.00%
Parents News	\$5,000.00	\$5,000.00	100.00%
Miami Moms	\$3,550.00	\$3,550.00	100.00%
Travel & Leisure Newsletter	\$20,000.00	\$20,000.00	100.00%
Food & Wine Newsletter	\$10,000.00	\$10,000.00	100.00%
City of Miami Beach E-Blasts	\$0.00	\$0.00	100.00%
Paid Social	\$31,514.00	\$31,513.66	100.00%
Organic Social	\$0.00	\$0.00	100.00%
Paid Search	\$15,000.00	\$10,171.28	67.81%
Outfront OOH - Billboards	\$84,791.00	\$84,791.00	100.00%
Outfront OOH - Bus Shelters	\$0.00	\$0.00	100.00%
iHeart Radio	\$35,000.00	\$34,013.60	97.18%
TOTAL	\$499,153.00	\$493,337.54	98.41%





Take Care of Our City 2022

To complement the Miami Beach Live 2022 marketing campaign, the Office of Marketing and Communications launched a public safety campaign titled "Take Care of our City" which ran from February 18 – March 30, 2022. This campaign engaged visitors who were already present in Miami Beach with a three-pronged approach focused on educating and reminding them about our local laws, while welcoming them to our City, and promoting the myriad of things we have to offer, including cultural entertainment, culinary, health and wellness, events, shopping, and more. The campaign look and feel were extended across traditional marketing channels, and included beach

A public safety campaign graphic with a pink and blue background. On the left, it says "WELCOME TO MIAMI BEACH" in small white letters, followed by "TAKE CARE OF OUR CITY" in large yellow letters, and "AND IT WILL TAKE CARE OF YOU" in large yellow letters. On the right, under the heading "LOCAL LAWS & REGULATIONS", it says "DON'T FORGET:" followed by a bulleted list of laws: "Consumption of alcohol in public or on the beach is illegal", "Possession or consumption of narcotics is illegal", "Driving under the influence is illegal", "Driving a scooter or vehicle irresponsibly, or on the sidewalk is illegal", and "Violence of any kind will not be tolerated". At the bottom right, there is a QR code and the text "Scan here for more information" with a yellow arrow pointing to the QR code.

entry signs and traffic barricades, complete with QR codes that took visitors directly to our spring break safety website.

BEACH FRONT / STREET SAFETY SIGNS



BARRICADE COVERS



The city partnered with the following local influencers for this campaign:

- Romero Britto, global art icon
- DJ Irie, Official DJ of The Miami Heat
- Lee Schrager, SOBEWFF Founder
- Chef Michael Schwartz, Celebrity Chef
- Johanna Gomez, NBC Six in the Mix Host
- Nicole Friday, American Black Film Festival
- Jessica Goldman Srebnick, Goldman Global Arts & Wynwood Walls
- Purple, nightlife promoter
- Miami City Ballet
- The Bass Museum
- North Beach Bandshell
- Barry's Bootcamp
- Brigitte "Bibi" Andrade, The Adventures of Bibi & Friends
- Daniel Ciraldo, MDPL
- Dave Doebler, Environmental Activist

- Glendon Hall, Miami Beach Black Affairs Committee, Chair
- Jonathan Tamen, Miami Beach Youth Commission
- Ray Breslin, Collins Park Association, President
- David Sexton, Normandy Fountain Business Improvement District
- Queen of Flipss, LGBTQ+ Performer
- Lincoln Road Business Improvement District
- Miami Beach Convention Center / Public Art Collection
- Alina T. Hudak, City Manager
- City of Miami Beach Police, Fire Rescue, Parks and Recreation, and others

The campaign was supported by a \$65,000 media spend, paired with informational outreach seminars to community organizations, colleges and universities, student unions, fraternities, and sororities to educate them on Miami Beach rules and standards, as well as to get ambassadors on their campuses to help spread our safety message. We utilized multiple tactics to relay our message, including out of home, digital web banners, targeted social media posts, street pole banners, bus shelters, and trolley wraps with the following results:

- Paid Social Media – 2,704,162 unique impressions
- Organic Social Media – 164,201 unique impressions
- E-Blasts – 148,721 impressions
- Digital Web Banners – 3,916,244 unique impressions
- Bus Shelters – 9,439,280 unique impressions
- Pole Banners – 545,224 unique impressions
- Trolley Wraps 1,754,000 unique impressions
- **TOTAL IMPRESSIONS: 18,671,832 impressions**

Creative collateral from the campaign:





The Administration again launched the Take Care of our City campaign for March 2023, utilizing many of the same mediums and tactics as the 2022 campaign, with the inclusion of some new participants.

The 2023/2024 Marketing and PR Goals:

The Office of Marketing and Communications worked with the GMCVB to redefine goals as pertains to marketing and communications, to ensure that efforts and funds are working towards a mutually agreeable goal. For the upcoming fiscal year, the following goals have been set:

- Number of Media Placements: 605
- Advertising Value Equivalent: \$150,000,000.00
- Impressions: 7 billion
- Miami Beach Dedicated Journalist Meetings: 50
- Press Trips & Number of Journalists: 8 Trips / 150 Journalists
- 1 interactive media event
- Social Media Campaigns: 12 campaigns (as mutually agreed upon)
- Share of Voice for Miami Beach: 25% of GMCVB efforts
- Increase followers and engagements: 8%
- News stories on state of tourism industry: 50 stories

Leadership membership in the GMCVB - The Administration is now well represented on the following committees:

- | | |
|-------------------------------------|---------------------------------|
| • Board of Directors | • Sports Tourism Committee |
| • Executive Committee | • Marketing & Tourism Committee |
| • Multicultural & Tourism Committee | • Finance Committee |

CONCLUSION

The Administration is confident that through the GMCVB partnership, progress is being made to improve activation at the MBCC and the reimagining of the City of Miami Beach brand reputation, image and messaging. With enhanced collaborative tracking through diligent contract administration, oversight and monitoring - together with the groundbreaking of the Grand Hyatt Miami Beach convention center hotel, sales, bookings, and occupancy goals can be accomplished in Fiscal Year 2023.