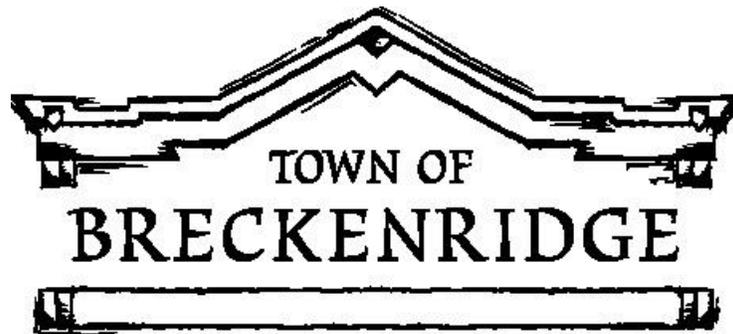


Events Evaluation Report

For The

Town of Breckenridge



Prepared By

Creative Strategies Group



Presented to

*Breckenridge Marketing Advisory Committee
June 3, 2013*

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Town of Breckenridge

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I. Introduction & Overview

A. Breckenridge and Events

Breckenridge has long recognized the positive impact of festivals and special events on the community. Events are viewed as source of diverse and affordable programming for residents and visitors alike, a tourism draw, a positive economic driver, a contributor to the overall high quality of life, and an affirming contributor to Breckenridge's brand as a "real town...with a vital main street, locally owned businesses, a genuine sense of community and a friendly, welcoming small town feel."

From world class events like the Dew Tour and USA Pro Cycling Challenge, to major annual festivals ranging from the International Snow Sculpture Championships and Breckenridge Music Festival, to quirky events such as Ullr Fest and Kingdom Days Celebration to hometown happenings for the locals like the Town Party, there is something for every interest and taste.

Breckenridge manages and supports festivals and events in a variety of ways. All event organizers must apply for a special event permit and work with the Town staff through the SEPA committee to assure that the event will be well produced with possible problems mitigated in advance with various town departments and touch points.

The Town Council-appointed Breckenridge Marketing Advisory Committee, (BMAC) plays a significant role in reviewing and advising the council on best practices to maximize the effectiveness and efficiency of tourism marketing investments including those dollars that are channeled to special events.

Through the BOLT business tax, accommodations tax, sales taxes and general fund excise taxes, approximately \$750,000 in event funding is managed through the Breckenridge Resort Chamber (BRC), which serves as the community's chief marketing agent and most prolific event producer. The town also set aside \$300,000 of the Marketing Fund for community branding opportunities such as the USA Pro Cycling Challenge and for special opportunities. In addition, the Town's Events/Riverwalk Center's budget provides for funding for events or enhancements such as Town Party and fireworks. The Special Projects Fund provides funding to nonprofits through the annual Grant program (approx. \$91,000) for their events. And lastly, the Town's General Fund provided \$97,000 in 2013 for Dew Tour support.

B. Genesis for the Events Study

At the July 10, 2012 Town Council Meeting, the question was put forward as to how events were being recapped and reviewed in terms of their Return on Investment. The staff's written response provided a recap of past and current evaluation measures from the SEPA review process to BRC recap roundtable to online business surveys. All acknowledged that few evaluations could provide quantitative metrics regarding incremental economic impact on lodging nights, sales tax, etc.

I. Introduction & Overview (*continued*)

B. Genesis for Events Study (*continued*)

As BMAC discussed the ROI question, the conversation naturally progressed into how measurement metrics could be used not just for current events but additionally in the potential financial support of new events through the provision of seed money.

In November, 2012 with the recommendation of the BMAC and at the direction of the Breckenridge Town Council, a RFP was issued for third party consultation and assistance in developing “Best Practices for Breckenridge Events.”

Specifically it stated that “The Town desires the consultant to develop both an evaluation of select current events and options for a ‘Best Practices for Breckenridge Events’ process, including information on how other communities evaluate and fund new events, how to evaluate the investment (ROI) made by the Town and BRC with solid, quantifiable parameters.”

Creative Strategies Group, (CSG) an event marketing agency based in Broomfield, Colorado was selected to conduct the research and prepare a report for the town.

C. Key Deliverables

In the initial discussion between CSG and the Town, four key deliverables were identified for this consultation:

1. Review and matrix of three similar communities’ “best practices” for events, including how they evaluate and fund events (existing and new/proposed).
 - ▶ Denver
 - ▶ Aspen
 - ▶ Vail
 - ▶ Telluride (added by CSG)
2. Evaluation of eight current Breckenridge events
 - ▶ Ullr Fest
 - ▶ International Snow Sculpture Championships
 - ▶ Mardi Gras
 - ▶ Kingdom Days Celebration
 - ▶ Mountain Arts Festival
 - ▶ Breckenridge PRCA ProRodeo
 - ▶ Breck Bike Week
 - ▶ Breckenridge Oktoberfest
3. Criteria (Matrix, process, etc.) for evaluation NEW events being proposed
4. Post event evaluations (matrix, process, etc.) for both current events and NEW events that hosted or supported

I. Introduction & Overview (continued)

D. Process/Methodology

For the past three months, CSG has conducted the raw research required for this study.

CSG contacted the municipalities to secure their participation in the research. They were all quite supportive of the process. Questionnaires were developed and administered by CSG with a follow-up phone or in-person interview with the respondents. Additionally, CSG was either directly provided or conducted online research of public records related to other municipal practices related to events and festivals.

The information collected from these municipalities was coalesced into a review matrix which is included in this report.

CSG also carefully reviewed similar information from the Town of Breckenridge and Breckenridge Resort Chamber to drill down deeply into current protocols, procedures, policies and practices related to the treatment of festivals and events. This review was a bit more in-depth as the current situation will be the basis upon which recommendations will be built.

A questionnaire was also distributed to the organizers of the six Breckenridge events identified for this study. They provided specific information to the best of their ability and information tracked related to a general review of their event, its purpose and key objectives, measurement metrics, audience impact and other information.

The “top line” information from this event review has been plotted onto a comparative matrix and included in this report.

CSG then provided our overall observations, recommendations for Breckenridge’s direction to take on event review, funding, support and evaluation, along with specific review and measurement criteria.

We look forward to discussing our findings with you.

II. Municipal Best Practices

A. Review Process

Breckenridge need not reinvent the wheel when it comes to their relationship with festivals and special events. There is a great deal that can be gleaned from looking at other municipalities and how they deal with events.

Breckenridge actually participated in a CAST Survey of Special Events with other Colorado communities in October 2004. The purpose of this audit was to report on how other cities *managed* festivals and events in such areas as permitting, fees and licenses, use of municipal venues, provision of services, etc.

CSG's survey and subsequent conversations with those responsible for these types of relationships proved to be very insightful. Key factors we sought to determine included:

- ▶ Perceived role of events to the municipality
- ▶ Governance role by city in supporting events
- ▶ Staffing and infrastructure related to events
- ▶ Municipal special events "investment" policy (if any)
- ▶ City support of events (Financially, support services, marketing)
- ▶ Funding mechanisms for current and new events
- ▶ Measurements used to determine ROI

B. Review Matrix

The information from these reviews has been plotted onto the matrixes providing a side by side comparison for these areas of exploration. They provide an excellent snapshot of each community's approach to their treatment and support of special events and event producers. Attached, please find:

Appendix A-1: Town of Breckenridge Municipal Assessment Review

Appendix A-2: Municipal Best Practices Review for Denver, Aspen, Telluride and Vail

I. Municipal Best Practices (*continued*)

C. Observations and Ideas Garnered

1. Municipal Attitude/Philosophy Regarding Special Events

Commonalities: All four communities we surveyed, (plus Breckenridge) have a positive, welcoming *attitude* regarding festivals and events. Events are regarded as a great source of entertainment and programming for residents and visitors alike; they add to a vibrant quality of life; and play a helpful role as an economic driver.

All five communities have in place formal protocols and procedure for *regulating* and managing special events to assure they are complying with municipal ordinances, mitigating issues related to city venues and services, and providing a quality control measure to assure the events is appropriate for the prevailing community standards.

There are *dedicated municipal staffs* in all five cities who serve as an initial point of contact, permitting facilitators, advisory resource, and municipal coordinators to the event producer. These staff members are generally in dedicated special events departments as well as aligned departments such as arts & culture and parks & recreation.

The one exception is the Town of Vail which views events from a far more proactive economic perspective and consequently bases their special events staff out of the Department of Economic Development. (More on this later.)

2. Passive vs. Proactive Views of Events

As previously reported, all five municipalities have event policies and procedures in place for the *management* of events. But this is the dividing point where some clear differences appear in terms of the *nurturing and support* of special events as a municipal marketing and economic strategy.

Some communities have made a more proactive determination that special events can serve as a marketing and communications tactic to build tourism with its associated economic benefits.

This is demonstrated in the people, programs, and policies they have put into place from a municipal level. Additionally, they “put their money where their mouth is” in terms of the funding of efforts and activities that support a robust and vibrant event environment.

II. Municipal Best Practices (continued)

C. Observations and Ideas Garnered (continued)

2. Passive vs. Proactive Views of Events (continued)

On a scale of 1-10 with “1” representing a passive or laissez-faire policy to “10” reflecting a highly calculated and aggressive approach to supporting events, CSG has ranked the five communities as follows:

City	Ranking	Comments
Denver	2	Has dedicated staff to liaison with producers. Provides encouragement and support to event producers, but few financial incentives and no in-kind support of city services.
Telluride	3	No specific policy in place to recruit or support events. Town does provide some event funding through the Commission for Community Assistance Arts & Special Events, but it is limited to local nonprofits.
Aspen	4	Though considering a program, Aspen does not presently have a municipal initiative in place to recruit and fund special events. Keeps permitting fees low and provides some city services at no cost, Some event funding was provided for 18 months in 2008 but is no longer in place.
Breckenridge	6	Town is committed to events for programming, entertainment, quality of life and role they play in attracting visitors to the community. Significant municipal funding (\$750,000) is provided to existing events, primarily through the BRC, but special funding (\$300,000) has been set aside to support such special opportunities as the Pro Challenge, plus misc. funding for NPO events (\$91,000) and ToB events & enhancements (fireworks, Town Party, etc.), and Dew Tour. However, there is not presently a policy in place for the recruitment and seed funding of new events.
Vail	10	For the Town of Vail, special events are considered one of the three top economic drivers for the town. Vail, through their Department of Economic Development and council-established Commission on Special Events, has created a strategic plan which guides an aggressive effort to financially support existing events as well as identify, recruit and provide seed money for new events. Vail has three funding mechanisms that provide approximately \$4 million annually to events.

II. Municipal Best Practices (*continued*)

C. Observations and Ideas Garnered (*continued*)

3. Best Practices of a Proactive Approach to Special Events

In reviewing best practices of those municipalities with a proactive and aggressive role in utilizing special events as an economic driver, CSG found these common elements:

- ✓ ***Town Council Engagement*** – There is an understanding and appreciation for the positive role of special events and festivals in the community as an economic driver and its impact on quality of life for residents and visitors alike. Events are regarded as a key marketing tactic which need to be nurtured, managed and measured.
- ✓ ***Funding Mechanisms*** – Of the five municipalities only Breckenridge and Vail had formal funding mechanisms in place for the financial support of events. Generally these are generated by lodging taxes, business taxes and licensing fees and general funds.
- ✓ ***Municipal Operational Support*** – With the exception of Denver which charges for all special events venues and support services, all other mountain municipalities position themselves as wanting to be a “partner” with event organizers through the no-or-low cost provision of city land, streets, venues, public works support and police and fire coverage.
- ✓ ***Active Events Committee*** – While many of the reviewed municipalities have formally-established committees for special events, it is those that are properly commissioned, staffed, funded and empowered that have the greatest impact.
- ✓ ***Strong Community Partners Active in Event Production*** – Whether the Vail Valley Foundation or the Breckenridge Resort Chamber, it appears that strategic partners that can manage and produce events, operate outside the rigidity of the municipal structure and policies, and accomplish specialized tasks in an expedient manner are an important partner in accomplishing the city’s objectives.
- ✓ ***Active Recruitment of New Events/Producers*** – Vail in particular has put out an “Open for Business” sign for event producers. They are actively and aggressively seeking and evaluating partners, whether for-profit or not, that can bring events to the community that achieve key goals for economic impact, shoulder season attractions, niche audiences, media exposure etc.
- ✓ ***Measurement Procedures and ROI Metrics*** – A key element in best practices for municipalities is to have in place clear metrics and procedures to measure the impact of specific events in meeting key objectives including lodging nights, sales tax, media exposure, audience demographics and experience, etc. Telluride utilizes MUNIRevs, a daily sales tax reporting system. Vail now conducts audience surveys and requires post-event performance reports from the event producer.

III. Breckenridge Property Audit & Analysis

A. Review Process

As part of this study, CSG was asked to “audit” a selection of events and festivals that take place annually in Breckenridge. Those events represented a variety of circumstances from private to nonprofit ownership, new vs. established, time-of-year, purpose, etc. The events reviewed (in calendar chronological order) were:

- ▶ Ullr Fest
- ▶ International Snow Sculpture Championships
- ▶ Mardi Gras
- ▶ Kingdom Days Celebration
- ▶ Mountain Arts Festival
- ▶ Breckenridge PRCA ProRodeo
- ▶ Breck Bike Week
- ▶ Breckenridge Oktoberfest

Each event producer was sent a three-page questionnaire designed to drill down into their audience numbers and profile, financial support (e.g. town, sponsors, others), purpose/objectives and any measurements or metrics they employ.

B. Review Matrix

The information from these questionnaires has been plotted onto a matrix providing a side by side comparison for these areas of exploration. As each event producer provided varying levels of detail based upon information that was regularly tracked, some areas are incomplete. Attached, please find:

Appendix B: Breckenridge Property Review

III. Breckenridge Property Audit & Analysis (*continued*)

C. Observations & Recommendations

Event Size and Type: The events CSG reviewed varied widely in terms of attendance. Larger events such as Oktoberfest attracted 48,000 attendees and the ISSC has an estimated audience of 38,500. Mid-sized events such as Kingdom Days and the Mountain Arts Festival fell in the 7,000 to 10,000 range. The nightly average attendance for the PRCA ProRodeo was 933 and Breck Bike Week reported approximately 1,200 participants.

Needless-to-say, the size and duration of an event has a significant impact on the community as well as city resources. As we proceed with recommendations later in this report, CSG will be proposing a classification of events by anticipated audience size.

Seasonal Timing: The dates of Breckenridge events we reviewed could best be grouped into four time frames:

- ▶ Prime: Winter (December – March)
- ▶ Prime: Summer (Mid-June – Early September)
- ▶ Shoulder: Fall (Mid-September – November)
- ▶ Shoulder: Spring (April – Mid June)

Given the stated emphasis to drive visits during shoulder periods, we were a bit surprised to find so few fell into those time frames. This may provide an opportunity to recruit other events during shoulder periods such as Vail does.

Purpose/Objective: Those events produced by the BRC through their marketing contract with the town universally were designed to create high-quality programming that reflects Breckenridge's unique attributes, provide an event that attracts visitors and drives lodging, adds to the community's quality of life as well as promotes the town's brand. Given these broader objectives, all BRC events are free to the public.

The privately owned events also want to provide experiences that enrich the community and appeal to visitors. However, CSG as an event producer knows that the strongest motivation of private event owners is profit generation. This is their *business* and how they make a living. Consequently most private events have an admission or participation fee.

In our opinion, none of these motivations are in conflict with the overall the town's objectives to "host" events that boost tourism, enrich the community and support the Breckenridge brand.

III. Breckenridge Property Audit & Analysis (*continued*)

C. Observations & Recommendations (*continued*)

Sponsors/Partners: The importance of sponsors as a funding partner of events in Breckenridge cannot be understated. They provide not only financial investments and trade support, but often add to the marketing of the event as well as the overall experience of the attendee. BRC has done a good job of soliciting and contracting commercial sponsors for their major events. Beer is the most active category in play, followed by automotive.

Both the Town of Breckenridge and the Breckenridge Ski Resort have been essential partners of virtually all BRC events providing both cash and trade support. The Mountain Arts Festival does not have a sponsorship program and the Rodeo's sponsorship is still in the formative stages.

Sponsors can and should continue to play an increasing role in providing incremental financial support as well as budget-relieving trade support to events in Breckenridge.

Marketing Impressions: Marketing & advertising for events serves several purposes. The first objective is to generate awareness and compel attendance. The second is to promote sponsor brands. The Breckenridge's case, there is a third objective - to promote and reinforce Breckenridge's marketing brand as a real town and great place to visit and have fun. The good news is that when the message is compelling and the delivery mediums effective, all three can be accomplished.

Promotion for the events we reviewed was divided into two markets – Summit County and Denver. BRC events utilized a combination of cash advertising buys and promotional partnerships to create awareness and demand. For those events which were able to provide media equivalencies, approximately 55% of the media value was “invested” in Denver and 45% in Summit County.

Clearly the *Summit Daily News* and radio stations KSMT and Krystal 93 are important promotional partners to get the word out locally. In Denver, the most common media partners were KUSA and KCNC, Westword, KBCO and KCFR.

It was interesting that the privately-owned events reported limited or no advertising investments. Mountain Arts Festival, which did not report any advertising, is likely assuming that attendance will come from those already in Breckenridge for the three high-traffic weekends on which they fall. The Rodeo did an unspecified buy in Denver on KYGO (a C&W powerhouse) and the typical Summit County media outlets.

It may be possible to pool or bundle Breckenridge's events as a marketing co-operative to increase the reach and frequency of the media buys in the future.

III. Breckenridge Property Audit & Analysis (continued)

C. Observations & Recommendations (continued)

Measurement: Universally, among the events we reviewed was the deficiency of performance measurements other than attendance. Further, accurately gauging attendance, especially at free events, is a perpetual problem for event producers.

BRC events did the best job of measuring what they could. In most cases these events tried to track movement in vacancy rates, incremental tax revenues and media equivalences (both paid and earned media). However, given the lack of effective quantitative measurement systems in place, these numbers are most likely best guesses at best.

Further, we were surprised to find so little audience demographic information was collected. Clearly, if Breckenridge wants to accurately measure the effectiveness and return on event investments, this data needs to be collected in a consistent and methodical manner. For accuracy and consistency, this most likely will need to be accomplished by a central authority such as BMAC.

Community Support: In Breckenridge, the financial figures do NOT include various lodging and restaurant donations to events, including but not limited to ISSC.

In addition, it is worth noting that holistically the difference between the other communities surveyed and Breckenridge is the lack of delineation between the mountain (i.e. Vail Resorts/Breckenridge Ski Resort) and the town/community. There has been a concerted effort by the Town, the BRC and BSR to collaborate so events 'bleed' across the 'borders'.

IV. Proposed Strategic Direction for Breckenridge Event Support

The Breckenridge Town Council, through the Breckenridge Marketing Advisory Committee desires to “evolve” their approach to reviewing, funding and measuring special events. While there is a great deal the town is doing right in the support of events, as the municipal review showed, there is more than can and should be done to assure public dollars are being invested wisely and effectively.

It is not CSG’s place to establish a new approach to dealing with events for the Town of Breckenridge, but we have been asked to provide our recommendations for strategies and tactics that might be considered. As it is the desire of BMAC to remove the subjectivity of how events may be evaluated for ongoing or seed funding, we will also provide in this section of the report, our ideas for review criteria and evaluation.

A. A Proactive Approach to Special Events

The Town and BMAC desire to take over the driver’s seat when it comes to managing the composition and impact of events and festivals in Breckenridge. **This begins with consensus agreement that events are a vital tool in driving economic vitality as well as promoting the Breckenridge brand.** Everyone must philosophically be on board in their belief and understanding of the role of the events in the community.

Over time, this consensus will likely be manifested in a number of ways:

- ▶ Elevation and empowerment of the Breckenridge Marketing Advisory Committee to take the lead role in guiding and being held accountable for event policy, selection, investments and effectiveness.
- ▶ Development of a strategic plan for Breckenridge’s Special Events including their purpose, fundamentals and critical success factors, process and procedures, funding criteria and mechanisms as well as key deliverables and accountabilities.
- ▶ Fresh look at funding events and the role and level to which the Town should play, including such considerations as being a “financial sponsor” of current events, creating new events that meet key objectives such as slower months, recruiting event producers and providing seed money for new events as well as providing the necessary resources to staff, measure and evaluate these programs.
- ▶ Develop town-directed measurement programs to gauge the success of events and the ROI from municipal investments. These will likely include incremental sales tax software, audience size estimate systems, visitor intercept surveys during events, economic impact studies and required post event recaps from event producers receiving Town or BRC support.

In terms of “best practices, Vail provides an excellent model for these types of actions and CSG encourages the review of the Town of Vail’s Commission on Special Events Strategic Plan. *(Provided as an Addendum to this report)*

V. Tactical Recommendations

Flowing from the strategic considerations outlined on the following page, CSG has developed the following tactical considerations.

A. Funding Mechanisms

There are a number of sources that can be utilized to fund events in Breckenridge. Many are presently employed. Others can be evolved and expanded.

1. Municipal Funding

Breckenridge is already funding \$2.5 million to the Breckenridge Resort Chamber to serve as their marketing agent for the town. In the current fiscal year, funding sources include \$1.23 million from accommodations taxes, \$693,000 from BOLT, \$440,000 allocated from Excise and \$234,000 from sales taxes. From this amount, BRC earmarks approximately \$750,000 for events.

While additional investments by the town increase overall event support to \$1.15 million, consider the investment by the Town Vail of \$1.8 million that go directly to the producing of local events plus \$2.5 million from the Vail Local Marketing District. While this is certainly a large amount, Vail has estimated that they receive back in incremental sales tax \$2.37 for every dollar invested in events. If it could be accurately demonstrated that Breckenridge received a similar type of ROI, it would make a very compelling case to increase funding for events.

There are three areas of investment where additional municipal funds might be directed:

- ▶ In support of existing events (as is already being done on some level through the BRC)
- ▶ Seed money to attract producers to bring new events to Breckenridge
- ▶ Support funds for research, staffing, in-kind support and consulting services

2. Sponsorship

The principal reason for a company to sponsor events in Breckenridge is to be able to reach and influence the audience attending the events to achieve their marketing and communications objectives. When provided with a robust package of tangible rights and benefits, creative promotional activations and an effective ROI, companies will invest dollars in Breckenridge events.

Corporate sponsorship is actively sought by BRC for their events. But there are certainly opportunities to grow sponsorship revenues beyond current level through the identification of products and services that want to reach the residential and visitor demographic profile found at Breck events.

V. Tactical Recommendations (*continued*)

A. Funding Mechanisms (*continued*)

2. Sponsorship (*continued*)

The events in Breckenridge might want to consider creating a sponsorship cooperative to bundle together events to create a larger impact and to market them collectively to sponsors based along the Front Range.

3. Gate Admissions & Concessions

Because of their principal focus on visitor development and use of public venues, many events reviewed are free to the public. Further, other than Oktoberfest, onsite concession numbers are not significant contributors to the bottom line.

Additional income could be generated by evaluating opportunities to gate some free events, (or perhaps special areas or exhibits at free events).

Further, concessions income could potentially be increased through a more aggressive food and beverage program or creating an “Official Supplier” program bundled between multiple events and perhaps even with the Town of Breckenridge through purchasing.

4. Philanthropic Sources

Breckenridge’s event strategy could also consider the possible involvement of a nonprofit community foundation to play a similar role to that of the Vail Valley Foundation. The chief benefit of an independent 501(c)(3) would be its ability to raise *philanthropic* dollars from individuals, corporate donations, differed and planned giving and other charitable sources.

5. Municipal In-Kind Support

Cash is not the only kind of support the Town can provide to current events or to incent producers to consider bringing their new events to Breckenridge. Often, a significant expense in producing an event are the expenses for municipal permitting, venue rental, public works and emergency services.

Currently, many of these services are already “absorbed” by the Town, but it might be an effective marketing tool to new producers to articulate and itemized the services being provided without charge or at a greatly discounted rate. These could include:

- | | |
|--|--|
| <input type="checkbox"/> Permit fees | <input type="checkbox"/> Waste management |
| <input type="checkbox"/> Special Event licenses | <input type="checkbox"/> Street cleaning |
| <input type="checkbox"/> Venue rental/Parks fees | <input type="checkbox"/> Police services |
| <input type="checkbox"/> Street closures | <input type="checkbox"/> Town staff assistance |
| <input type="checkbox"/> Meter bagging | <input type="checkbox"/> BRC marketing support |

V. Tactical Recommendations (*continued*)

B. Event Classification

The Town and BMAC need to be mindful that no two events are the same. They are as diverse as the audiences they attract, the theme they celebrate and the role they play in the community. CSG recommends that in order to review and evaluate events, (whether current or new), Breckenridge needs to have a system in place to categorize events. We believe there are several factors to be considered in classifying events and festivals including their scope & impact, audience size, and timing/season in which they fall. To that end we propose the following classification structure.

▶ **Scope & Impact:**

- Signature Events (e.g. ISSC)
 - Well-regarded and anticipated annual competitions and showcases
 - Higher attendance levels
 - Take place over several days or weeks
 - Strong draw for destination visitors
 - Significant media appeal
 - Requires significant town services and support
 - Robust sponsor participation

- Festivals & Events (e.g. Kingdom Days Celebration)
 - Solid general public interest in activity/theme
 - Mid-range attendance levels
 - Take place over weekend
 - Appeal to destination and day visitors
 - Strong community appeal
 - Requires significant town services and support
 - Some outside sponsorship

- Atmosphere Events (e.g. Mardi Gras Parade)
 - Provide entertainment, activities and street experiences
 - Lower to Midrange attendance levels
 - One or two days
 - Unanticipated addition to visitors experience (fun surprise)
 - Limited impact on town services
 - Limited outside sponsorship

- Community Events (e.g. Town Party)
 - Essentially provides parochial community experience (for the locals)
 - Low attendance levels
 - One day
 - Few outside visitors
 - No or just a few local sponsors

V. Tactical Recommendations (*continued*)

B. Event Classification (*continued*)

▶ **Audience Size:**

- Tier I: 15,000 attendees or greater
- Tier II: 5,000 – 15,000 attendees
- Tier III: 1,500 - 5,000 attendees
- Tier IV: Fewer than 1,500 attendees

▶ **Seasonal Timing:**

- ▶ Prime: Winter (December – March)
- ▶ Prime: Summer (Mid-June – Early September)
- ▶ Shoulder: Fall (Mid-September – November)
- ▶ Shoulder: Spring (April – Mid-June)

With these classifications applied to all Breckenridge events, we believe that BMAC will create a more level playing field to judge and evaluation events for support or funding.

VI. Reviewing Event Opportunities

As Breckenridge begins to take a closer look at the current events it is presently funding through the BRC or independently such as the Pro Challenge, as well as expands its interest in recruiting and providing seed money to bring new events to Breckenridge, it needs to have established the criteria to make balanced decisions with subjectivity removed as much as possible.

Especially for new events seeking seed money or support from the Town or BRC, clear specifications must be outlined by BMAC and explicit information must be requested from the event producer. Below, please find our recommendations for the information and questions to be disseminated.

A. Event Support Application

1. To qualify for funding or in-kind support review, events must support BMAC's strategic objectives, mission, brand positioning and meet the following requirements:
 - a. The event must take place predominantly in the Town of Breckenridge.
 - b. Producers must request a specific dollar amount with an explanation of how it will be utilized.
 - c. Producers must detail which in-kind municipal support or services they are requesting.
2. BMAC will measure event opportunities using the following criteria which responses should address:
 - a. Potential for positive economic impact to the lodging, restaurant and retail sectors with the highest value given to events that drive destination visitors.
 - b. Alignment and compatibility with Breckenridge's brand and the ability to leverage GoBreck.com positioning and marketing channels.
 - c. Is the event taking place at a time of year that is compatible with our events and activities or supports shoulder seasons?
 - d. Degree to which the event will create positive media impressions through paid advertising, media partnerships, public relations.
 - e. Experience the event will provide to Breckenridge guests, local residents and the business community.
 - f. Anticipated revenue streams in addition to town funding in such areas as gate admission, registration fees, sponsorship and concessions.
 - g. Experience and qualifications of the event producer. (References welcome)

With thanks to the Town of Vail, please find a sample event funding application on next page.

VI. Reviewing Event Opportunities (*continued*)

Town of Breckenridge Sample Event Funding Application

Name of Event

Proposed Date(s)

Amount of Cash Funding Requested

Producer/Organizer

- ▶ Name
- ▶ Position
- ▶ Address
- ▶ Contact Information
- ▶ Event/Producer Website
- ▶ Numbers Years in Business
- ▶ Organizations Tax Status

Event Description

- ▶ Brief description of events and its activities
- ▶ Is this a new or existing event? (If existing, please provide summary of history)
- ▶ Location of event in Breckenridge
 - Will any portion of event take place outside Breckenridge? (Please explain)
- ▶ Anticipated Participants (with anticipated demographic profile)
 - Number of attendees/spectators anticipated? (% Local, % In-state, % Out of state)
 - Number of participants (athletes, artists, exhibitors, etc.)
 - Number of volunteers needed
 - Number of event staff
- ▶ Marketing plan for promoting the event including advertising, media partners and public relations
- ▶ In addition to funding, what additional in-kind services are being asked for from the Town of Breckenridge? (Please explain)
- ▶ Brief description of the potential benefits to the Town of Breckenridge including impact on incremental room nights and increased spending
- ▶ What return on investment should the Town of Breckenridge anticipate?

Budget

- ▶ Please provide a complete and details event budget including estimated revenues and expenses. Please be sure to delineate:
 - Sponsorship income (potential partners)
 - Gate revenues (anticipated ticket prices or registration fees)
 - Merchandise and concession income
- ▶ What percentage of the total budget is BMAC being asked to fund?
- ▶ How will they be used?
- ▶ Should BMAC decided not to support this event, will it still occur?
- ▶ Would you anticipate this event continuing to be held in Breckenridge in subsequent years?
- ▶ Do you anticipate requiring similar levels of funding in future years? (Please explain)

VI. Reviewing Event Opportunities (*continued*)

B. Event Evaluation Criteria

CSG proposes the use of an “event scoring grid” that can be used by committee members in any evaluation. While many of the criteria will be somewhat subjective, the requirement of a “score” will help separate and delineate opportunities from one another and will encourage directed discussion between the reviewers.

On the next page, please find our proposed scoring sheet.

Town of Breckenridge Special Event Scoring Sheet

Event Name: _____ Existing Event ___ New Event ___

Dates: _____ Season: _____

Organizer: _____ Type: ___ Nonprofit ___ Private/For Profit

Classification: ___ Signature ___ Festival/Event ___ Atmosphere ___ Community

Anticipated Attendance: _____

Cash or Support Requested: _____

Criteria	Evaluator's Comments	Rate
Economic Impact Will this event have potential to...		
▶ Draw visitors		0-20
▶ Increase room nights		0-10
▶ Benefit restaurants		0-10
▶ Stimulate retail sales		0-10
▶ Promote return visits		0-10
Brand Compatibility Will this event align and enhance the Breckenridge brand?		0-10
Timing How well does this event fit into current events calendar or create shoulder season draw?		0-5
Marketing Impact How great is the potential to attract media exposure through PR or marketing?		0-5
Guest Experience How will this event contribute to the overall visitor experience?		0-10
Community Impact Will this event be positively received/regarded by residents and the business community?		0-10
Sponsorship Potential What is this event's potential to attract sponsors thereby increasing impact of BMAC funds?		0-5
Town Resources How will this impact town resources, staffing, services?		0-5
Producer Qualifications Do they have the experience/ability to produce event compatible with Breckenridge's image/ standards?		0-10
Total Score (120 max basis points)		

VII: ROI: Evaluation and Review

It became clear to CSG during the Municipal Best Practices review as well as the audit of Breckenridge properties that this is an area needing much improvement. Measurements and evaluations, when conducted have been incomplete and somewhat erratic.

In order for Breckenridge to be able to calculate an accurate Return of Investment for its investment in events, a number of metrics must first be put into place. These will include measurement conducted by the Town of Breckenridge, the Breckenridge Resort Chamber and the event producers themselves, (if they are to expect continued support from town sources.)

CSG believes that Breckenridge is going to have to invest in a disciplined suite of research tools to not only keep score, but to support ongoing requests for investments in event marketing. As the special events director in Vail reported, “it is an easy decision for the Town Council to fund events when they know they are receiving \$2.37 back in incremental tax revenue for every dollar invested.”

Based upon the Best Practices observed, we are recommending Breckenridge consider the following types of measurements and research be employed.

A. Sales Tax Data

Presently, sales tax is collected and reported on a bi-weekly basis in Breckenridge. It is difficult to track the economic “lift” an event would specifically create when it becomes diluted with so many other factors that might be encountered over a two week period.

We would suggest that the Town investigate the MUNIREvs software (www.munirevs.com) presently being utilized in Telluride to provide daily sales and lodging tax tracking. MUNIREvs helps municipalities achieve greater and timelier compliance on tax collection and provides a daily dashboard which could be used to track the impact of events on accommodations, restaurants and sales.

Until the Town can specifically track this type of sales tax data, all other efforts to measure economic impact will be insufficient or inaccurate.

B. Economic Impact Studies

Third-party economic impact studies would also be a valuable measurement tool to consider. MTRiP, (www.mtrip.org) to which Breckenridge subscribes, provides lodging performance benchmarking to mountain resorts throughout the western United States. Vail utilized the monthly, (bi-monthly in the winter) reports as a measurement tool for their post event reviews. MTRiP’s destination lodging performance measurement, market intelligence and comparative evaluations could be a useful metric in Breckenridge’s analysis of event effectiveness.

VII: ROI: Evaluation and Review (*continued*)

B. Economic Impact Studies (*continued*)

Another source in which CSG is familiar is the International Festival & Events Association's IFEA Economic Impact Studies. IFEA is the leading professional association supporting and enabling festival & event professionals worldwide.

IFEA (www.ifea.com) has created an industry credible program to provide Economic Impact Studies at a budget accessible investment. IFEA works directly with the event organizer to create onsite survey instruments, determine appropriate sample sizes, develop canvassing guidelines, schedules and oversee volunteer survey team training, supervise and monitor onsite data collection, compile and analyze the collected data and provide a written Economic Impact Summary Report within six weeks of the event's conclusion.

Recent reports reviewed by CSG included work for the Portland Rose Festival which provided such information of guest demographics, spending by visitor party, points of origin, sources of event awareness and estimated economic impact created by the event.

C. Audience Intercept Surveys

Few of the events CSG audited for this study have recently collected quantitative data on their attendees. This information is important on so many levels including the opportunity to understand who is attending the event and why, their demographic profile, key marketing influencers, sponsor awareness, propensity to return, etc. This type data is an essential tool in attracting sponsors, shaping marketing decision and improving the event experience.

CSG believes that all Tier I, Tier II and Tier III event audiences should be canvassed by either the event organizer or BMAC. These surveys would provide valuable data in determining ROI to the community. Vail's Commission on Special Event's conducts ongoing intercept surveys which are used in their evaluation of event draw and effectiveness.

CSG believes that Breckenridge could utilize a research specialist to design the testing instrument/questionnaire and then employ college interns from Colorado Mountain College to administer. The raw data could be easily collected on tablets, then tabulated and evaluated using a software program from the specialist or perhaps a marketing or statistics class at CMC.

Note: A similar type of survey could be administered to area business operators to access their perspective on an event.

On the next page, please find our recommendations for audience intercept survey questions.

VII: ROI: Evaluation and Review (continued)

C. Audience Intercept Surveys (continued)

(Event) Audience Survey

Will you take a few minutes to tell us about yourself and your thoughts about our event? We'll use this information to make future improvements to the programs and events in Breckenridge. Thank you!

About Your Time In Breckenridge...

Days In Town: Day Trip One Night Two Nights Three Nights 4+ Nights Resident

How often do you visit Breckenridge annually? 1x 2x 3-5x 6+

How much would you estimate your party will spend on...

Lodging \$ _____
Meals \$ _____
Shopping \$ _____
Activities \$ _____

About the (Event)...

How big a factor was attending this event on your decision to come to Breckenridge today?
 Exclusive Reason Important Reason Somewhat a Factor Not Reason, but Nice Surprise

Have you attended (Insert Event) in previous years? No, first time Yes

How many times? 2-4 5-9 10+

From what source did you learn about this event?

Newspaper Ad Newspaper article TV Ad Radio Ad Website
 Social Media Friend/Neighbor Just discovered Other _____

Please list as many Sponsors as you can recall from this event:

_____, _____
_____, _____

Has your opinion of these companies changed as a result of their support of the event?

Improved Stayed The Same Declined Not Sure

Please rate your overall experience. Poor Average Good Excellent

Do you plan to attend again next year?

Definitely Yes Possibly Unlikely Definitely Not

VII: ROI: Evaluation and Review (*continued*)

C. Audience Intercept Surveys (*continued*)

About Yourself...

Gender: Male Female **Marital Status:** Single Married/Partner

Age: Under 18 18 -24 25 -34 35 - 44 45 - 59 60+

Residence: Own Rent **Your Zip Code:** _ _ _ _ _

Number in your party:

___ Children under 13, ___ Children 13 - 18, ___ Adults

Level of Education: (Please check most applicable)

Some High School High School Graduate Some College
 Undergraduate Degree Some Post Graduate Work Graduate Degree

Estimated Combined Household Income:

Under \$34K \$34K - \$59K \$60K - \$89K \$90K - \$109K More than \$110,000

Thank You!

VII: ROI: Evaluation and Review (*continued*)

D. Post Event Reports from Event Producer

Most sponsors require the event organizer to provide a recap in the form of a Post event Report within eight weeks after the conclusion of an event. For events that Breckenridge is funding or assisting with in-kind support services, this is a reasonable requirement. Post Event Reports should provide the following recap information:

- ▶ Executive Summary
 - Describe what happened
 - Dates
 - Attendance
 - Sponsors
 - Audience Demographic Profile
 - Promotional Highlights
 - Event Highlights
 - Hits & Misses – How you plan to improve the event next year
- ▶ Detailed event budget showing actual profit & loss, cash vs. trade sponsorship and an explanation of how BMAC funding was utilized
- ▶ Site Map and Event Schedules
- ▶ Marketing Plan/Event Advertising (Newspaper/Radio/TV)
 - Placement Schedules
 - Media Logs/Affidavits
 - Samples of Print Ads
 - Radio Copy
 - TV Copy
 - Outdoor/Transit Ad Schedule & Photos
 - Supplement Sample
 - CD/DVD of Radio/TV Spots
 - Online samples & stats
- ▶ Collateral Materials
 - Souvenir Program
 - Posters
 - Brochures
 - Site Map
 - Volunteer Registration
- ▶ Press Coverage/Public Relations
 - PR coverage summary
 - Copies of news releases/press kit
 - Clippings (Color copies if needed)
 - Post Event TV clips on DVD
 - Online and Social Media Coverage

VII: ROI: Evaluation and Review (*continued*)

D. Post Event Reports from Event Producer (*continued*)

- ▶ Community Relations
 - Beneficiaries
 - Community Outreach Activities
 - Donation Report
 - Post-event congratulatory letters

- ▶ Research
 - Audience survey results
 - Impact on lodging, meals, retail sales

- ▶ Photos of event
 - Overall Setting
 - Participants
 - Activities
 - Sponsor Signage
 - Other sponsor promotions (e.g. inflatables, displays, signage, etc.)
 - Crowds
 - Hospitality

E. BMAC – ROI Review

Until many of the proposed measurements are in place, it will be very difficult to calculate the ROI an event generates for Breckenridge. None-the-less, there are three key areas we believe BMAC should consider scoring following an event. They include Quantitative Impact, Qualitative Impact, and Production Review.

1. **Quantitative Impact** (Include all metrics that can be enumerated)

- ▶ Attendance (Event guests, registered participants, etc.)
- ▶ For existing events, how did attendance compare to prior year
- ▶ Increase in lodging nights
- ▶ Incremental impact on sales and accommodations taxes
- ▶ Economic impact calculation (spending by event visitor)
- ▶ Paid and earned media value/impressions generated
- ▶ Review of event producer's P&L statement and use of BMAC funds

VII: ROI: Evaluation and Review (*continued*)

E. BMAC – ROI Review (*continued*)

2. **Qualitative Impact** (Review of items that are more subjective)
 - Support and promotion of the Breckenridge brand
 - Compatibility of event guest profile with Breckenridge’s desired demo
 - Quality of visitor experience
 - Quality of resident experience
 - Visitor intent to return
 - Contribution to “sense of community” and quality of life
 - Sponsorship participation, financial support, contribution to event experience
 - Producer’s marketing efforts to promote Breckenridge, drive lodging to prospective event attendees
 - BRC evaluation of quality and compatibility of event’s marketing message and reach

3. **Production Review** (Recap of key operational elements detailing hits and misses)
 - Timely submission of post event report by event producers
 - Municipal evaluation of impact on department services
 - Municipal grading of producer compliance with town regulations and event permit requirements
 - Recommendations for following year

VIII. Next Steps

Needless, to say, there is a great deal of information and new ideas to digest within this report. We believe it provides not only a solid strategic approach to managing and investing in events as a key marketing component for Breckenridge, but includes highly specific tactics and templates, that with minor adaptation, could be implemented on some level beginning this summer.

Next steps for the Town Council, BMAC and the Breckenridge Resort Chamber include:

- ✓ Decision and direction from the Council on the strategic approach to be adopted for festivals and events in Breckenridge including:
 - ▶ Agreement on the role and return on events
 - ▶ Funding mechanisms
 - ▶ Financial and operational support to event producers (existing and new)
 - ▶ Role and responsibility of BMAC in managing this direction
 - ▶ Role (if any) of other community partners such as foundations in supporting events
 - ▶ Decision on recruiting and seeding new events
 - ▶ Mechanism to implement measurement platforms to gauge ROI from events

Accompanying each of these decisions will be the need to review current and possibly new funding sources. Where from reallocating current funds, adding from special sources or increasing funding mechanisms, CSG believes that based upon the proactive approach taken by Vail, Breckenridge will see a positive return on investment.

The final planning element will be the establishment of a proactive timetable to begin implementing these programs. It should be aggressive, but realistic. It is reasonable to assume that an events program as comprehensive as proposed in this report would take three to five years to completely implement.

We would recommend that some of the first elements to put into place are the establishing measurement platforms, especially BMAC-coordinated audience intercept surveys, daily lodging and sales tax tracking and economic impact studies. The information that could be provided by the end of 2013 would be invaluable in making well-informed decisions for future areas of implementation.

IX. Concluding Thoughts

Thank you! It has been our pleasure to work on this fascinating study for Breckenridge. Great credit goes to the Town Council and BMAC for wanting to explore these opportunities on a comprehensive level. Our special thanks to the Ad Hoc committee of Wendy Wolfe, Kim Dykstra-DiLallo, John McMahan, Vanessa Agee and Sandy Metzger, who played critical roles in championing the study and “wrangling” much of the raw data needed for the initial investigation. Additionally, CSG would like to thank the event staffs in Denver, Aspen, Telluride and especially Vail for their generous contribution of time and information in our municipal best practices review. They proved to be an invaluable resource.