



CITY OF PACIFIC GROVE

AGENDA REPORT

To: Honorable Mayor and Members of City Council
From: Councilman Rudy Fischer & Mark Brodeur, Director, CEDD
Meeting Date: February, 21, 2018

Subject: Branding Study.

CEQA: This action does not constitute a “project” as defined by the California Environmental Quality Act (CEQA) guidelines section 15378.

RECOMMENDATION

As part of the scheduled Fiscal Year 2017-18 Mid-Year Budget update, amend the City’s Community & Economic Development Department Budget to restore funding for the City of Pacific Grove branding study in an amount not to exceed \$42,000.

DISCUSSION

The City of Pacific Grove means different things to different people. It has been called “Butterfly Town USA” and “The Last Home Town”. Others refer to it as primarily a “City of Homes” with “business and industry...compatible with its residential character.” But what is Pacific Grove to our residents and the tourists and other visitors who come to our city - and what should it be?

At its June 29, 2017 meeting the City Council removed several items from the City’s Fiscal Year 2017-18 Budget, including \$42,000 for a branding study. At the Chamber of Commerce’s Marketing Summit on September 21, 2017, some participants expressed that the removal of that funding may have been short-sighted on the City’s part.

It is anticipated that during FY 2017-18, taxes generated from patrons of the City’s businesses will contribute about \$9 million of the city’s \$22 million revenue total - or 40% of the city’s revenue (transient occupancy tax, sales tax, etc.). Because the City is underrecognized; hotels, restaurants, and other visitor-serving businesses in Pacific Grove do not enjoy the same level of name-recognition as similar businesses in neighboring cities .

When some people think of Carmel, for instance, they may think of romantic hotels, great restaurants, the Carmel Mission, wine tasting rooms, entertainment events at Sunset Center, high-end stores on Ocean Avenue, and the City’s famous beach and reknown art galleries.

For Monterey people think of large hotels near the water, visits to the Monterey Bay Aquarium, Cannery Row, Old Fisherman’s Wharf, whale watching tours, Monterey State Historic Park and

the Customs House, the swan boats at Lake El Estero, the Museum of Monterey, and an active nightlife. These all bring in large crowds of tourists (and locals) who spend lots of money in the City. These are the magnets Monterey has to bring people in to spend money in their City.

The City of Pacific Grove has many attractions that *meet or beat* those of its neighboring communities, including the Coastal Recreation Trail, Lovers Point, Point Pinos Lighthouse, the Pacific Grove Golf Links, the Monarch Butterfly Sanctuary, numerous quaint inns, bed and breakfast lodging establishments, and local motels, and a historic downtown featuring exemplary restaurants/bakeries and locally-owned retail establishments (among many other local attractions and features). They may not be as big as Monterey's magnets, but they are all magnets that draw people here. However, we need to highlight our magnets much better. At the Pacific Grove Chamber of Commerce's September 21st Marketing Summit, it was mentioned that about 35,000 visitors a year come to our Monarch Sanctuary. But compare that to the 2 million visitors that visit the Monterey aquarium each year, and the hundreds of thousands of people who go to the wharf in Monterey.

Our City's name and reputation should be protected, nurtured, and grown. By growing and enhancing the City's name and reputation, the community should benefit from more recognition and business patronage, resulting in more tax revenue to the City.

In the commercial world, logos, slogans, and design are very important for companies so that their customers recognize their brands in a retail environment where quick purchase decisions are made. When we hear the names Pepsi, BMW, Volvo, and Lufthansa Airlines, for instance, we immediately associate the company with an experience. It could be "I prefer Pepsi over Coke" or "The best airline I ever travelled on was Lufthansa".

But the names of cities and counties don't resonate in quite the same way. Pacific Grove doesn't provide a "product" in a car lot or supermarket or provide a "service" to take you somewhere. People do, however, associate some Cities with an experience or a "reputation". Branding can help visitors associate a community with positive experiences or events, and that is something the City – and our business community – could use.

Most people remember the 'I ♥NY' and 'I AMsterdam' branding campaigns of years past, and instantly recognize those destinations by associating the slogan with the city. A professional and concerted "branding" campaign could provide additional destination recognition to the City of Pacific Grove.

But every community that wants to be a success must find a way to make the community more *identifiable* and *distinctive*. It must develop a brand. Branding is about reputation and recognition, identifying and developing that distinctiveness, and then actively managing the City's brand.

A good brand strategy builds a reputation and a good feeling about the community; not just with the outside world, but also among residents and people in other nearby communities. A good brand strategy raises awareness about the community - and may even have an impact on the community's reputation.

FISCAL IMPACT

There is no anticipated impact to the General Fund Budget. Adding the proposed Branding Study to the Community & Economic Development Department as part of the upcoming scheduled Fiscal Year 2017-18 Mid-Year Budget update will increase the Community and Economic Development Department by \$42,000; however there is projected savings from other departments General Fund Departments to cover this increase. The FY 17/18 Budget will be amended at mid-year to reflect this change.

ATTACHMENTS

1. The Branding Process

Respectfully submitted,



Rudy Fischer
Councilmember



Mark Brodeur
Director, CEDD

Reviewed by,



Benjamin Harvey
City Manager

THE BRANDING STUDY PROCESS

The branding process begins with Placemakers gathering information about the City including a site visit, review of any existing messaging documents, visitor information data, and a current strategic plan, if available. The consulting organization will hold two meetings with city stakeholders. This may include city officials, business owners, those working in the city's tourism sector, residents, and others. A contact at the City will invite stakeholders and arrange for a meeting location. The first meeting is an informational intake meeting based on a Branding Blueprint document.

In addition to information obtained from those at the informational intake meeting, the consultant may request additional contacts to conduct phone interviews. Interview transcripts of any phone interviews will be provided to the City.

After the consulting organization has gathered information from all sources, they will identify key messages and develop the branding document. This will then be presented to the stakeholder group at the second meeting for feedback. The goal is to create messages that reach and resonate with the city's correct target audience to achieve a successful visitor attraction outcome.

Logo and Tagline

The messaging created in the agreed upon branding document will provide us with the necessary information to create a new logo and tagline. The consultants' creative director will consult with a contact person at the City to create a new, updated look and feel that communicates the key messages defined in the brand that is Pacific Grove.