

PROPOSAL – APPLICATION FORM

2008/2009 COOPERATIVE MARKETING GRANT PROGRAM

- TITLE PAGE -

INDICATE ENTITY TYPE (MARK ONE):

IRS DESIGNATED NON-PROFIT LOCAL GOVERNMENT TRIBAL GOVERNMENT

APPLYING ENTITY

NAME: THE SANTA FE OPERA

APPLYING ENTITY

ADDRESS: POST OFFICE BOX 2408, SANTA FE, NM 87504-2408

APPLYING ENTITY

CONTACT PERSON: JEROME B. NELSON PHONE NUMBER: 505-986-5923

APPLYING ENTITY

E-MAIL ADDRESS: JNELSON@SANTAFEOPERA.ORG

APPLYING ENTITY

STATE TAX ID NUMBER: 01- 505898000

(11 DIGIT NUMBER, SAME AS CRS NUMBER ISSUED BY NM TAXATION AND REVENUE DEPT.)

*IF APPLYING ENTITY IS FISCAL SPONSOR FOR ANOTHER ENTITY, COMPLETE:

SPONSORED ENTITY

NAME: N/A

SPONSORED ENTITY

ADDRESS:

SPONSORED ENTITY

CONTACT PERSON: PHONE NUMBER:

SPONSORED ENTITY

E-MAIL ADDRESS:

DID THE APPLYING ENTITY RECEIVE FUNDING FROM THIS PROGRAM IN THE FY08 GRANT CYCLE? (YES/NO) YES

DID THE SPONSORED ENTITY RECEIVE FUNDING FROM THIS PROGRAM IN THE FY08 GRANT CYCLE? (YES/NO) N/A

IF SO, WAS A DIFFERENT FISCAL SPONSOR UTILIZED? (YES / NO):

IF SO, PLEASE PROVIDE THE NAME OF THE PRIOR FISCAL SPONSOR:

TITLE OF PROPOSED EFFORT: Santa Fe Opera Promotion Program

INDICATE THE REGION THAT WILL BE MOST IMPACTED BY THE PROPOSED EFFORT: 5

REGION 1=NORTHWEST, REGION 2=SOUTHWEST, REGION 3=SOUTHEAST, REGION 4=NORTHEAST, REGION 5=NORTH CENTRAL, REGION 6=CENTRAL OR STATEWIDE.

FUNDING AMOUNT REQUESTED:

\$ 20,000

INDIVIDUAL ENTITY = \$20,000 MAXIMUM REQUEST

CONSORTIUM ENTITY = \$35,000 MAXIMUM REQUEST

Paul R Hoffman

SIGNATURE OF AUTHORIZING OFFICIAL

5/18/08

DATE

PAUL HOFFMAN

PRINTED/TYPED NAME

CHAIR, BOARD OF DIRECTORS

TITLE

RELATIONSHIP TO APPLICANT: N/A

ALL APPLICANTS

ABOUT THE PROPOSED EFFORT AND ENTITY:

A. **Will the proposed effort promote a destination, destination event or event?**

Destination: An established location or venue open to the public on a continuous basis

Destination event: An organized function, open to the public for 8 or more consecutive days

Event: An organized function, open to the public from 1 to 7 consecutive days

The Santa Fe Opera is a Destination Event.

B. **Simply and Clearly explain the proposed effort. Define the type of event(s), destination or theme for which funds are being requested.**

The Santa Fe Opera will promote an eight week festival of Opera including five different productions for a total of 38 performances in July and August, 2009. The marketing plan will begin in the summer 2008, continuing through the spring of 2009 to include the following productions:

- **LA TRAVIATA** by Giuseppe Verdi; Sung in Italian; New Production; featuring Natalie Dessay; July 3, 8, 11, 17, 24; August 4, 11, 17, 22, 26, 29, 2009
- **THE ELIXIR OF LOVE** by Gaetano Donizetti; Sung in Italian; New Production; July 4, 10, 15; August 6, 12, 20, 25, 28
- **DON GIOVANNI** by Wolfgang Amadeus Mozart; Sung in Italian; Revival; July 18, 22, 31; August 8, 13, 21, 24, 27
- **THE LETTER**, Composer: Paul Moravec, Librettist: Terry Teachout; Sung in English; **World Premiere** Commissioned by The Santa Fe Opera; July 25, 29; August 3, 7, 15, 1
- **ALCESTE** by Christoph Willibald Gluck; Sung in French; New Production; August 1, 5, 10, 14, 19

C. **If the entity implements additional efforts other than those defined in question “B”, please explain below. This will allow the evaluator a broader view and better understanding of the entire efforts of the entity.**

Additional programs include:

- **PRELUDE TALKS**, pre-opera talks offered twice before every main stage performance
- **COMMUNITY CONCERTS**, free concerts featuring Santa Fe Opera Apprentice Singers at designated community venues in Santa Fe and Albuquerque in July
- **YOUTH NIGHT AT THE OPERA**, providing youth (ages 6–22) with an opportunity to attend main stage final rehearsals and learn about professionally staged opera for a nominal price – June 29, 30 and July 28

- **PREVIEW BUFFET & SHUTTLE SERVICE** offered twice every main stage performance
- **APPRENTICE SCENE CONCERTS** fully staged performances of selections from great works of Opera by the 100 students in the Apprentice Program for Singers and Technicians; August 16 & August 23
- **BACKSTAGE TOURS**, tours of the world famous John Crosby Theater and support areas, offered six a week during the season
- **ONE HOUR OPERA**, a new program of the production of short comedic operas in the month before the opening of the season
- **LIVE SIMULCAST**, a free broadcast of a live performance, to a local park during the season
- **OFF SEASON EVENTS** including yearly Apprentice Tour of New Mexico and education and community program activities

TOURISM MARKETING CONSORTIUM APPLICANTS - ONLY

N/A

SECTION 1: (20 POSSIBLE POINTS)

COMPLEMENTING THE DEPARTMENT'S MISSION AND OBJECTIVES

A. Explain the proposed marketing effort and how the proposal complements the Department's mission. (3 Points)

The 2009 Santa Fe Opera's marketing effort to promote travel to and in New Mexico (which will take place in summer 2008 through summer 2009) includes:

- **2009 Season announcement** in The Santa Fe Opera's 2008 program book;
- **Crescendo Printed Newsletter** (dist 850,000 locally, regionally, nationally and internationally);
- **Crescendo Electronic Newsletter** (dist 210,000 locally, regionally, nationally and internationally);
- **Rack Card Distribution** (dist 100,000 locally and to national and international hotels, travel agencies, chambers of commerce and NM Visitor Centers)
- **Paid Advertising** (\$209,000 budget for local, regional, national and international print, radio media);
- **Targeted Advertising** in national and international opera-specific publications;
- **Group Sales Brochure** (dist 2,500 locally, regionally nationally and internationally);
- **Press and Public Relations** (active year-round);
- **Press Week** invitations to local, national and international opera critics;
- **National Trade Show Partnerships** with the Santa Fe Convention and Visitors' Bureau, New Mexico Department of Tourism, Tourism American Group;
- **Advertising and information distribution** during State-wide Apprentice Tour.

- **Enhanced & Improved Web Site** for information about the Opera, the city and the State with online sales including reciprocal links with the Department's Web site.

B. Explain how the plan will complement the following Tourism Department Objective:
Encourage New Mexicans to spend their recreation/vacation dollars in New Mexico.
How does this proposal attempt to complement the objective? (5 Points)

In its 2007 season, 44,030 non-Santa Fe New Mexico patrons attended mainstage productions and associated events. The Opera welcomes New Mexicans from outlying areas through the following methods:

- **The Spring Opera Tour** which travels to 10 New Mexico communities and reaches an estimated 20,000 New Mexicans annually, providing both educational as well as personal promotional opportunities;
- **Email promotions** throughout the year to New Mexicans through the Opera's *E-Crescendo* newsletter;
- Continued commitment to **New Mexico residents' subscription discount programs**, particularly building on enhancements to web site for ticket renewals and providing improved customer relations;
- Continued commitment to **direct mail, display advertising, and website links** with in-state media partners;
- Increased **cross-promotional activities** with in-state partners, including educational and outreach tours to other parts of the state, and through planned enhancements to the Opera's web site;
- Promotion of **off-season events** to the in-state markets through links on the SFO website and text email blasts.

C. Explain how the plan will complement the following Tourism Department Objective:
Attract domestic (US) visitors to New Mexico.
How does this proposal attempt to complement the objective? (2 Points)

The Santa Fe Opera is a destination for domestic visitors to New Mexico. Visitors from neighboring States (Colorado and Texas) and California and New York continue to be the majority of out-of-state tickets buyers (32,507 in 2007), and 27,822 visitors from other states attend performances and other activities while in New Mexico.

Efforts to encourage out-of-state visitors include:

- **Mailings to previous visitors** to encourage repeat visits and the purchase of multi-performance packages;
- **Display advertising** in Vacation Guides and select life style magazines in the contiguous states, major national markets such as Colorado, California and New York, as well as continued coordination with the New Mexico Tourism Department's identified target markets to push traffic to the SFO website and increase captured email addresses; and advertising in Opera News
- Participation in **Santa Fe Marketing Promotion Consortium** to enhance Santa Fe's top-of-mind brand awareness among top-tier affluent visitors in publications such as Town& Country, Architectural Digest, Departures, etc.
- Active participation in the **National Tour Association's national conference** and attendance at other national tourism trade shows, as well as creating coordinated sales events with other partners in key domestic markets.

D. Explain how the plan will complement the following Tourism Department Objective:

Attract international visitors to New Mexico.

How does this proposal attempt to complement the objective? (2 Points)

The Santa Fe Opera attracted 1,576 international visitors for its 2007 season, and anticipates an increase for its 2009 season through:

- **Display advertising** in the following publications with an national/international readership: Opera News; Opera Now; and Opera
- **Feature stories and reviews** in publications mentioned above as well as Musical American, Opus (Canadian Classical Music Publication), The New York Times and other international press; and the growing trend of coverage by national and international blogs and web sites;
- **Email promotions** throughout the year to potential international visitors through the Opera's *E-Crescendo* newsletter.

E. Explain how the plan will complement the following Tourism Department Objective:

Encourage visitors to extend their stay in New Mexico.

How does this proposal attempt to complement the objective? (5 Points)

The Santa Fe Opera is aware that it has a profound effect on the State's economy filling more than 20,000 room nights for an estimated impact of \$68 million on lodging and restaurants during the summer tourist season. The Opera encourages visitors to extend their stay by:

- Including information in promotional materials and web site about New Mexico as a **"visitor destination"**, such as activities available, historic sites, museums, Hispanic and Native American cultural centers, and "day-trips" from Santa Fe;
- Including **links to the Tourism and Hotel Partner websites** on our website, in printed materials and electronic newsletter;
- Stressing the **opportunity to attend all five Opera productions** over the course of one week, resulting in longer term stays;
- Participating in the **City and County of Santa Fe's plans to encourage longer term stays** and yearly repeat stays;
- Working with lodging partners and tour operators to **continue efforts to create and strengthen package promotions.**

F. Provide one set of samples or mock up of print ads, radio or television script, billboard ads and/or brochures. (3 Points)

Please see samples included

SECTION 2: (5 POSSIBLE POINTS)

PARTNERSHIPS

Identify partners and describe their roles.

Partner Name	Role / Contribution
City of Santa Fe	Promotion of events, marketing, and financial support
Santa Fe Marketing Consortium	Promotion of events, marketing, and financial support

Consortium of Hotels	Promotion of events, marketing, and financial support
Corporate Media Sponsors	Promotion of events, marketing, and financial support
County of Santa Fe	Promotion of events and marketing support
Albuquerque & Santa Fe Chambers of Commerce	Promotion of events and marketing support for distribution

SECTION 3: (30 POSSIBLE POINTS)

MARKETING PLAN

Describe the goals and target markets for this proposal, including the research or evidence the marketing plan is based upon by answering the following items:

A. RESEARCH: (7 POSSIBLE POINTS)

Explain the research and/or evidence used to create the goals below and determine the defined target market(s) for the proposal.

Each year The Santa Fe Opera compiles and review research/statistical analysis against goals and measures:

- Ticket sales figures, numbers, dollars, channel of purchase, and geographic analysis

Important statistics:

- On average, **50% of the audience is new** each year
- Only 30% of tickets sold are multi-ticket subscription packages
- Growing use of web site to purchase tickets & gain information about the company; overall **37% of purchases done online**
- **Database of 280,000** previous purchasers built over the last 10 years
- Response rate to newsletters generate about 30% of ticket sales
- Average number of tickets per order is 4.68 tickets

- Number of new ticket buyers; where they are from; and the appeal that resulted in their purchases

Important statistics:

- 50% of all 2007 new purchases came through online activities
- Many new buyers are one-time tourists for whom the Opera is a must see destination while they are here, but less than 2% come back the next year, however, they may come back again within a period of 5 to 10 years. 17% of new ticket buyers in 2006 returned in 2007 for the highest rate ever
- The best returning customers are opera lovers who, once they discover the product in this enchanting location, plan to return more frequently than the average tourist purchaser

The surveys* are done every few years to determine general demographics. Research findings on our audience indicate:

- More than 30% of the audience has an annual household income greater than \$100,000
- More than 80% graduated from college and 60% did post-graduate academic work
- Nearly 65% of the total are between the ages of 45 and 75
- The 45 and younger audience exceeds 30% of the total
- Nearly 55% of the overall audience is female

*This survey data was reconfirmed by a database analysis done by Claritas, Inc. on the 2006 ticket buyers.

B. TARGET MARKETS: (7 POSSIBLE POINTS)

Define the target market(s) for the proposal.

Identify the demographic or geographic information used to define the target.

(i.e.; geographic location, age, income, education, gender, ethnicity, etc...):

1. Previous purchasers from all 50 states and international from Opera database
2. Frequent opera goers who are web-savvy aging baby-boomers; those people who read opera publications and visit web sites often
3. Potential performing arts ticket buyers for which Santa Fe is a destination location, both for opera lovers, opera novices, and cultural enthusiasts

C. GOALS: (8 POSSIBLE POINTS)

Define at least 3 measurable marketing goals for the proposed effort

A goal should be SMART=Specific, Measurable, Attainable, Realistic, Trackable)

1. Increase paid capacity by 1% from 93% to 94% (83,660); increase revenue by 4% to \$8.2 million
2. Increase online buyers by 3%
3. Attend 4 trade shows and book at least 12 new groups at \$60,000 in additional revenue

D. IMPLEMENTATION: (8 POSSIBLE POINTS)

Define the specific implementation process that will be followed to accomplish each goal listed in Section C.

1. Goal 1... Increase paid capacity by 1% from 93% to 94% and increase revenue by 4%
 - a) Again rescale house with a 3.5% average price increase
 - b) 2009 tickets go on sale live at opening of 2008 season
 - c) Create 2009 wallet brochure for distribution during the 2008 season
 - d) Tickets go on sale on new web site by September 1
 - e) Subscription renewal campaign starts before end of 2008 season
 - f) Mail three print *Crescendo* newsletters: Fall, Winter and Spring; mailing at least one to all the active people in the database approx. 225,000
2. Goal 2... Increase online purchasers by 5% from 6,400 to at least 6,750
 - a) Launch new web site with improvements by July 1,2008 to test before it is made live for 2009 sales
 - b) Electronic newsletter mailed at least 8 times during year to push traffic to site
 - c) Place ads in national and international publications frequented by opera lovers early in the campaign to develop advanced sales for travel lovers that plan in advance
 - d) Ensure every promotion has web address
 - e) Encourage online sales from three print *Crescendo* newsletters
3. Goal 3... Attend 4 trade shows and book at least 12 new groups at \$60,000 in additional revenue
 - a) Add Educational Travel Conference back into schedule with National Tourism Association, Go West Summit, and American Bus Association
 - b) Advertise in the National Travel Association magazine
 - c) Make at least 75 appointments

- d) Follow up with all contacts
- e) Distribute as many copies as possible of *Crescendo* newsletter

SECTION 4: (5 POSSIBLE POINTS)
DEPARTMENT RESOURCES

A. DEPARTMENT WEBSITE CALENDAR OF EVENTS: (2 POSSIBLE POINTS)

Is the proposed event or are the established destinations' activities listed on the Department website's calendar of events? Website address: www.newmexico.org

Yes

B. TOURISM REGIONAL MARKETING BOARDS: (3 POSSIBLE POINTS)

Does the entity participate in the Tourism Regional Marketing Board quarterly meetings? Yes

Region 5 – North Central: North to Adventure and Central to Everything

Chair Jill Lane 505-220-4933

SECTION 5: (25 POSSIBLE POINTS)
FINANCIAL CAPABILITY

TOTAL MARKETING BUDGET WORKSHEET

Attached

A. DETAILED LIST OF REVENUE SOURCES: (5 POSSIBLE POINTS)

Provide a detailed list of revenue sources and amounts, including cash and in-kind support that will be used to implement the marketing plan, include estimated amounts as it relates to applied-for funds; such as with Lodgers' Tax. (In-kind support is encouraged but not eligible for match.) Please include funding provided by Lodgers' Tax, if applicable.

Department of Tourism Co-op moneys of **\$20,000** to be matched by:

Lodger's Tax:	\$ 20,000
Hotel Partners:	\$ 20,000
TOTAL	\$ 60,000

SECTION 5: FINANCIAL CAPABILITY (CONTINUED)

PROJECTED EXPENDITURES FOR PROPOSED EFFORT
(20 POSSIBLE POINTS)

BUDGET CATEGORY (DESCRIPTIONS BELOW)	POTENTIAL VENDOR	ELIGIBLE COSTS	NON-ELIGIBLE COSTS	TOTAL
Print Production	Snych & Fishbone	\$4,000		\$4,000
Newsletter Printing	Steve Woods Printing	\$56,000		\$56,000
TOTALS		\$60,000		\$60,000
MATCH CATEGORY "A" = 1/3 OF ELIGIBLE COSTS (TOTAL MARKETING BUDGET \$250,000 AND ABOVE)				
MATCH CATEGORY "B" = 1/2 OF ELIGIBLE COSTS (TOTAL MARKETING BUDGET LESS THAN \$250,000)				
FUNDING AMOUNT REQUESTED: (Maximum \$20,000 or \$35,000)			\$20,000	

SECTION 6: (10 POSSIBLE POINTS)

OUTCOME AND FOLLOW-THROUGH

Tracking and monitoring the effectiveness of Cooperative Marketing funds is a necessary component. Below, define how the results of the implemented marketing plan will be tracked.

A. TRACKING: (5 POSSIBLE POINTS)

Describe which methods the applying entity will use to measure the results of this proposal and how the information will be tracked

The Santa Fe Opera tracks results using a combination of the following techniques:

- Ticket Sales: **number and dollar amounts of sales**, geographic analysis of purchases, and number of ticket purchases from ticket discount programs.
- Websites & Email Newsletter: **Number of hits; duration of visits reported by ISP**; number and dollar value of tickets ordered using online ticketing;
- Brochures, Newsletter & Group Sales mailings: **Code all brochures** with source codes to track the return on the various lists used;
- Display Ads: Utilize different **source codes and response cards** to track the response to advertising in various publications;
- **Advertising inquiries collected and sorted by source**; brochure or postcard **follow-ups** will be made;
- Trade Shows: Contacts made; **number of meetings** made for group sales information; number and dollar value of tickets sold to groups contacted via trade shows;
- **Estimates of Lodger's Tax Generation.**

B. PRIOR YEAR RESULTS: (5 POSSIBLE POINTS)

A goal of the Cooperative Marketing Program is for awarded entities to expend the funds they have been awarded. Awarded entities report on the results of the use of the funds by completing the Performance Evaluation Form.

- **Applying Entity:** If the applying entity was awarded funds in FY08 (2007/2008) submit a completed Tracking and Impact Report along with the completed Proposal-Application Form. They will be evaluated on the 5 possible points.

1. **Submit a completed 2007/2008 Tracking and Impact Report, if applicable, see above**

Attached, responses are not final

2. **Narrative – Describe Explain lessons learned and any adjustments made to your proposed FY09 marketing plan based on the FY08 results.**

Results on FY 2008 Tourism Marketing Goals:

- 1) Maintain % of sales or increase ticket sales revenue from California & Colorado

California:

Percent of overall sales YTD: FY08 10.11% vs. FY07 9.37%

Buyers: 848 vs. 967 (-119 or 12.3%)

Tickets Sold: 4,707 vs. 4,841 (-134 or 2.8%)
\$ Revenue: \$597,742 vs. 575,253 (+\$22,489 or 3.9%)

Colorado:

Percent of overall sales YTD: FY08 9.08% vs. FY07 8.35%
Buyers: 937 vs. 1,111 Revenue (-174 buyers; -15.7%)
Tickets Sold: 4,229 vs. 4,865 (-636 tickets; -13%)
\$ Revenue: \$664,621 vs. \$712,196 (-\$47,575 or 6.7%)

- 2) Increase Online Ticket Buyers from 6,200 to 6,400 or from 37% to 40% of total buyers
To date 3,685 ticket buyers of 8,159 bought online or 45%
- 3) Increase Captured Email addresses from 33,000 to 38,000 or 15% increase
YTD increase from 33,146 to 35,426 or 6.9%
- 4) Increase in repeat visitors by 3%
The challenge every year is getting the same buyers more than one year in a row. 50% of the audience turns over on average each year. Of the new ticket buyers in 2007 (9,517) only 1% have purchased tickets for 2008.

Lessons learned and things changed for 2009

Newsletters mailed either by bulk mail or by email to previous purchasers generate the most sales and the best rate of return. 50% of The Santa Fe Opera audience is "new" each year. The cost of developing new sales is high. The fact that Santa Fe is a popular destination is touted in promotional materials, and new sales are generated in concert with the Opera's promotional partners. Group sales efforts, which have increased over the past several years, have been generating good results. The Opera continues to promote New Mexico and Santa Fe as a destination by including general travel information as much as possible (one to three pages in each newsletter).

SECTION 7: (-5 POSSIBLE POINTS)

FORMATTING

The evaluator may deduct points for excessive pages, enclosures or difficult formatting style or lack thereof.

SECTION 8: (5 POSSIBLE POINTS)

WORKSHOP ATTENDANCE

Attendance at one of six workshops conducted around New Mexico is highly encouraged. Attendance and sign-in at a workshop earns an applicant 5 points. Attendance is not mandatory and each applicant can only earn 5 points regardless if multiple workshops were attended.

A. Did a representative from the applying/sponsored entity attend one of the Cooperative Marketing workshops held in April 2008? Yes

B. Which Workshop was attended?

- | | |
|---|---|
| <input type="checkbox"/> Farmington, April 11 | <input type="checkbox"/> Northeast Region, April 22 |
| <input type="checkbox"/> North Central Region, April 15 | <input type="checkbox"/> Bernalillo, April 25 |
| <input type="checkbox"/> Roswell, April 18 | <input type="checkbox"/> Truth or Consequences, May 5 |

C. Please provide the name of the person who signed in and attended the workshop:

SECTION 9: (5 POSSIBLE POINTS)

LODGERS' TAX

The Lodgers' Tax Act; 3-38-13 through 3-38-24 NMSA 1978 is a resource available in many New Mexico communities; we encourage you to research this option for additional funding.

A. What is the maximum Lodgers' Tax permissible by law that can be assessed by your local government?

7%

B. What is the current Lodgers' Tax being assessed by your local government?

7%

C. Has the applying / sponsored entity applied for Lodgers' Tax funds?

Yes – The Santa Fe Opera applies for and receives lodgers' tax funding through the City of Santa Fe Arts Commission and the 1% Lodgers' Tax.

D. Does the applying / sponsored entity intend on applying for Lodgers' Tax funds? NA

a. Why?

b. Why Not?

REQUEST FOR PROPOSAL PACKET CHECKLIST

- 3 Original sets of a completed Proposal-Application Form
- 1 set of mock up / samples
- 1 IRS letter designating non-profit status (not required for local or tribal governments)
- 1 Completed Total Marketing Budget Worksheet * **REQUIRED** *
- 1 Completed DFA Substitute W9 form (from our website www.newmexico.org/coop)
- 1 Current Tracking and Impact Report (for FY08 2007/2008 grant holders only)
- **Due Date:** Postmarked or delivered on or before 5:00pm on **MAY 20, 2008**