

**Question and Answers
Michigan Strategic Fund
Business and Travel Marketing
RFP-Doc-1735**

- Q1. Would you prefer to save over half the money budgeted but receive equal or better than equal exposure or would you prefer the experts to expand the reach and frequency of the message into more markets, more frequently, for a longer flight and hit the proposed budget outlined in your RFP?

Prefer to expand the reach and frequency of the message.

- Q2. How satisfied are you with your current creative campaign?

The campaign to date has been very successful.

Has it been effective?

We are very satisfied with the creative on both campaigns and with the investment made on the creation of assets.

- Q3. Are you considering keeping your current agency for the creative work and possible using another agency for marketing / media strategy planning / buying assignment only?

No

- Q4. Why is this contract being bid at this time?

We are required by law to re-bid projects when the contract has expired.

- Q5. Are the companies who submit proposals become public information?

Yes

- Q6. Can the public be made aware of which companies submit proposals?

Yes. Anyone that would like this information may submit a request to our FOIA coordinator. Grahamt1@michigan.org

- Q7. On page 7 of the RFP, it is stated, "The Governor's 21st Century Jobs Fund...this unique program needs to be incorporated into messaging for future campaigns." Does this mean we need to communicate specifically about the 21st Century business plan competitions, or the results of past competitions? Or do you mean the 21st Century Jobs Fund as the tobacco settlement money which now fund the business attraction efforts?

It is an element of the overall marketing plan, but not the only program featured. It is important to understand the 21st Century Jobs Fund is unique and provides us with a competitive advantage over other states when it comes to economic development. It will be important to incorporate all aspects into our marketing messaging.

- Q8. In the Business Marketing Objectives, your stated objective is to A) improve perceptions of the state as a desirable place to do business...how do you measure success in this area?

We conduct an annual pre and post campaign awareness study.

- Q9. In the Business Marketing Objectives, your stated objective is to B) the next phase will involve generating new business development leads for our national and international business development managers. How do you measure success in this area?

We track the number of new leads that are received through our "contact us" call to action on the Web site.

- Q10. In the Business Marketing Objectives, which objective is more important A or B?

Both are priorities

- Q11. Is there an ROI formula for Travel?

See RFP, Section I, Work Statement, pages 3-4. Also, http://www.travelmichigannews.org/cm/attach/7FCE50AA-1D21-411D-A4CE-B2C55EE09612/LongwoodSummary_final_04to07.pdf

For Business? Can you explain what that is and how is it calculated?

We do not have an ROI formula for business.

- Q12. Is there an ideal allocation for a media split between in-state, national and international?

Legislation requires that not less than 80% of the funds shall be targeted to persons or entities outside of this state.

- Q13. Under the Technical Proposal Section/Business Marketing, it is stated, "Provide a detailed research outline...and timelines for accomplishing work." Does the scope of this RFP include doing primary research?

No. The MEDC currently contracts with numerous external vendors to complete our research.

- Q14. For both the Travel and Business RFPs, are the amounts listed for the media buys simply media purchases or does that include the cost of events, public relations, Web activity, etc.?

Media purchases.

- Q15. For Travel, what is the extent of Web advertising?

Niche marketing (hunting and fishing) and value-added marketing.

- Q16. For Business Marketing, what is the extent of Web advertising?

MEDC just started Web advertising for business marketing (3/1/09). We are currently evaluating trends and impacts to determine the multiple media options.

- Q17. Given the success/popularity of "Pure Michigan" (we're fans), what's the impetus to potentially move this assignment away from McCann-Erickson?

We are required by law to re-bid projects when the contract has expired.

- Q18. Depending on which part of the RFP we look at (the body vs. section III, letter A), we come away with differing interpretations of whether or not there's an opportunity to create new advertising (or if this is only about strategy/deployment/management of assets.)

See RFP, page 15, Section III, Proposal Format, Strategic Implementation.

- Q19. The 2006 Brand document (indicated on page 3 of the RFP) cannot be located. Is there another location or link for this document?

http://www.travelmichigannews.org/cm/attach/ECBF5788-566A-4459-96BE-638B93D790A6/PureMichigan_SellingStrategy.pdf

- Q20. For both the Travel and Business portions, will existing creative be utilized? Or will new creative need to be produced?

See RFP, page 15, Section III, Proposal Format, Strategic Implementation.

Q21. What types of collateral and quantities are currently being used?

Michigan Travel Ideas, the Travel Michigan annual lure publication, one million copies, not applicable to this travel marketing RFP. For Business we have Wind, Solar, Account Managers Brochure, Fact Sheets, General Attraction Brochure – annual quantities average 2,000 copies.

Q22. With the proposal deadline of March 30th, what is the timeline for the next steps and the contract to be awarded?

See the RFP, Section II, RFP Process and Terms and Conditions

Q23. If the business and travel campaigns were private entities, would you be issuing an RFP for this opportunity?

We are required by law to re-bid projects when the contract has expired.

Per the RFP and by public comments we have seen, you are quite happy with your current agencies, so if not for a state contract with specific end-dates, would have this RFP been distributed?

We are required by law to re-bid projects when the contract has expired.

Q24. What specific performance goals do you have for upcoming work? (Example: awareness up 5%, ROI up 10%, traffic to Michigan.org up 10%)

This is yet to be determined.

Q25. Where can I access current contracts that cover this business and what are current agencies charging?

Anyone that would like this information may submit a request to our FOIA coordinator. Grahamt1@michigan.org

Q26. Would you be open to considering a consortium of Michigan agencies that would work together to service these accounts?

Yes

Q27. On page 4 you mentioned other contractors – research, e-marketing/social media, and public relations – who are those contractors and are those elements out for RFP as well?

The contractors are

- *Sojourn Communications Group – PR*
- *Fluency Media – Social Media*
- *Meredith Corp. – Annual publication*
- *Aldinger, Inc.– Fulfillment*
- *Various research entities including Longwoods, Claritis and Peterson.*

These contracts are bid upon completion of their terms.

Q28. For both travel and business, can you provide a breakdown of current budget expenditure? (Example: television = \$5 million or 20%, social media marketing \$500,000 or 2%)

The approximate breakdown is: Television 50%, Print 25%, Internet 15%, and Radio 10%

For Travel

<http://www.travelmichigannews.org/mtr/marketing/mediaplans.asp>

For Business

<http://www.themedc.org/Products-Services/Upper-Hand-Business-Campaign/Default.aspx>

Q29. How many firms have been invited to participate?

The RFP was an open invitation to any firm or agency that wishes to participate.

Q30. Who are the current marketing agencies for both the tourism and business marketing being employed by both MEDC and MSF? Also, can you provide any information on other such firms during the past five years?

For Travel - McCann Erickson, 2006 to present; Brogan and Partners, 1996 to 2006.

For Business - Duffey Petrosky & Company, 2006 to present; Brogan and Partners, 1996 to 2006.

Q31. Is there a formal or informal preference for in-state firms; if so, what is it?

No

Are partnerships or joint ventures permissible under this RFP?

Yes

Q32. Is it possible to bid for the travel or business marketing segments of the program alone?

See the RFP, page 15, Section III, Proposal Format.

Or is there a preference for one agency doing the whole job?

There will be no preference to an agency that bids the whole job versus just Travel or just Business.

Q33. In travel marketing and also in business marketing how relatively important is the element of public relations?

Public Relations is a key component for travel and business marketing but not part of this RFP.

Q34. Is the awarded contract 1-year with an additional 2-year option, or a 2-year contract?

One year with two one-year options.

Q35. Clarifying when funds become available; is there currently an unfunded budget, or no budget?

Funding has not been identified yet.

Q36. If funding isn't yet available, what are the timing expectations for when the anticipated funding would become available?

Funding is to be identified prior to October 1, 2009.

Q37. What is the process that has to happen for the anticipated funding to become available?

The funding may come from multiple sources and the process is different for each source.

Q38. Will you contract with an agency before the anticipated funding becomes available?

The contract will begin October 1, 2009.

Q39. Is there any creative expected or required for the RFP?

No creative is required.

Q40. If not, is it permissible to include creative work/concepts/ideas based on the current brands in support of our strategy?

See RFP, page 15, Section III, Proposal Format, Strategic Implementation.

Q41. Does the contract include concepting, development and/or production of creative concepts and materials for future work?

See RFP, page 15, Section III, Proposal Format, Strategic Implementation

Q42. Are you looking for an advertising agency to create new creative elements and/or an evolved strategic approach or are you looking for an advertising agency to plan and buy a media schedule utilizing all existing creative elements?

See RFP, page 15, Section III, Proposal Format, Strategic Implementation

Q43. If you are looking for an advertising agency to create new creative elements, is there an anticipated list of pieces?

No

Q44. The RFP states the intention to "continue with the Pure Michigan Brand." Does that mean new campaign extension (executional ideas) are presented as part of the response?

See RFP, page 15, Section III, Proposal Format, Strategic Implementation

Q45. If new campaign extensions are required as part of the response, is the desire for creative extensions, media extensions, target customer extensions, a combination of the three, all of the three or something else?

See RFP, page 15, Section III, Proposal Format, Strategic Implementation

Q46. Is there a desire to continue with the "Upper Hand" Brand direction?

See RFP, page 15, Section III, Proposal Format, Strategic Implementation

Q47. What agencies have submitted questions?

Anyone that would like this information may submit a request to our FOIA coordinator. Grahamt1@michigan.org

Q48. What current marketing partners are contracted with?

Those participating in the Travel Marketing Partnership Program are identified below.

WINTER:

*Detroit - Shop Metro Detroit
Harbor Country
Downtown Grand Rapids*

WARM WEATHER:

*Alpena
Ann Arbor
Beachtowns
Detroit
Flint – Genesee Parks
Frankenmuth
Harbor Country
Heritage Country
Heritage Trails
Lansing
Mackinac Island
Michigan's West Coast
Blue Water Area
Saginaw Valley
Sault Ste Marie
The Henry Ford
Traverse City*

FALL:

*Harbor Country
Beachtowns
Sault Ste. Marie
North Coast*

Q49. The RFP refers to the State of Michigan's "research contractor, e-marketing/social media contractor, public relations firm, travel industry partners." Who specifically are those partners?

The contractors are

- *Sojourn Communications Group – PR*
- *Fluency Media – Social Media*
- *Meredith Corp. – Annual publication*
- *Aldinger, Inc.– Fulfillment*
- *Various research entities including Longwoods, Claritis and Peterson.*

These contracts are bid upon completion of their terms.

Q50. What are current agency compensation arrangements?

Fee based with any production at cost

Q51. Have the current campaigns been developed with an Agency partner?

Yes

If so, who and are they part of this RFP process?

The RFP process is open to all interested agencies

Q52. Is there a desire to connect the Travel Marketing and Business Development Marketing efforts into one campaign direction?

See RFP, page 15, Section III, Proposal Format, Strategic Implementation.

Q53. How will success in securing "adoption of the brand by the private sector" be gauged?

Success will be gauged by the number of travel industry participants adopting the brand and incorporating into their own marketing efforts.

Q54. Has success been measured against the Business Development Campaign? If so, what specific successes have been measured? If not yet, what are the metrics by which the campaign is measured?

We do an annual pre and post campaign awareness study.

Q55. How long is the term of Tim Allen's contract?

December 31, 2010

Is the contract transferable?

No

Q56. How long is the term of Jeff Daniels' contract? Is the contract transferable?

Jeff's contract term is on an annual basis and is renewed through 12/31/09 and is not transferable.

Q57. What are the Licensing Term and Conditions for the music used in the current campaign?

Cider House Rules Music Terms & Conditions are unlimited use as background music in both television and radio commercials up to 60 seconds in length. Territory is United States and Ontario, Canada. Term of agreement expires December 31, 2010

Q58. Is there any media inventory that is committed to that might extend beyond McCann's current contract?

No

Q59. Are there any Travel Michigan Partner opportunities that have transpired since the RFP went out? Tribal Casinos, Big Snow Country, Michigan Speedway?

Those participating in the Travel Marketing Partnership Program are identified below.

WINTER:

Detroit - Shop Metro Detroit

Harbor Country

Downtown Grand Rapids

WARM WEATHER:

Alpena

Ann Arbor

Beachtowns

Detroit

Flint – Genesee Parks

Frankenmuth

Harbor Country

Heritage Country

Heritage Trails

Lansing

Mackinac Island

Michigan's West Coast

Blue Water Area

Saginaw Valley

Sault Ste Marie

The Henry Ford

Traverse City

FALL:

Harbor Country

Beachtowns

Sault Ste. Marie

North Coast

Q60. The RFP talks about developing a Travel campaign or a Business Development campaign, later it mentions looking for a partner to help with both. Should we presume a partner is needed for both?

See the RFP, page 15, Section III, Proposal Format.

Q61. Are you looking for fully-developed and fully-costed plans, including media buys, for each of the given budget levels for both the Travel campaign and the Business Development campaign as part of the RFP response?

See RFP, page 15, Section III, Proposal Format, Strategic Implementation

Q62. Exactly what do those various budget levels have to encompass? Just advertising spend (continuing to use all current creative assets), or that plus everything else (creative development, production, collateral, PR, agency fee, etc, etc)?

See RFP, page 15, Section III, Proposal Format, Strategic Implementation

Q63. The travel/tourism target is stated as women 25-54. Is there research to support them being the principal decision-makers?

Yes. Refer to: <http://www.travelmichigannews.org/mtr/research/>

Q64. The RFP also talks about a "Youth Marketing Strategy" for 25 -35, is this in addition to the campaign against women? Is it included in the overall proposals that we're asked to make and the suggested budgets?

Yes it is, but for the purpose of this RFP we are not asking for suggested budgets regarding the Youth Marketing Strategy.

Q65. The current Travel creative campaign runs March through June. Are there plans to extend it beyond that? Media? Same or different creative?

See RFP, Section I, Work Statement, Background Statement and Objectives.

See RFP, page 15, Section III, Proposal Format, Strategic Implementation.

Current media plan can be found at:

<http://www.travelmichigannews.org/mtr/marketing/mediaplans.asp>

Q66. The current Business Development campaign runs March through June. Are there plans to extend it beyond that? Media? Same or different creative?

See RFP, Section I, Work Statement, Background Statement and Objectives.

See RFP, page 15, Section III, Proposal Format, Strategic Implementation.

Current media plan can be found at: <http://www.themedc.org/Products-Services/Upper-Hand-Business-Campaign/Default.aspx>

- Q67. What exactly is the Michigan business image? Some conflicting information in the RFP between it having a developing hi-tech image, versus other research saying its all "autos and cold weather." What exactly is the image that the campaign is expected to either build on or correct?

Refer to page 8 Strategic Priorities, Section I Work Statement, Business Marketing background statement.

- Q68. The RFP asks for a "detailed research outline", are there areas where new research might be needed, or where current research input is lacking?

This RFP does not encompass research.

- Q69. If the current campaign is successful, why have you issued this RFP?

We are required by law to re-bid projects when the contract has expired.

- Q70. Is the RFP being issued based on requirements or legislation that have to do with government suppliers?

We are required by law to re-bid projects when the contract has expired.

- Q71. Page 4 indicates that a variety of media, PR and social marketing functions are outside the scope of the contract including PPC, SEO, email, and Web development/maintenance. Can you please clarify what interactive support is needed for this initiative (both travel and business)?

For both Travel and Business, participation in monthly vendor meetings is required.

- Q72. How are your current campaigns breaking down media spend by channel (e.g., television %, radio, print, interactive, etc) – where are you seeing greatest productivity, and how are the buys optimized?

For travel, refer to <http://www.travelmichigannews.org/mtr/marketing/mediaplans.asp>.

Television and radio have the greatest productivity and buys are optimized with frequency and added value.

For Business, refer to <http://www.themedc.org/Products-Services/Upper-Hand-Business-Campaign/Default.aspx>

Q73. What information about the targets for each of the campaigns can you share with us? What kinds of consumers are responding to the Travel campaign? Where do they live? What are their demos? Likewise for business campaign – where are you seeing traction? What has been tried that didn't work?

For travel, visit http://www.travelmichigannews.org/cm/attach/7FCE50AA-1D21-411D-A4CE-B2C55EE09612/2007_research_review.pdf

Business growth industries are at www.michiganadvantage.org Also, we track the number of new leads that are received through our "contact us" call to action on the Web site.

Q74. How many agencies have responded with intent to participate in this RFP? Is the incumbent agency part of the review?

Anyone that would like this information may submit a request to our FOIA coordinator. Grahamt1@michigan.org

Q75. What is the reason for the agency review?

We are required by law to re-bid projects when the contract has expired.

Q76. Can you please elaborate on why the two initiatives (B-to-C and B-to-B) are potentially being combined for one agency to service? Will there be preference given towards an agency better equipped to handle both? L

There will be no preference to an agency that bids the whole job versus just Travel or just Business.

Q77. On page 3, it is indicated that the Travel Michigan budget has increased from \$5MM in 2005 to \$30MM in 2009. How is budget level determined and is it based on campaign effectiveness?

Budget was based on legislative approval.

Q78. How is the Partnership Marketing fund program budgeted?

The partnership funding budget is based on interest from the tourism industry -- the number of partnerships that have committed to a partnership. Partnerships have varied from two partners at the start of the program to the current 24 partnerships and from a budget of \$200,000 to the current \$1.7 million; generally the partnership budget is around \$1 - \$1.2 million.

Is it part of the budget scenarios set forth in the RFP?

Yes.

Q79. How is The Partnership program currently marketed?

Travel Michigan staff promote the opportunity at community meetings attended, in staff presentations, mentioned in Travel Michigan's monthly industry eNewsletter and thru word-of-mouth from industry members.

What has been most productive in driving results and what are the greatest challenges?

The current Pure Michigan brand and ads created for the partners have been the most effective at driving results as well as placement of the partners on the michigan.org Web site – "Featured Destinations" listing. The greatest challenges has been the staff time –both internally and the Ad agency--involved in creating each individual partnership. Partnership require several meetings with partners, drafts and redrafts of scripts, ads, logos, media plans, etc and creation of a Web page specific for that partnership.

Q80. How would you prioritize State, Feeder and Awareness markets in terms of incremental revenue potential?

Priorities would be: Awareness, Feeder and State.

Q81. On page 5 you mention a need for a youth marketing strategy. Are you looking for a youth marketing strategy that encompasses both singles and young families? What insights are driving this opportunity?

Yes it is, but for the purpose of this RFP we are not asking for suggested budgets regarding the Youth Marketing Strategy.

Q82. Also on page 5, you reference need for more urban and recreational content on the Website – are these identified pockets of potential growth / increased business?

In the past the site has lacked relevant content around both urban and recreation tourism activities. We are currently working to enhance this content and message. We see this as a growth opportunity with travelers.

Q83. Do you presently track repeat travel among audience segments and what is current “loyalty” rate?

No, we do not track repeat travel among audience segments.

Q84. What is the present CRM infrastructure for Travel Michigan and the business development program?

For travel, there are monthly eNewsletter programs, Share Your Experiences, and newly developed social media programs, i.e. Facebook, blogging, Twitter.

Business marketing program includes Web, blogs, email drip campaigns and targeted direct mail and special events.

Q85. Is the Film Production Industry part of the business development target audience? Does it have a separate budget?

No, the Michigan Film Office is not part of the RFP

Q86. What is the trigger that will establish when and how much advertising and marketing funding will “become available” to continue the Pure Michigan campaign, as referenced on page 1 in the summary and again on page 4?

The 2009/2010 budget must be approved by the Legislature and signed by the Governor to help identify the sources of funding that will be used.

Q87. What are the campaign mandates out of the Pure Michigan campaign that need to be adhered to in the continuation of the brand, as referenced on page 5?

See RFP, Section I, Work Statement, Background Statement and Objectives for all markets and target audiences.

Also, Section III, Proposal Format, Strategic Implementation for assets which can be found at:

<http://www.travelmichigannews.org/mtr/marketing/ads.asp#2008>

Q88. How do you define a New Business development lead, as referenced on page 7?

A new business development lead is a company (either via a company representative or a site selection representative) that is interested in locating their business in Michigan and needs a follow-up on the programs and sites we can offer for their consideration.

Q89. Are there established target markets for the business development campaign?

For travel, visit http://www.travelmichigannews.org/cm/attach/7FCE50AA-1D21-411D-A4CE-B2C55EE09612/2007_research_review.pdf

Business growth industries are at www.michiganadvantage.org Also, we track the number of new leads that are received through our "contact us" call to action on the Web site.

Q90. Is the exclusion of online media options from the Business Marketing portion of the RFP intentional?

No it was not intentional. The program for business marketing just launched in March of 2009 and was not finalized at the time of the RFP release.

Q91. There is a plethora of easily accessed information about the current marketing efforts for the State's travel campaign; does the same exist for the MEDC business efforts? If so, where is this located?

Refer to www.themedc.org/Products-Services/Upper-Hand-Business-Campaign/Default.aspx.

Q92. What are the key competitive states for each targeted industry? Is there any competitive analysis on their marketing efforts?

*There are not specific targeted states.
For Travel see <http://www.travelmichigannews.org>*

Q93. What has been the most effective marketing effort to date? To what do you attribute that success?

For Travel see ROI.

For Business it is the awareness improvement (by outside research results) and the increased number of Website contacts and increased number of successful projects since the business marketing campaign started.

Q94. What has been the least effective marketing effort to date? What do you believe accounts for the lack of success?

For Travel see ROI

Q95. Regarding Strategic Priorities from page 8 of the RFP...

a. Raise brand awareness and recognition of Michigan as a desirable business location both nationally and internationally and to create measurable outcomes including:

i. Is awareness currently tracked?

We conduct an annual pre and post campaign awareness study.

ii. What are the current levels of awareness?

We have 6% awareness of C-level executives at the national level

iii. What will be considered a successful level of increase in awareness?

Any measurable increase in brand awareness

iv. How is "desirable location" defined?

A location that CEO's and Site Selection Representatives would consider attractive and put on their consideration list for relocation, expansion and/or a new business venture.

v. What measures of "desirable location" are tracked?

External research.

vi. What will be considered a successful level of increase in recognition as a "desirable location"?

Improvement in research results.

vii. Are there specific countries of greater interest outside of the US?

Our international targets are based on the industry clusters we are aggressively going after. All of Europe is a target due to their alternative energy technologies and demand. Japan and China are a focus because of their advanced automotive technologies and manufacturing.

- b. An in-state marketing campaign to Michigan business executives that maintains name awareness of the State of Michigan and its economic development resources and effectively promotes those products and services.
- i. What is the current level of awareness of economic development resources?
High level of awareness
 - ii. How is this currently tracked?
Research/focus groups
 - iii. What is the success measure of “effectively promotes”?
Outside research indicates improvement from initial baseline numbers developed prior to the start of the campaigns.
- c. A marketing campaign targeting technology business executives, both in-state, nationally and internationally resulting in Michigan ranking among the top 10 states as a favorable business location for their industry sector.
- i. What is the source of the ranking?
Outside Research and publications
 - ii. What are the criteria for the rankings?
Outside Research conducted by surveying key decision makers in their industry sectors.
 - iii. How is this ranking measured? And by whom?
Outside Research
 - iv. By the State or by independent organizations? Independent
 - v. Are there specific organizations that compile the rankings?
Site Selection, Business Facilities, Ernst and Young
 - vi. What states are the primary competitors for these businesses?
All states are focused on aggressive strategies to attract new business growth. The sectors we are focused on attracting are not unique to Michigan because they are the growth industries of the future.
- d. A site consultants’ marketing strategy that results in Michigan ranking among the top 5 states as a high tech business location.
- i. What criterion defines “high tech business location”?
High Tech industry development is a strategic priority for the MEDC. Specific targets include alternative energy (wind, solar, water and advanced battery) defense and homeland security, Advanced Manufacturing (advanced battery, new manufacturing processes) and Life Sciences (medical instrumentation, pharma and research and development). We will work closely with the agency to develop this strategy.

- ii. How is that criteria measured, and by whom.
The measurement will be determined by outside research.
- iii. What are the other 4 states in the rankings likely to be?
An example of a competitive state ranking is New Economy Index by Kauffman Foundation. Other measures have yet to be established

e. Develop a trackable media buy and strategy that will assist in developing new business development leads in targeted industry sectors, in-state, nationally and internationally.

- i. Is there currently a tracking system in place? If so please describe?
No, we will be expecting the agency to help us develop this system
- ii. What are the success metrics? # of leads? # of inquiries? # of closed deals?
Yes, these are the example of the types of metrics we are establishing.