



Legislation Details (With Text)

File #:	R2019-56	Version:	1
Type:	Resolution	Status:	Consent Agenda
File created:	4/17/2019	In control:	City Council
On agenda:	5/7/2019	Final action:	
Title:	Consider approving Resolution No. 2019-56 approving a professional services agreement with Ballyhoo Media and Marketing not to exceed \$150,000 for marketing and media services; and take appropriate action		
Sponsors:	Rachael Johnson		
Indexes:			
Code sections:			
Attachments:	1. R2019-56, 2. Attachements to Council Memo.pdf, 3. May 2019 - Apr 2020 Media Plan Flowchart.pdf, 4. Ballyhoo Media & Marketing Agreement		

Date	Ver.	Action By	Action	Result
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Consider approving Resolution No. 2019-56 approving a professional services agreement with Ballyhoo Media and Marketing not to exceed \$150,000 for marketing and media services; and take appropriate action

BACKGROUND:

The Discover Farmers Branch campaign is primarily a digital ad campaign that has focused on three main areas; The promotion of the City's larger special events, the Demo/Rebuild Program, and Tourism (things to do, hotel stays, stay & play packages etc.)

The campaign uses targeted digital ads, google ad words, social ads and email marketing to drive users to discoverfarmersbranch.com to learn more about events, attractions and programs. The target audience varies depending on the promotion but generally is directed at people within a 30 min drive time of Farmers Branch.

The Discover Farmers Branch campaign was launched in April 2017, with the help of Pyro Brand Marketing who assisted in the creation and implementation of the campaign. Once the initial creative for the campaign had been developed, City Staff has handled any additional creative needs in-house, primarily using PYRO only for the purchasing of media through 2017 and 2018.

In an effort to maximize the campaign budget, in October 2018, staff began researching other options for purchasing media. While Pyro is a professional agency fully capable of executing any marketing and media needs, their fees are on the higher end of the spectrum and their attentiveness to the City's campaign was waning. The goal was to find a vendor who offered more competitive pricing to allow room in the budget to add SEO Management for the Discover website, a competitive media management fee, regular reporting on the campaign analytics and could offer additional services if needed.

City staff met with three other vendors capable of managing the media buying for the campaign. Cumulus Digital, I Heart Radio and Ballyhoo Media and Marketing. I Heart Radio was quickly eliminated as they were not in the position to offer the variety of serviced needed.

With media proposals from Cumulus Digital, Ballyhoo Media and experience with Pyro, Staff evaluated each vendor.

See Attachment A - Cost Comparison

In addition to hard costs and fees, Staff was looking for a vendor that would work to understand the City and campaign goals, offer recommendations, and work hard to maximize the available budget.

On the surface, Cumulus appeared to be a good value. They offer a flat fee of \$8 for 1,000 impressions (CPM). Their media management fee is built into the flat rate however, they would not disclose the fee percentage, making their pricing less than transparent. Depending on the market segment CPM can cost anywhere from \$2 - \$17. The \$8 flat rate may or may not be a good deal depending on the promotion and how competitive the market segment is at the time of purchase. Another red flag that showed up while meeting with Cumulus was how often they could not give more detail about their products because it was “proprietary” information. A vendor that values transparency in their pricing and their products is always preferred.

Ballyhoo Media and Marketing offered a dynamic CPM that could range from \$3 - \$8 depending on market segment and competitiveness. They charge a media management fee based on the amount of media bought, similar to Pyro but much lower. Their pricing is transparent and competitive and in meeting with Ballyhoo, they worked hard to understand more about Farmers Branch, what we are trying to accomplish through the campaign and offered recommendations to improve campaign performance. To gain a better understanding of their capabilities and performance, Ballyhoo was hired on a trial basis to manage the campaign for the first quarter of 2019. At the end of the quarter, staff was able to compare their performance against Pyro’s performance from Q1 2018.

See Attachment B - Performance Comparison

Ballyhoo Media and Marketing clearly outperformed Pyro during the same quarter a year prior, a traditionally slow quarter for the campaign. Additionally, they have been far more thorough in their approach to tracking performance and adjusting to meet campaign goals. Their analytics reporting is detailed and is offered on a monthly basis as a part of their media management fee. Whereas Pyro was charging an additional fee to report analytics on a quarterly basis.

DISCUSSION:

The proposed agreement is a year-long agreement not to exceed \$150,000. The included media plan cost is \$124,365 with \$25,365 set aside as contingency for any new projects or needs that arise during the course of the plan. Tentatively, staff has the Mustang Station area in mind for promotion as the new restaurant park gets underway towards the end of 2019.

The proposed media plan within this agreement expands the campaign to incorporate the following, which were not previously part of the campaign:

- Seasonal promotion of the Frog Pond
- Promotion of The Branch Connection
- Promotion of rentals throughout the City
- Programmatic Display - Short Video Ads

- Monthly SEO Management
- Social Media Campaign Management

FISCAL IMPACT:

1. Budgeted Financial Impact - The funds for this agreement are currently included in the Communications Marketing budget

RECOMMENDATION:

City staff recommends entering into a year long agreement with Ballyhoo Media and Marketing for media and marketing services. Ballyhoo has proven they are capable to not only manage the media campaign but to also maximize the available budget.

POSSIBLE COUNCIL ACTION:

1. I move to approve Resolution No. 2019-56
2. I move to approve Resolution No. 2019-56, with modifications.
3. I move to table the issue for further study or take no action.

ATTACHMENT(S):

1. Resolution No. 2019-56
2. Attachment A - Cost Comparison
3. Attachment B - Performance Comparison