

Hotels, Motels and ProTels: Bay Side's Battle for Summer Games Lodging

Defending the 5-Star Law¹



Congratulations on advancing to the semifinal round of the Washington Media Scholars 2020 Case Competition. Your assignment for this round is to assume the role of a rising media star working for a political advocacy advertising agency in Bay Side. The public affairs director from a large hotel lobbying firm (ProTels) recently called you and asked for some help. They need media recommendations for what they perceive to be a problem facing the region in the coming months. Your job is to respond to the request for proposal. Below you'll find a memo from ProTels and following the memo you will find an appendix with potentially useful information to help you create your media plan. Please read the memo carefully and review the appendix before beginning to craft your media plan. You are free to use any other resources that you find helpful. Good luck!

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MEMORANDUM

To: All Interested Advertising/Media Agencies

From: ProTels

Request For Proposal

February 14, 2020

Situation

Bay Side is hosting the 2020 World Summer Games. Hundreds of thousands of tourists and fans are expected to visit our city for the month-long event. What should be a time of celebration for our city, our culture and our citizens has turned into a local political nightmare. Bay Side city legislators passed a law at the beginning of the year that banned short-term rentals by residents who rent their home – known informally as the ‘5-Star Law’ – thus making it illegal to use platforms like Vrbo and Airbnb. There is a \$2,500 per-day-rented fine assessed to anyone who breaks the 5-Star Law. Our organization, ProTels, lobbied for this legislation believing that in order to properly highlight Bay Side to the world, our visitors should be treated to world-class hotel experiences, not someone's sleep-sofa or garage loft.

There is growing concern based on continuing local news coverage related to this new law that a grassroots movement is strengthening. Our public affairs team has learned that Zack Kapowski, a

¹ The situation and organizations described in this case study are entirely fictional. Consumer and media research data for Bay Side are modeled using Scarborough Research and Nielsen data from a top-ten U.S. media market and are altered for the purposes of the case. Population estimates, media audiences and costs, and other data do not represent any actual market conditions and should be used only by competitors in the semifinal & final round of the 2020 Washington Media Scholars Foundation scholarship competition. Copyright 2020 by WMSF. Do not reproduce without permission. More information at <https://www.mediascholars.org/media-scholars>.

local business owner, has organized several hundred short-term rentals homeowners to lobby Bay Side's City Council to reverse this new law. Our clients, the major hotel companies in the U.S., do not want this law reversed. ProTels has conducted thorough historical research of travel trends around host cities for major events, like the upcoming 2020 World Summer Games, and concluded that there are a sufficient number of hotel/motel rooms to accommodate the anticipated number of tourists coming to Bay Side.

Objectives

ProTels has hired a creative agency to help produce and manage the message, but we still need a media placement partner to help define our target audience(s) and to help craft a media plan to deliver our message to the target audience(s). We want to know how you plan to accomplish the following objectives for this campaign:

- Who is the target audience(s) for this plan? And why?
- How does the target(s) use media?
- What mix of media vehicles form a cost-effective way of reaching the target(s)?
- How would you schedule the spending of the budget between March and July?

There are 9 members of the city council and at least 6 votes are needed to overturn the 5-Star Law. ProTels has contributed to the campaign funds for all 9 council members in the past. However, it's clear that at least 8 of the 9 members aspire for higher public office, meaning that while ProTels campaign contributions are important, these legislators know that it's just as important to build a strong constituency within the electorate. Simply, they are persuadable if the electorate becomes persuasive enough.

Flight Dates and Budget

The games begin in August, and the City Council adjourns for the summer on July 17, 2020. We need the council to table the conversation, and any resulting votes, about the ban on short-term rentals until after July 17th (which means the 5-Star Law would remain in-place throughout the Games). Our clients have approved a budget of **\$1,000,000²** to spend on this campaign for 4-months between **March 17 and July 17**. We have staff dedicated to tracking competitive intelligence in the market, in the event Mr. Kapowski and his organization decide to run a competing advertising campaign. Please include a *media flying plan* with your recommendations. We do not anticipate our clients adding additional money to the budget for this campaign, but if you have ideas that require a larger budget please be sure to include them so we can review on a case-by-case basis.

Submission Requirements and Due Date

Please prepare a written document for ProTels that answers the questions asked in the objectives. All submissions are due by **midnight eastern time on March 13, 2020**. There are no

² All media planning for this case should be done in gross dollars.

requirements for what the written document should end up looking like, but it is suggested that you include the following:

- a. A month-by-month media plan in an Excel spreadsheet. The columns should be months. The rows should be different media vehicles that you want to include in your plan. The spreadsheet should at least show how much you will spend each month on each different type of media, how many impressions you will get each month and estimate the total gross rating points³ over the course of the campaign.
- b. Clearly labeled summary tables and graphs for presentation to the client and stakeholders. These would show the thinking and analysis behind your budget recommendations.
- c. A memorandum that includes a narrative description of the proposed media plan along with any supporting tables or graphics. Keep the memo to 8-10 pages long, including any tables or graphs that you decide to insert. You may use slides or narrative form, but please be sure to save and submit your document as a pdf.

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APPENDIX⁴

Before you began building your paid-media recommendations, you decided to consult a colleague who specializes in media research, Lisa Slater. Lisa gave the task some consideration and sent you the following data and explanations to help guide your decision making.

Table 1: Descriptive characteristics of the Bay Side adult population

		All Bay Side Adults	
		Population	% of Pop
<i>Total Bay Side Adult Population</i>		6,357,599	100.0%
How often usually vote in local elections	Always	3,119,670	49.1%
	Sometimes	1,644,083	25.9%
	Never	1,593,847	25.1%
Hotel/motels past 12 months	Any short-term rental (Airbnb, Vrbo, etc.)	1,032,270	16.2%
	Any hotel/motel	4,655,673	73.2%
	Any bed & breakfast	422,688	6.6%
Own or rent residence (HHLD)	Own	3,209,058	50.5%
Investments household has (HHLD)	Second home or real estate property	747,380	11.8%
Lifestyle characteristics	Small business owner	381,600	6.0%

The first table that Lisa presented (Table 1) showed several behavioral and descriptive data points for the adult 18+ population of Bay Side. Reading the table, you realize that there are about 6.4 million adults in the Bay Side media market. 49% of those adults indicate that

³ It is assumed that you have a basic understanding of media terminology, including gross rating points. Please reference the WMSF website or qualifying round for further explanations on unfamiliar terms.

⁴ Data provided is from Scarborough Research release 2, Aug 2017-Jul 2019, n=11,503.

they always vote in local elections⁵ and about 1 million Bay Side adults have used a short-term rental in the past year.

The next table that Lisa provided began to more tightly define potential audience segments. Part of your role as the media consultant is to help the client determine which audience segments are most likely to support and/or oppose your cause, and to also identify those audiences most likely to take some kind of action to support their opinion. You understand that ProTels represents major corporations (hotels) that have successfully lobbied for the 5-Star Law, but now there is a growing threat that the 5-Star Law might be overturned before the World Summer Games if local homeowners can generate enough local support to persuade the City Council.

Table 2: Potential target audience(s) matrix

		All Adults 18+	Hotel/motels visited past 12 months			Household owns a 2nd home or real estate property	Small business owner	Short-Term Rentals Supporters
			Any short- term rental	Any hotel/motel	Any bed & breakfast			
All Bay Side Adults	Proj	6,357,599	1,032,270	4,655,673	422,688	747,380	381,600	1,867,411
	Vert %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Horz %	100.0%	16.2%	73.2%	6.6%	11.8%	6.0%	29.4%
	Index	100	100	100	100	100	100	100
Always Vote in Local Elections	Proj	3,119,670	493,678	2,287,250	203,164	441,340	212,943	970,283
	Target %	49.1%	47.8%	49.1%	48.1%	59.1%	55.8%	52.0%
	Horz %	100.0%	15.8%	73.3%	6.5%	14.1%	6.8%	31.1%
	Index	100	97	100	98	120	114	106
	Total %	49.1%	7.8%	36.0%	3.2%	6.9%	3.3%	15.3%
Sometimes Vote in Local Elections	Proj	1,644,083	379,845	1,298,024	147,627	210,249	97,635	602,926
	Target %	25.9%	36.8%	27.9%	34.9%	28.1%	25.6%	32.3%
	Horz %	100.0%	23.1%	79.0%	9.0%	12.8%	5.9%	36.7%
	Index	100	142	108	135	109	99	125
	Total %	25.9%	6.0%	20.4%	2.3%	3.3%	1.5%	9.5%
Never Vote in Local Elections	Proj	1,593,847	158,748	1,070,399	71,898	95,792	71,023	294,202
	Target %	25.1%	15.4%	23.0%	17.0%	12.8%	18.6%	15.8%
	Horz %	100.0%	10.0%	67.2%	4.5%	6.0%	4.5%	18.5%
	Index	100	61	92	68	51	74	63
	Total %	25.1%	2.5%	16.8%	1.1%	1.5%	1.1%	4.6%

Potential ProTels Targets

- 15.3% Short-Term Rentals Supporters heavy-voters
- 6.9% Household owns a 2nd home or real estate property heavy-voters
- 36.0% Any hotel/motel heavy-voters
- 4.8% Small business owner heavy-to-moderate voters
- 25.1% Non-Target

Table 2: There are nearly 750,000 adults in Bay Side that own a 2nd home or real estate property, and of these homeowners 59% say they always vote in local Bay Side elections.

You assume that voting behaviors are a proxy for propensity to be civically involved; voters are more likely to act on public policy causes that are important to them. Absent any polling data you must determine who to target with your media plan. It could be all 6.4 million adults in Bay Side, or the 3.1 million Bay Side adults who report always voting in local elections.

⁵ Scarborough data is based off a survey of over 200,000 U.S. adults each year, and responses to questions are self-reported. In this specific instance, the data indicates that 49% of Bay Side adults self-reported that they 'always vote in local elections.' The percentages might not exactly match actual voter turnout as measured by a secretary of state's office or other comparable state official.

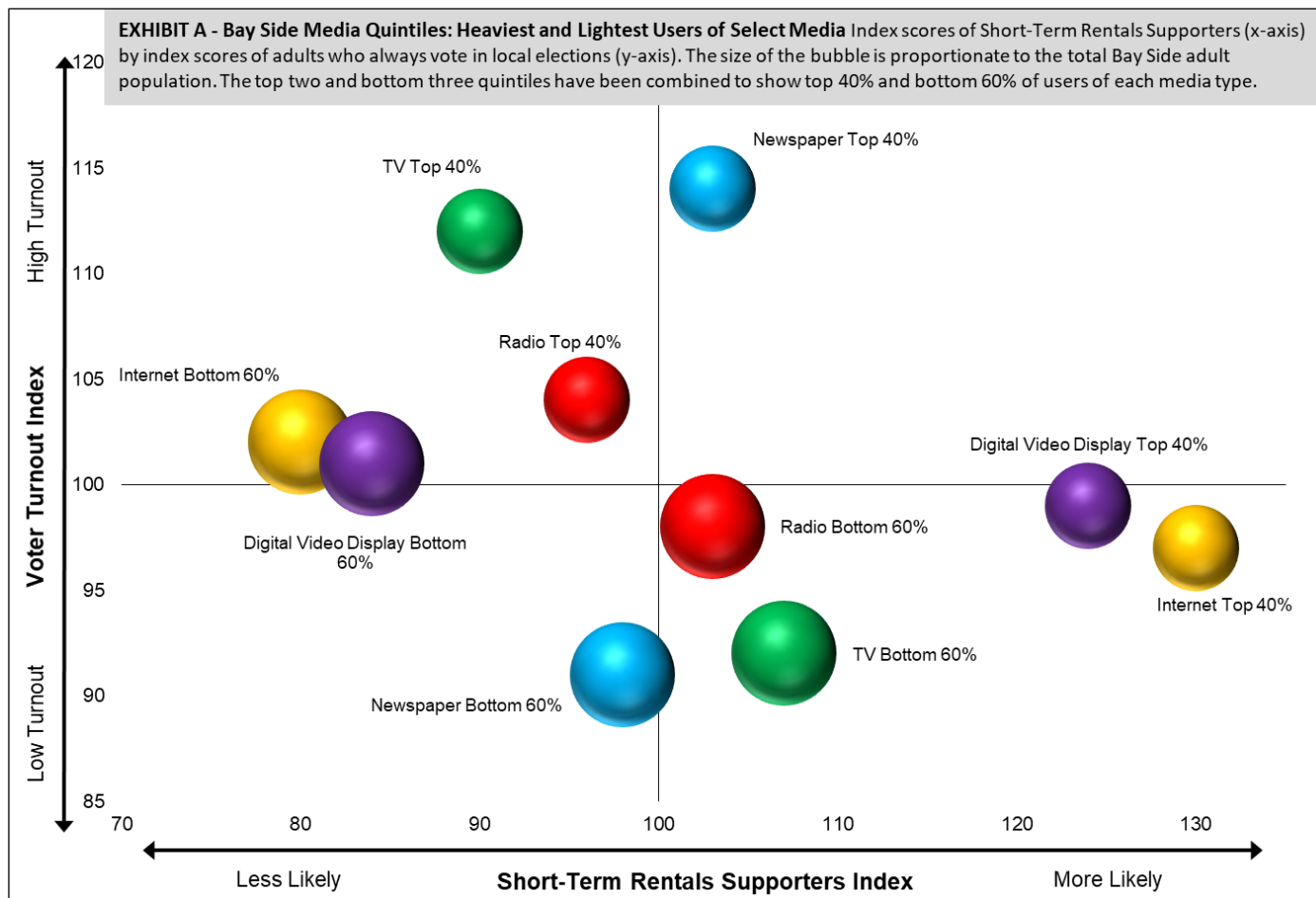
Or, perhaps behavioral targeting will help you more efficiently plan the budget, like targeting the 36.0% of Bay Side adults who have recently stayed in a hotel/motel and always vote in local elections.

Lisa took a stab at creating a custom-audience segment for you that she called ‘short-term rentals supporters.’ This segment was created using the following variables found in Scarborough’s survey questions by combining the variables with the clause ‘OR’: *“adults who have visited any short-term rental **OR** any bed & breakfast in the past 12 months **OR** adults whose household owns a 2nd home or real estate rental property.”* Lisa’s ‘short-term rentals supporters’ are adults who answered ‘yes’ to at least one of the three variables within the definition. We know that they make up about 29% of all adults in Bay Side by the horizontal percentage total from Table 2.

Lisa has offered to help **you create a custom-audience segment**, like the way she created ‘short-term rentals supporters’, should you want to see something else that she didn’t provide in the data tables. Since it is an election year you know that Lisa’s schedule is always packed. You know that you only have **one** chance to ask for **one custom-segment**. Be sure to closely examine the Scarborough variables available on the data tables Lisa provided you to determine what you want your segment to look like. This isn’t required, but it is a one-time-only offer available to you.⁶ Lisa reminded you to think of it like an algebra problem or string function, where order of operations and connecting clauses matter. If you want to build the audience segment for men who vote and watch CNN, then you should request it as “Gender: Men **AND** How often usually vote in statewide elections: Always **AND** Cable networks watched past 7 days: CNN”. Be careful to avoid incorrectly connecting different criteria; for instance, if you want to narrow the target audience to a certain age group, remember to group the ages with ‘OR’, because no individual can be 18 AND 35 at the same time.

Lisa also knew the value of understanding *how audiences use media* to researchers and planners; it is an important part of media planning. She plotted a chart using media quintile data (Exhibit A, next page) to help visualize some of the data. Using this data, you learn that the heaviest readers of newspapers are more likely to vote and more likely to be short-term rentals supporters than the average Bay Side adult, and this is the only media type that falls into that category. You notice that the heaviest users of the internet are very likely to be short-term rentals supporters, but they are less likely to vote than the average Bay Side adult. The heaviest users of TV and radio are more likely to vote but less likely to be short-term rentals supporters.

⁶ If you want to create a unique custom-audience segment like ‘short-term rentals supporters’ then please email Info@mediascholars.org before 6pm EST on Friday, February 28, 2020. You must include the exact parameters that you want to use, including the placement of “and” and “or” coding. Please allow up to 7 days for WMSF staff to return this data to you by email in the form of a revised data crosstab table, including your custom segment.

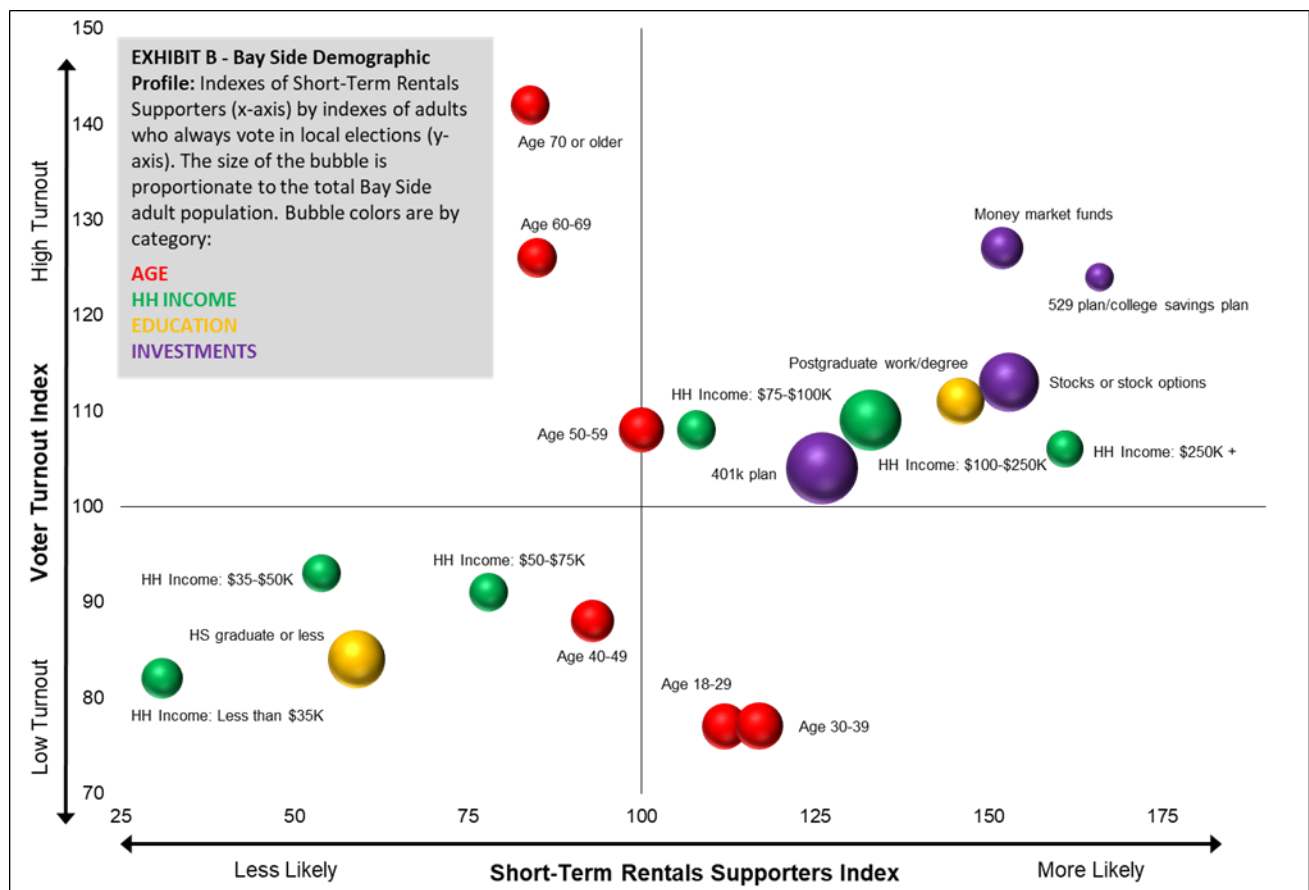


Lisa reminds you to use this type of analysis to allocate your media budget, and she also reminds you to lean heavily on the data tables – these infographics make nice visuals for presenting data, but the raw data is the most valuable piece of information available to you.

Lisa sent several more bubble charts for your review, including Exhibit B (next page) which plotted demographic characteristics of Bay Side adults as they relate to both turnout and short-term rentals supporters. A quick look at the chart shows you that adults who are likely to have high incomes, participate in investments and long-term savings, and have achieved high levels of education compared to the average Bay Side adult are more likely to be high turnout voters and more likely to be short-term rentals supporters. Lisa shared the remainder of her bubble charts at the end of her report.

The final two documents that she sent included an extremely large crosstab report with multiple tabs and an Excel sheet that looked a little bit like a menu of media options (Exhibit C, partial table displayed on page 8). This ‘menu’ provides you planning costs for various media types and creative lengths. The list was not exhaustive, so, you are free to add other

communications tools not currently on the media planning costs worksheet as you develop your media recommendations.



Two important values have been provided to you in Exhibit C: horz % and index scores. The horizontal percent tells you the percent of respondents who first meet the criterion for the row and then meet the criterion for the column; for instance, of all early morning (5a-7a) broadcast television viewers, 27.4% are short-term rentals supporters. The index score measures the likelihood that respondents meet the criteria for the row and the column compared to the Bay Side population⁷. In the case of early morning (5a-7a) broadcast television viewers, the High Turnout Voters index of 135 means that early morning viewers are 35% more likely to be High Turnout Voters than the average Bay Side adult. An index score of 100 is average, it's your baseline; any score above 100 means 'more likely' while any score below 100 means 'less likely' by the associated value. Indexes are important for comparing variables against the total Bay Side population.

⁷ Index scores are calculated by dividing the Target % for a Desired Audience Segment by the Target % for All Bay Side Adults. For instance: 0.6% of small business owners watch early morning TV / 0.8% of all Bay Side adults watch early morning TV = 0.75 (or an index of 75 – note there's some rounding compared to the crosstabs). You will find both values on the crosstab report.

Another example is daytime viewers of arts/culture/history on cable: an index of 76 for short-term rentals supporters means that the target audience is 24% less likely to watch this media compared to the average Bay Side adult, but an index of 126 for High Turnout Voters means it is 26% more likely that this audience segment watches daytime cable arts/culture/history programming. For planning purposes this media vehicle would be efficient for targeting High Turnout Voters but *not* for reaching the short-term rentals supporters.

To simplify things for you, Lisa priced each media vehicle in terms of its cost per thousand impressions (CPM). For example, prime access programming on Bay Side broadcast television stations averaged \$20 per every 1,000 viewers⁸. If you decide to buy 500,000 impressions in prime access television, then you would need to budget \$10,000. If you decide that you want to spend 20% of your total budget on daytime cable news, then you would expect to achieve 8 million adult impressions in daytime cable news.⁹

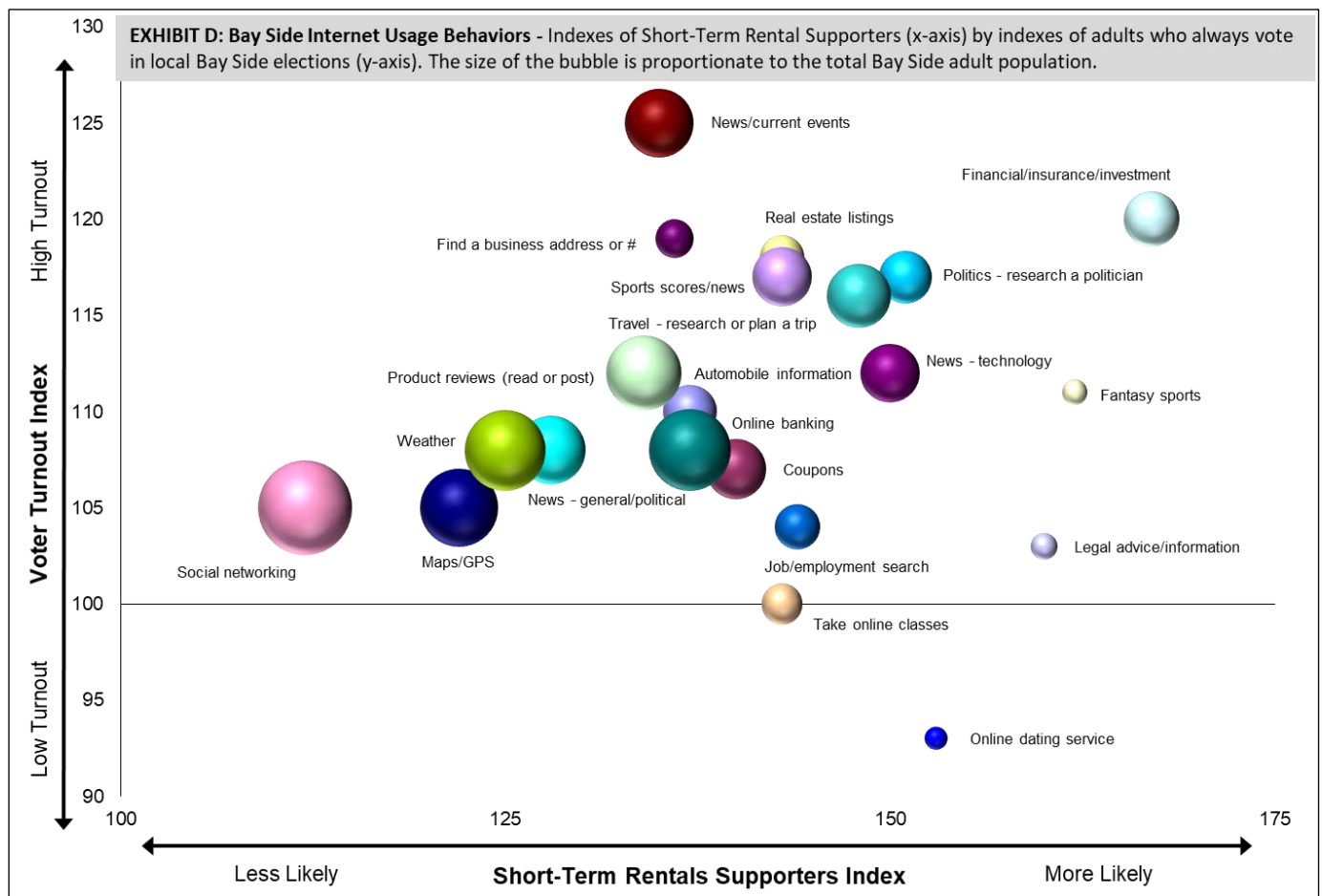
EXHIBIT C: ProTels - Defending the '5-Star Law'		Short-Term Rentals Supporters		High Turnout Voters	
Media Planning Costs and Audiences					
	Avg Planning Costs per 1000 adult 18+ impressions (CPM)	As Horz% of Media Audience	Short-Term Rentals Supporters Index	As Horz% of Media Audience	Local Voting Index
TELEVISION (:30)					
Combined Broadcast Television Networks (by daypart)					
Early Morning (5a-9a)	\$ 10	27.4%	93	66.3%	135
Daytime (9a-3p)	\$ 7	26.8%	91	62.2%	127
Early Fringe (3p-5p)	\$ 8	26.8%	91	60.5%	123
Early News (5p-7p)	\$ 16	26.2%	89	58.5%	119
Prime Access (7p-8p)	\$ 20	28.6%	97	58.6%	119
Primetime (8p-11p)	\$ 35	27.5%	94	59.2%	121
Late News (11p-1130p)	\$ 37	23.2%	79	62.2%	127
Late Fringe (1130p-1a)	\$ 15	26.5%	90	62.0%	126
Local Broadcast TV Sports - weekend	\$ 33	32.0%	109	54.1%	110
Spanish Language Broadcast Television					
Early Morning	\$ 33	11.6%	40	41.4%	84
Daytime	\$ 25	11.6%	40	50.2%	102
Early News	\$ 38	10.5%	36	40.8%	83
Late News	\$ 45	14.3%	49	39.5%	81
Primetime	\$ 62	13.4%	46	43.8%	89
Combined Cable Network Groups					
News: Daytime	\$ 25	28.2%	96	66.5%	135
News: Primetime	\$ 50	29.9%	102	64.2%	131
Arts/Culture/History: Daytime	\$ 15	22.5%	76	61.6%	126
Arts/Culture/History: Primetime	\$ 30	26.4%	90	61.9%	126
General Entertainment: Daytime	\$ 14	28.5%	97	51.6%	105
General Entertainment: Primetime	\$ 28	30.5%	104	53.1%	108
Sports: Daytime	\$ 20	29.9%	102	57.6%	117

Lisa recommended that you take some time to review the massive crosstab file that she prepared for you. It is full of demographic, behavioral and media data that may, or may not, be

⁸ \$20 CPM X (500,000/1,000) = \$10,000

⁹ WMSF encourages rounding. Remember that this is a *media plan*. Your job is to convince the client that your media placement ideas will help them achieve their goals.

useful to you. You might be inspired by the variables to **create your own custom-audience segment** (but you can only ask WMSF to help with ONE segment). Lisa also offered to help you navigate any questions that you might have with the data, the audience segments, or anything else related to the RFP by scheduling a conference call for Monday, February 24 at 4pm EST¹⁰. Finally, she reminded you that impressions and GRPs are both important measures to a media plan, and you should report impressions and impressions as a percentage of each respective target population (GRPs). Once you are familiar with the task, the media currency and the data, then prepare the media plan and rationale supporting your strategy for submittal.



¹⁰ WMSF will provide more information about this conference call prior to 2/24/2020 including contact information and participants. It is highly recommended that at least one team member participate in this call.

