

REQUEST FOR PROPOSAL

Global Advertising Agency of Record July 2, 2015*



INTRODUCTION

This Request for Proposal was initially posted in November of 2014. Brand USA elected to halt the process while Brand USA searched for a Chief Marketing Officer ("CMO"). That done, we invite you to review this amended Request for Proposal to become Brand USA's Global Advertising Agency of Record.

Brand USA is a public-private not for profit organization created by the Travel Promotion Act of 2009. The mission of Brand USA is to generate increased international visitation to the United States and to grow its share of the global travel market. Brand USA will accomplish this via marketing campaigns and programs and partnerships with the travel industry. The incremental increase in international visitation will generate billions of dollars of revenue, which will in turn create new American jobs.

While the United States welcomed 60 million visitors in 2010, its share of the international travel market has decreased significantly over the past decade. The U.S. share of long haul international travel fell from 17.2 percent in 2000 to 12.4% percent in 2010. Brand USA, the U.S.'s National Tourism Marketing Organization will reinvigorate the nation's image and recapture its share of the market.

Brand USA delivers a dynamic marketing program that includes, but is not limited to, a global advertising campaign, earned media and public relations strategies, a robust social media outreach plan, promotional and incentive campaigns, trade shows and sales missions, and educational campaigns about U.S. entry policies. Brand USA carefully selected its marketing tools and target audience after vigorous analysis of existing and original market research.

Brand USA is governed by an 11-member Board of Directors. Each director is appointed by the U.S. Secretary of Commerce. Each director represents a sector of the travel and tourism industry as identified by the Travel Promotion Act. The executive leadership team possesses strong expertise and experience in the travel, tourism, and advertising industries.

Brand USA is committed to including diverse firms as an important part of its sourcing and procurement activities. In furtherance and support of this goal, we encourage minority, women and locally-owned firms to pursue business opportunities with us. Minority and women-owned firms who otherwise meet the minimum requirements set forth in this Request for Proposal are encouraged to submit a Notice of Intent to Bid. In addition, Brand USA also



seeks to do business with firms that also recognize the value of diversity and inclusion in the composition of their workforce and in their own contracting, subcontracting or teaming activities. We encourage such firms who meet the minimum bidding requirements (regardless of size or ownership) to also submit a Notice of Intent to Bid. Brand USA reserves the right to give weight or allocate bidding credit to diverse firms or those with a demonstrated commitment to inclusion as part of its evaluation process.

WHY DOES A COUNTRY AS POPULAR AS THE USA NEED A MARKETING PROGRAM?

Although the United States remains one of the world's most popular travel destinations, during the first decade of this century, while the global travel market was booming, the USA's share of international travelers declined 37 percent—from 17.2 percent in 2000 to 12.4 percent in 2010. The resulting impact on the U.S. economy was an annual loss of 467,000 jobs and \$606 billion in lost revenue. In addition to being seen as unwelcoming (resulting from increased security measures that came following 9/11) and too familiar, the United States was also one of the world's only industrialized nations without a national tourism board to attract international travelers to its shores in order to fuel the nation's economy by inspiring the world to visit the U.S.A.—to see it again, or for the first time.

With the strength of a national marketing effort from Brand USA now in place, the United States is working to regain its share of the global travel market. By welcoming more international visitors to the USA, Brand USA is supporting U.S. economic growth, helping to spur job creation, and creating a more positive impression of the United States around the world.

WHY IS INTERNATIONAL VISITATION SO IMPORTANT TO THE NATION'S ECONOMY?

International visitation helps local communities.

On average, overseas visitors spend nearly \$4,500 per trip and generate tax revenue in communities across the USA without burdening local services, such as public schools and fire



departments. When international travelers spend this kind of money in our communities, it lessens the tax burden on U.S. citizens.

International visitation supports American jobs and economic growth.

When international visitors come to the U.S.A., the money they spend directly supports more than 1 million American jobs and added \$181 billion to the U.S. economy. (Source: US Travel Association and NTTO 2013 Data)

International visitation enhances the image of the United States worldwide.

Surveys show that international visitors to the United States are 74 percent more likely to have a favorable view of America and 61 percent more likely to support U.S. policies.

Who Pays for It?

International visitors and private contributions fund the work of Brand USA—with half of Brand USA's budget generated by contributions from the private sector and matching funds provided by a \$10 fee paid by travelers from markets that are not required to have a visa to enter the United States. These markets are designated as visa-waiver countries. As a result, U.S. taxpayers contribute \$0 toward Brand USA's marketing efforts.

A STRATEGY TO CONTINUE TO GROW INTERNATIONAL TOURISM

As part of the launch of Brand USA, our brand theme became the catalyst for creating the necessary shift from being seen as an arrogant, unwelcoming and predictable nation, to that of a beckoning land of boundless possibilities.

The Original Campaign

From those who were familiar with the United States (such as Canadians and the British), to newer travelers from further afield — our communications would need to speak to them all. We'd have to demonstrate a breadth of possibilities, beyond what they thought they knew, and welcome them, as though for the first time.



After four rounds of creative testing in 13 international markets, we landed on the idea of using the universal language of music as a cornerstone of the campaign. We felt that music would have the power to accomplish emotionally what words alone couldn't.

We reached out to Grammy Award winner, Rosanne Cash, daughter of American music icon Johnny Cash, to turn our insights into an original song that would invite the world to come experience America. While the song is distinctly "Americana" in tone, the welcome becomes universal as musicians from around the world unite with Rosanne in song. The song was married to visuals that show our greatest-hit landmarks (for new travelers), with off-the-beaten-path locales and experiences (for those who were overly familiar).

The result was an anthem that shows the USA as a destination, while simultaneously emanating a feeling of freedom and limitless possibilities. You can watch elements of this campaign at www.youtube.com/YourDiscoverAmerica.

To help us focus our messaging about the range of experiences in the USA, we originally created 4 experience pillars. These pillars are used to guide our content strategy and creative development.

Over the past year we have modified this structure to focus on two key pillars: the Great Outdoors and Urban Excitement, including Indulgence and Culture as a part of the two pillars.



Brand USA Experience Pillars



Print and Out of Home (OOH)

Print and OOH campaign elements arouse the senses and convey personal and experiential possibilities.

Print includes magazines, newspapers, supplements, and other marketing collateral. Out of Home includes billboards, transit advertising, cinema, and other forms of OOH advertising.

Discover America Global Websites and Social Media Channels

Digital and social media strategies continue to be an important method to inspire engage, and activate international travelers.

Brand USA has three online identities in the marketplace:

- Brand USA (TheBrandUSA.com)
- Discover America (Discover America.com), and
- GoUSA (gousa.cn and gousa.tw)

Brand USA is our industry- and stakeholder-facing brand for partners, tour operators, travel agents, federal agency partners, the media, and others.

Discover America is the consumer-facing brand that international travelers associate with travel to the United States. The Discover America website and related social media accounts



are used in consumer-facing content and communications. Each market where Brand USA is actively marketing the USA as a tourism destination has a dedicated, in-language website and social channels, which Brand USA uses to reach consumers in its target markets (except China, Taiwan, and Hong Kong). GoUSA is the consumer-facing brand that visitors from China, Taiwan, and Hong Kong view to consider travel to the United States. This URL was chosen in place of the Discover America URL for market specific reasons.

Click <u>here</u> to find the comprehensive list of handles used for global, consumer-facing promotions in English.

While our digital platforms continue to see strong and growing engagement, as well as positive sentiment, there are many opportunities to more fully leverage our digital channels to increase international visitation to the United States.

Continuing into FY16, Brand USA will enhance its GoUSA.cn and DiscoverAmerica.com presence in the international marketplace in order to make our primary digital platform the go-to resource for all things travel to the United States. We will accomplish this by:

- Providing original content in as many forms as possible
- Providing valuable, timely information regarding destinations, and experiences, as well as entry policy and processes
- Customizing content to reach targeted international travelers
- Making the site more user friendly and intuitive
- Expanding opportunities for partner content and integration
- Increasing activation of our digital channels
- Increasing our ability to track key metrics on engagement and activation

Content Hub

During FY15, Brand USA continues to build a dynamic and engaging online presence comprised of content hubs themed around its core experience pillars: The Great Outdoors, Urban Excitement, and eventually Culture interspersed with Indulgence—with the first content hub launched in the fall of 2014.



Social Campaigns

Our digital team partners with local experts in each market to apply their global marketing insights to culturally relevant social media content and campaigns. The custom Social campaigns we create provide localized digital and social presence in nine international markets, with one global presence in English.

During FY15, Brand USA continues to promote global activation campaigns to support The Great Outdoors, Culinary, Travel like a Local, and Road Trips.

After each campaign launch, the category of content created will continue to live across our channels and provide opportunity to accept additional content from partners on an ongoing basis. Target markets in FY15 include: Australia, Brazil, Canada, Chile, China, France, Germany, India, Japan, South Korea, Mexico, New Zealand, Taiwan and the United Kingdom.

Co-op Marketing

Co-op marketing programs make up the majority of our consumer marketing efforts in FY15/16 to increase awareness, engagement, activation, visitation, and spend. Nearly 90 percent of our co-op marketing activities are directly focused on reaching the international traveling consumer.

During FY16, Brand USA will work with its expanding network of international representatives, Visit USA committees, and travel and tourism advisory boards to support participation in numerous trade activities, including:

- Trade Shows
- Sales Missions
- Road Shows
- Themed Events
- Training Initiatives
- MegaFams

These activities are led by a series of Brand USA's international offices that help represent the USA's interests in 25 international markets.



BRAND USA IS BUILDING ON SUCCESS

Brand USA is delivering on a dynamic marketing strategy that includes, but is not limited to, a global advertising campaign, earned media and public relations strategies, a robust social media outreach plan, promotional and incentive campaigns, trade shows and sales missions, and educational campaigns about U.S. entry policies. Brand USA carefully selects its marketing tools and target markets and travelers after vigorous analysis of existing and original market research.

In 2013, we were fully deployed (consumer, co-op, and trade marketing) in eight markets (Australia, Brazil, Canada, Germany, Mexico, Japan, South Korea, and the United Kingdom)—and delivered a 47:1 return on marketing investment, 1.1 million incremental visitors, \$3.4 billion in direct travel spending, and \$7.4 billion total spending—which supported 53,000 new jobs. In 2014, Brand USA expanded the consumer campaign to China and Taiwan, and in 2015 will be fully deployed in 14 international markets (Australia, Brazil, Canada, Chile, China, France, Germany, India, Japan, South Korea, Mexico, New Zealand, Taiwan, and the United Kingdom). Every 1 percent increase in travel from these markets fuels the nation's economy by generating 500,000 additional visitors and \$1 billion in international visitor spend a year.

In 2014 the work of Brand USA generated more than 2 million incremental visitors to the U.S. from around the globe over the past two years, according to a new study by Oxford Economics. Those visitors accounted for \$6.5 billion in incremental spending, which injected nearly \$15 billion into the American economy. The influx of incremental visitors also supported an average of 50,000 incremental jobs each of the two years.

Oxford Economics, an international economic forecaster based in Oxford, England, looked at nine global markets for the ROI study: Australia, Brazil, Canada, China, Germany, Japan, Mexico, South Korea and the United Kingdom. Brand USA is fully deployed in each of those markets – implementing campaigns for consumer, travel-trade and cooperative marketing.

Brand USA marketing initiatives had the strongest results, according to the study, in Asian-Pacific and South American markets, where the ROI was 48:1. Travelers from those markets account for "a considerable number of international visitors to places beyond the major gateway destinations in the United States," Thompson said.



Oxford further documented that Brand USA marketing brought 903,400 incremental visitors to the United States during fiscal 2014. Those travelers spent \$3.1 billion on travel with U.S. carriers, producing \$7.1 billion total sales. Overall, during fiscal 2014, the United States welcomed 75 million international visitors. This translated into a \$222-billion boost for the U.S. economy.

PURPOSE

The purpose of this Request for Proposal (RFP) is to identify the appropriate global advertising partner. As our agency of record, the selected firm will be responsible for supporting all Brand USA global consumer-marketing efforts as it relates to creative strategy and execution.

Brand USA is committed to including diverse firms as an important part of its sourcing and procurement activities. In furtherance and support of this goal, we encourage minority, women and locally owned firms to pursue business opportunities with us. Minority and women-owned firms who otherwise meet the minimum requirements set forth in this Request for Proposal are encouraged to submit a Notice of Intent to Bid. In addition, Brand USA also seeks to do business with firms that also recognize the value of diversity and inclusion in the composition of their workforce and in their own contracting, subcontracting or teaming activities. We encourage such firms who meet the minimum bidding requirements (regardless of size or ownership) to also submit a Notice of Intent to Bid. Brand USA reserves the right to give weight or allocate bidding credit to diverse firms or those with a demonstrated commitment to inclusion as part of its evaluation process.

SCOPE OF WORK

Brand USA seeks to maximize the efficiency and effectiveness of its marketing efforts through the selection of a global advertising agency of record. The agency will be responsible for providing strong strategy and insight development for global campaigns that will inform Brand USA's overall creative direction across all channels. The selected agency will also be responsible for developing and executing creative concepts to drive consumer interest and activation of travel to the USA. This will include:



- 1. Management of creative development, translation and trafficking for up to 14 international markets*
- 2. Promotional planning and execution (speed to market is important)
- 3. Global media coordination (integrate with media agencies)
- 4. Integration with Brand USA's Social, Content, Digital and Public Relations agencies and internal teams who manage these strategies across all markets
- 5. Development of co-op creative strategies to engage key partners including but not limited to 50 states, district of Columbia, five territories, hundreds of travel industry partners
- 6. Integration with Brand USA's co-op marketing platforms and programs and the internal teams who manage these strategies.
- 7. Procuring talent and managing Brand USA visual assets (images, logos, video etc.)
- 8. Weekly status calls (inter-agency); quarterly (or more frequent) in-person meetings
- 9. Budget management and day-to-day administrative duties

Our campaigns will include both Brand USA stand-alone and cooperative (multi-brand) messaging. As such, it will be expected that the selected agency will work both with our inmarket representatives and our domestic tourism partners and media agencies to lead (under our direction) the development of integrated campaigns that will achieve the greatest impact and help drive international travel to the USA. In addition, we also work directly with our partners through multi-channel programs; these programs may need management from a creative development standpoint and in establishing appropriate distribution channels support our paid media campaigns

The scope of work for the selected agency will include at least one annual comprehensive competitive analysis. Traditionally, this analysis has included the review of campaigns of the top global spenders in the tourism industry as well as our direct competitors in our current markets. The expectation is that our advertising agency would work directly with our media agency and internal research teams to quantify the results of the overall strategy and campaigns, as well as to provide an integrated analysis of media and messaging impact.

*Current and upcoming markets include Australia, Brazil, Canada, Chile, Colombia, China, France, Germany, India, South Korea, Mexico, the Scandinavian Region, Japan and the United Kingdom.



QUALIFICATIONS

- Global marketing strategy development: Demonstrated experience with global market messaging (content) and channel strategy across multiple countries in the travel/tourism or hospitality industry.
- Strategy: Strong Account Planning capabilities including market research and segmentation
- Experience with multiple partners with different brand messaging and co-op integration
- Creative thought leadership: non-traditional thinking and creative concepts that deliver high-performance multi-channel campaigns
- Brand management: Ability to drive brand consistency with appropriate localized nuances across multiple international markets.
- Global media coordination experience (integrate with media agency of record).
- Travel/tourism or hospitality industry experience and demonstrated knowledge in cooperative marketing required
- Local perspective in our core markets, to include messaging/channel restrictions and language & translation best practices.
- Coordination with other Brand USA marketing efforts not directly managed by the agency to support our overall messaging strategy.
- Promotional planning and execution; speed to market is important. Agency must be able to react quickly to tight turnarounds when necessary.

PROPOSAL FORMAT AND SPECS

Proposal format is open to presentation style and delivery of the proposing team, but it must include the following information:

- Company history and background in advertising for global brands.
- Case studies (minimum of two) with demonstrated results relevant to Brand USA (industry, geographic or scale similarity). Case studies need to be relevant to the travel, tourism or consumer marketing. One case study must included a co-op



initiative or engage with multiple partner messaging

- Overview of process and methodology used for recommended campaign strategy development.
- Illustration of how the agency team and Brand USA team interacts as a part of the continuous planning, development, execution and optimization process.
- Competitive review process proposed/example.
- Overview of specific team that would work with Brand USA.
- Fee structure (for current and incremental budget allocations).

BUDGET

Based on the RFP requirements, the proposer must submit a detailed, realistic budget with an estimated execution timeline outlining each of the duties.

Base budget must include fees and proposed campaign budget range (agency fees \$1 to \$3 million depending upon scope of services).

MINIMUM REQUIREMENTS

Proposals must address each item listed, giving specific details of techniques to be used in achieving these requirements. Proposals may be rejected if minimum requirements are not met. All proposers wishing clarification of this RFP must participate in a webinar on July 13, 2015 at 4:00 pm, EDT. Please request call in number by email to rfpadmin@thebrandusa.com.

Costs for developing proposals are entirely the responsibility of the proposer and shall not be reimbursed by Brand USA.

- Notice of Intent to Bid (Attachment 1) must be received by July 20, 2015 (due by 3:00 p.m. EDT). The notice shall be sent by email to rfpadmin@thebrandusa.com at the Brand USA office. The NOTICE OF INTENT TO BID, is nonbinding; however, it ensures the receipt of all addenda related to this RFP. Proposals will be accepted only from applicants who submitted a timely NOTICE OF INTENT TO BID.
- 2. RFP Responses must contain the following information:
 - a. Executive Summary.
 - b. Services and Activities: Provide description of the nature of the organization's services and activities. Note when the business was established, brief history



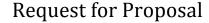
and location. List the location(s) of the office(s) from which the primary work on this contract would be performed.

- c. At least four examples of work.
- d. No Conflict of Interest: Client relationships that could potentially be considered a conflict of interest must be listed.
- e. Contract Manager/Team: Identify one individual on the proposer's account team who will manage the contract work. Identify the role of each member who will service the account. Current resumes must be attached for each person who would in any way be associated with this account.
- 3. References: Provide at least three references.
- 4. Budget
- 5. Timeline and/or Project Plan
- 6. <u>Certification Form (Attachment 2)</u> must be signed and accompany all RFP Response submission.

TENTATIVE SCHEDULE

This tentative schedule may be altered at any time at the discretion of Brand USA. Brand USA reserves the right to reject any and all proposals, or any part thereof; waive an informality in the proposals and accept the proposal that best meets the needs of Brand USA.

A. Proposal Re-Released	July 6, 2015
B. Written Questions Due (due by 12:00 noon EDT)	July 13, 2015
C. Webinar for Q & A	July 13, 2015 4:00 p.m. EDT
D. Written Questions Answered and Posted to Brand USA Website	July 16, 2015
E. Notice of Intent To Bid Due (due by 3:00 p.m. EDT)	July 20, 2015
D. Proposal Due (due by 3:00 p.m. EDT)	August 10, 2015
E. Proposal Evaluation by Scoring Committee	August 21, 2015
F. Notification and Scheduling of Finalist Interviews	August 24, 2015
G. Finalist Interviews/Demos	Aug 31-Sep 9, 2015
H. Notice of Intent to Award Contract and Public Posting	September 21, 2015





DELIVERY OF PROPOSAL

Each bidder is required to deliver 4 typed and collated copies of its proposal to Brand USA's office at the address listed below, no later than <u>August 10, 2015</u> (3:00 p.m. EDT).

Proposals may be e-mailed to rfpadmin@thebrandusa.com or sent by courier such as Federal Express, UPS, etc. to:

Brand USA Headquarters C/O RFP Administrator 1725 Eye Street NW, Suite 800 Washington, D.C. 20006/

ATTN: RFP - Global Advertising Agency of Record

Phone: 202.536.2060

Email: rfpadmin@thebrandusa.com

EVALUATION AND CONTRACTING

All proposals satisfying the requirements of this Request for Proposals will be evaluated to establish which of the providers best fulfills the needs of Brand USA and this project. This Request for Proposals in no way commits Brand USA to award a contract, to pay any costs in preparation of a proposal, or to contract for the goods and/or services offered. Brand USA reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with all qualified providers or to cancel this Request for Proposals. After awarding the contract, the schedule will include a period of collaboration between Brand USA and the selected Contractor to better define, elaborate upon, and fix the Contractor's final Scope of Work and general Terms and Conditions.



ATTACHMENT 1

NOTICE OF INTENT TO BID

July 20, 2015 (due by 3:00 p.m. EDT)

SEND TO:

Brand USA Headquarters C/O RFP Administrator 1725 Eye Street NW, Suite 800

Washington, D.C. 20006

ATTN: RFP - Global Advertising Agency of Record

Phone: 202.536.2060

Email: rfpadmin@thebrandusa.com

NAME OF BIDDER / COMPANY:
CONTACT PERSON:
MAILING ADDRESS:
TELEPHONE:
FAX:
E-MAIL ADDRESS:
SIGNED:



ATTACHMENT 2

CERTIFICATION

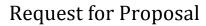
Please include this statement as part of the Proposal

Certification Statement

By submission of this proposal and authorized signature below, Proposer certifies that the undersigned corporate officer has authority to bind the bidder to the terms of this Proposal and hereby certifies on behalf of the bidder that:

- He/she has read and understands all commitments and terms of this Proposal.
- The information contained in this Proposal is accurate.
- Proposer's quote is valid for at least 120 days from the date of proposal's signature below.
- Proposer understands that if selected as the successful Proposer, he/she will have ten (10) business days in which to complete contract negotiations, if any, and execute the final contract document. Date of execution can be extended by mutual agreement of contractor / Brand USA.

Authorized Signature	Typed or Printed Name
Title	Date
Official Contact	
Brand USA requests that the Propose	r designate one person to receive all verification of information related to this proposal
Please identify this point of contact be	
Official Contact Name	Phone Number
Official Contact Title	Facsimile Number
Email Address	Street, City, State, Zip





ATTACHMENT 3

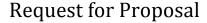
FOR BRAND USA USE ONLY

Bid/Proposal:	
Evaluated By:	
Date:	

Proposal Evaluation Criteria

The evaluation committee will judge each written proposal based on the following criteria:

WRITTEN PROPOSAL EVALUATION CRITERIA	MAX. POINTS	SCORE
Strategic thinking (message platforms, channel strategy, integration)	25	
2. Creative thought leadership (ground-breaking creativity)	25	
3. Demonstrated results with relevant (international) scope campaigns	20	
4. Qualifications of personnel	15	
5. Cost effectiveness	15	
TOTAL POINTS	100	





ATTACHMENT 4

FOR BRAND USA USE ONLY

ORAL INTERVIEW / DEMONSTRATION CRITERIA

The evaluation committee may, if it deems necessary, select certain proposers for oral interviews and/or demonstrations. Interviews/demonstrations apply only to the top finalist(s), as determined by the evaluation committee. The oral interviews/demonstrations will allow finalists to demonstrate their understanding of the project objectives and to articulate their capability to meet or exceed the requirements of this RFP.

The evaluation committee reserves the option of conducting the oral interviews/demonstrations via teleconference, at the Brand USA office, at the finalist's and/or the proposed subcontractor's site, or other designated site.

The evaluation committee reserves the right to designate one or more members of the committee to perform the oral interviews/ demonstrations, if needed, so that grading of oral interviews/demonstrations may be done by fewer than the entire committee.

If interviews/demonstrations are not required, the maximum number of points is 100. If interviews/demonstrations are deemed necessary, the maximum number of points is 175.

If a finalist cannot meet on the designated interview/demonstration date, the evaluation committee reserves the right to disqualify the finalist as non-responsive.

The following criteria will be used for scoring the oral interview/demonstration:

ORAL INTERVIEW/DEMONSTRATION CRITERIA	MAX. POINTS	SCORE
Satisfactory clarification/confirmation of qualifications	25	
2. Understanding of Brand USA's mission and the role of consumer brand	25	
3. Demonstrated creative ideas aligned with strategy and needs	25	
TOTAL POINTS	75	