



TO: Cynthia Wagner, Assistant City Manager
City of Lawrence

FROM: Mark Kern, President
Ann Frame Hertzog, Creative Director
KERN Marketing Group

The following is our proposed breakdown of the budget and timeline for the City of Lawrence/ Douglas County – Attract and Retain Retirees Marketing Campaign. The overall budget is hard to determine as we see partnerships and stakeholders participation as key to the project and instrumental in its implementation and execution. KERN Marketing Group has experience in creating and nurturing partnerships, which benefit both parties. These partnerships and the strategic implementation of these programs can effectively take a modest budget and give it the power of one twice or even three times its size.

What we see as the key elements to the campaign are:

1. **Title/Naming of Initiative** – create a title and name for the initiative which captures the essence of the image we want to create of Lawrence and Douglas Co as attractive to retirees. This will help to set the stage and overtime become synonymous with an attractive retirement choice.
2. **Logo Branding** – the visual execution of the chosen title to use across all forms of advertising, identity and marketing materials.
3. **Creative Materials** – these are the letterhead, the print ads, the online ads, the radio spots, the television ads. All the materials that go into creating a comprehensive and sustainable campaign.
4. **Sponsorship/Partner Development** – a key element to the campaign as noted above. Starting with the initial stakeholders then exploring others with an interest in an active retirement community, develop sponsorship and partner companies and organizations that can provide monetary as well as in-kind support to our initiative.
5. **Website Development** – creating a website that serves two purposes is fundamental to the marketing campaign. The first is a site that is a conduit of information for seniors and retirees already a part of our

community. The second is to be a resource for anyone interested or thinking about Lawrence and Douglas County as a retirement option. The website will have current information and be the center for distributing information. On all advertising and marketing materials, people will be directed to go to the website for more information.

6. **Create Branded Brochure Mailer or Sales Kit** – per the RFP a branded folder with brochure/flyer inserts will be created to market Lawrence/ Douglas County to potential retirees and to “sell” the reader on exploring Lawrence/Douglas County as a key option for their retirement. This mailer will be sent out to prospective retirees when they are seeking more information about our area and the services and qualities we possess that are attractive to retirees.

The initial printing of the brochure mailer will be 1000 units.

7. **Media Plan** – KERN group will create a media plan that will identify the target market niche, categorize the target market into reachable segments and create a plan detailing how and where to reach the target segments. The media plan will utilize and incorporate traditional and untraditional forms of media. The media plan and the success of our marketing strategy will be enhanced by the participation and support of our partnerships that are developed. Areas we will explore but are not limited to include:
 - a. KU Alumni Magazine
 - b. KU Endowment Magazine
 - c. Kansas University website
 - d. UDK website
 - e. LJworld.com
 - f. KUSports.com
 - g. We will research the cities television broadcast of away games for Kansas Athletics.
 - h. And always look for opportunities to direct traffic to the new Lawrence/Douglas County Retiree website.

How we see the cost breakdown of the elements. The costs of some of these items can be mitigated and/or enhanced through the participation and support of partners:

Strategy and Creative development: **\$20,000**

Includes:

Title/Naming of Initiative

Logo Branding

Creative Materials – print materials concept and development

Creative Materials – radio ad concept and development

Creative Materials – television concept

(production to be bid separately)

Creative Materials – Branded Brochure Mailer
Sponsorship/Partner Development

(If we were to break down the creative and strategy fee over a year as a kind of retainer basis. We would request \$10,400 at the initiation of the agreement with the remaining fee divided into a monthly fee of \$800.00 for 12 months.)

Website Development: **\$10,000**

(The website would be billed \$5000 upon initiation of the agreement, \$2500 after approval of design and layout, \$2500 at launch of site.)

Printing of Brochure Mailer- 1000 folders and 8- one page inserts estimated at **\$4,500**

Media Plan – traditional and non-traditional – for an effective campaign without final numbers or media targets but to maximize our effectiveness in frequency and reach, we propose an annual media budget of **\$60,000 to \$80,000**. We believe the initial campaign should be a minimum two-year investment with a five-year overall startup campaign plan. (Partnerships will be crucial in maximizing and strengthening the effectiveness of the media budget)

A timeline of the campaign is dependent upon many elements. However, for planning purposes, a general timeline would be:

- Week 1 – 5: Strategy, information gathering, naming and logo development
- Week 6 – 8: Website discovery, requirements, planning and site definition
- Week 6 – 10: Partnership development and commitments
- Week 9 – 12: Website – create wireframes
Website – create and revise web design mockups
Website – gather information
- Week 12 – 14: Website – design implementation and coding
Creative Materials – design folders and insert pages
- Week 15 – 17: Website – build site pages
Creative Materials – folder revisions and signoff
Development of ads and other creative elements
- Week 18 – 20: Website – perform testing and resolve any issues
- Week 21 – 22: Website – site live

Week 24: Launch full campaign.

TERMS AND CONDITIONS

Ownership of Artwork

Until full payment has been made, KERN Group retains ownership of all original artwork or parts contained therein, whether preliminary or final. Upon full payment, The City of Lawrence/Douglas County shall obtain ownership of the final artwork to use and distribute as they see fit. Appropriate usage rights but not ownership rights to photography images will be obtained – photography rights will be for the specific medium initiated – other mediums may need to be negotiated separately. KERN Group retains the right to use the completed project and any preliminary designs for the purpose of design competitions, future publications on design, educational purposes, marketing materials, and portfolio. Where applicable, The City of Lawrence/Douglas County will be given any necessary credit for usage of the project elements.

Reconciliation of Media Invoices

It is further agreed that The City of Lawrence/Douglas County will assume liability for payment of all media purchases made by KERN Marketing Group on behalf of The City of Lawrence/Douglas County. KERN Marketing Group will invoice The City of Lawrence/Douglas County each month for creative services and any scheduled media from the previous month.

Upon receipt of station/media invoice affidavits of time ran KERN Marketing Group will analyze the invoice (s) for any errors or discrepancies. If there are errors, KERN Marketing will negotiate, and receive, for client, either station make-goods or station credits, with all station credits and/or make-goods applied to the next month's invoice.

Rejection/Cancellation of Agreement

The City of Lawrence/Douglas County shall not unreasonably withhold acceptance of, or payment for, the project. The City of Lawrence/Douglas County will retain ownership of all materials paid for prior to cancellation. If, prior to completion of the project, the City of Lawrence/Douglas County observes any nonconformance with the design plan, KERN Group must be promptly notified in writing, allowing for necessary corrections. In the event of cancellation of the project, ownership of all copyrights and the original artwork and disks shall be returned and retained by KERN Group, and a fee for work completed, based on the contract price and expenses already incurred, shall be paid by The City of Lawrence/Douglas County. Agreement will become effective the date the agreement is signed below.



Subsequent Changes to Initial Proposal

If it becomes apparent to KERN Group that either cost or scheduling are going to be exceeded due to changes or additions initiated by The City of Lawrence/Douglas County or by unforeseen issues, KERN Group will advise City of Lawrence/Douglas in advance and will not proceed with changes without prior written authorization from the City of Lawrence/Douglas County.

Acceptance of Agreement

The above prices, specifications and conditions are hereby accepted. KERN Group is authorized to execute the project as outlined in this agreement. Retainer and any other expenses will be billed on a monthly basis with payment due within 30 days of receipt.

The City of Lawrence/Douglas County signature _____

KERN Group Inc. signature _____

Date _____