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Visit SLO CAL is pleased to share our FY 2016/17 Annual Report, along with a glimpse of what is to come in the year ahead. As we reflect on the past year, we are proud of the progress and accomplishments our industry and our organization have achieved and we appreciate your support.

In FY 2016/17, we applied the insights gained from extensive research to launch the new, unifying and emotionally resonant countywide brand, SLO CAL. This brand was brought to life through all of you and introduced to consumers through the iconic “Life’s Too Beautiful to Rush” campaign, targeting six key feeder markets and three target personas.

Visit SLO CAL’s promotional efforts are part of our multi-year Strategic Plan that sets the stage for major advancement in the coming years. Our continued goals are to: 1) create greater awareness of our county and its assets, and 2) increase demand for overnight stays. The Strategic Plan has provided our organization with an illuminated roadmap and navigational direction for the next three years of the Tourism Marketing District.

As we look to the new fiscal year, Visit SLO CAL continues to seek ways to expand the SLO CAL brand, efficiently and effectively reaching potential travelers with the right message, at the right time, in the right place. We also strive to advance our strategic partnerships, identifying and leveraging opportunities for economic vitality throughout the county.

With our most productive year as an organization behind us, the opportunities that lie ahead for SLO CAL seem endless. The tourism industry in the county is more unified than ever, and our collective efforts as partners are having an impact on our guests, our communities and our residents. Thank you for your continued partnership, support and collaboration. We look forward to another amazing year with you in SLO CAL!

All the Best,

Chuck Davison
President & CEO
Visit SLO CAL
OUR VISION
A vibrant and prosperous SLO CAL, fueled by a collaborative and flourishing tourism industry

ABOUT US
Visit SLO CAL (VSC) is a small, but mighty team of destination marketing professionals who work with, and on behalf of, our community, our members and our lodging constituents to promote San Luis Obispo County, California (SLO CAL) to travelers from around the world. As the sole countywide non-profit destination marketing and management organization (DMMO) for SLO CAL, our mission is to “inspire travel and foster our unique experiences to create life-long ambassadors and economic growth for SLO CAL”.

Our goal is to work with strategic partners, our members and our lodging constituents to build the SLO CAL brand through a data-driven, efficient and dynamic marketing program. Built on research with a strategy of continuous improvement, this program aims to establish SLO CAL as a favorite West Coast destination that is known for its signature slower pace of life and wide variety of incredible, immersive guest experiences.
The VSC Board of Directors approved the organization’s three-year Strategic Plan (Strategic Direction 2020) in June 2016. Since then, the VSC staff, board and partners have been executing key initiatives to accomplish the outlined objectives and five over-arching imperatives. VSC worked with Coraggio Group to map out a detailed Operational Plan and prioritized its initiatives, which the Board approved in November 2016.

**Imperatives**

**Optimize Our Organizational Capacity**

**Objectives:**
- Increased employee engagement and satisfaction scores
- Ratio of administrative cost to economic impact

**Establish Brand Clarity and Increased Awareness Through Unified Efforts**

**Objectives:**
- Bi-annual growth of awareness in targeted visitor categories
- Bi-annual growth of awareness in targeted markets
- Bi-annual growth of awareness in targeted segments

**Build and Expand Strategic Partnerships**

**Objectives:**
- Balanced inventory of partnerships
- Inbound partnership opportunities
- Earned Partnership Value (EPV)

**Advocate for the Development of Critical Tourism Infrastructure**

**Objectives:**
- Increased visitor volume
- Increased international visitor volume
- Draft of Tourism Infrastructure Master Plan completed
- Increased total air service

**Demonstrate Value to Our Stakeholders, Partners and Communities**

**Objectives:**
- Year-over-year growth in total stakeholder participation at VSC events/meetings
- Increased stakeholder satisfaction scores
- Year-over-year growth in local media coverage
- Deliver on objectives as stated in annual marketing plan
- Community engagement with countywide tourism

**Initiatives:**
- Align our organizational structure with our strategic plan
- Evaluate and develop the tools, systems and technologies we need to succeed

- Establish a unifying and emotionally resonant San Luis Obispo County brand
- Produce and share data-driven strategic insights
- Inspire and activate tourism ambassadors

- Develop a system for annual partnership planning
- Align resources to manage partnerships
- Identify, develop and activate relationships
- Work with our partners to identify and reduce duplication of efforts

- Develop long-term Tourism Infrastructure Master Plan
- Enable access to San Luis Obispo County via increased transportation options
- Initiate feasibility study for conference center
- Advocate and educate to support international tourism readiness

- Develop an engaged and high-functioning tourism culture for San Luis Obispo County
- Create an impactful annual marketing plan and timeline
- Develop and execute a local communication strategy
- Develop a plan for advocacy on behalf of stakeholders
FY2016/17 BOARD OF DIRECTORS

Jay Jamison · Chair  | Pismo Coast Village | Pismo Beach
Elected Designated RV Park Seat (—June 2019)

Clint Pearce · Vice Chair  | Madonna Enterprises | San Luis Obispo
Elected Designated At-Large Seat (—June 2019)

JP Patel · Secretary  | Best Western Plus Colony Inn | Atascadero
Appointed Atascadero Seat (—June 2020)

John Arnold · Treasurer  | Holiday Inn Express | Paso Robles
Appointed Paso Robles Seat (—June 2018)

Noreen Martin · Past President  | Martin Resorts | Unincorporated Area
Elected Designated At-Large Seat (—June 2017)

Kathleen Bonelli  | Paso Robles Vacation Rentals | Paso Robles
Elected Designated Vacation Rental Seat (—June 2019)

James Davison  | Pelican Inn & Suites | Unincorporated Area
Appointed Unincorporated Area Seat (—February 2017)

Mark Eads  | SeaVenture Beach Hotel | Pismo Beach
Elected Designated At-Large Seat (—June 2019)

Aaron Graves  | The Rigdon House | Unincorporated Area
Elected Designated Bed & Breakfast Seat (—June 2018)

Jim Hamilton  | County of San Luis Obispo
County At-Large Appointee (—June 2020)

Rachel Lima  | Hampton Inn & Suites | Arroyo Grande
Appointed Arroyo Grande Seat (—February 2017)

Sarah Magelet*  | Sarah’s Suite | Unincorporated Area
Appointed Unincorporated Area Seat (—June 2019)

Sam Miller  | Holiday Inn Express | Grover Beach
Appointed Grover Beach Seat (—June 2018)

Nipool Patel  | Lamplighter Inn & Suites | San Luis Obispo
Appointed San Luis Obispo Seat (—June 2020)

Val Seymour  | The Front Street Inn & Spa | Morro Bay
Appointed Morro Bay Seat (—June 2020)

Roger Wightman  | Sandcastle Inn | Pismo Beach
Appointed Pismo Beach Seat (—June 2018)

*Appointed to Unincorporated Area Seat after James Davison resigned from the Board

FY2016/17 MARKETING COMMITTEE

Ashlee Akers  | Partner & Vice President of Client Services | Verdin

Jim Allen  | Director of Marketing and Communications | Hearst Castle

Terrie Banish  | Deputy City Manager – Outreach/Promotions/Events | City of Atascadero

Molly Cano  | Tourism Manager | City of San Luis Obispo

Cheryl Cuming  | Chief Administrative Officer | Unincorporated County Business Improvement District (CBID)

Amanda Diefenderfer  | Destination Manager | Travel Paso Robles Alliance

Christen Goldie  | Revenue & Marketing Director | The Apple Farm

Gordon Jackson  | Executive Director | Pismo Beach Conference and Visitors Bureau (CVB)

Lori Keller  | Chief Executive Officer | Martin Resorts

Jennifer Little  | Tourism Manager | City of Morro Bay

Heather Muran  | Executive Director | San Luis Obispo Wine Country Association

Jennifer Porter  | Executive Director | Paso Robles Wine Country Alliance

John Sorgenfrei  | President & Owner | TJA Advertising
### Why Tourism Matters

VSC’s mission to “inspire travel and foster our unique experiences to create life-long ambassadors and economic growth for SLO CAL” is at the core of everything we do. Tourism supports SLO CAL’s communities by creating jobs, generating tax revenue and supporting local businesses, all while fostering a higher quality of life through added amenities, diverse activities and robust local services.

#### Travel Spending

$1.59B

Up 1.2% over 2015

Source: Dean Runyan

<table>
<thead>
<tr>
<th>Sector</th>
<th>Direct Spending</th>
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<tbody>
<tr>
<td>Food Service</td>
<td>$431M</td>
</tr>
<tr>
<td>Accommodations</td>
<td>$415M</td>
</tr>
<tr>
<td>Retail</td>
<td>$265M</td>
</tr>
<tr>
<td>Arts, Entertainment &amp; Recreation</td>
<td>$191M</td>
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</tbody>
</table>

#### Visitor Spending by Accommodation Type

**Visitor Spending**

$1.53B

Up 1.1% over 2015

**Visitor Spending by Accommodation Type**

- Hotels and Motels: $923M
- Day Travel: $318M
- Campgrounds: $139M
- Private Homes: $108M
- Vacation Homes: $46M

#### Direct Spending by Domestic and International Travelers Averaged

- $4.4M a day
- $181K an hour
- $3K a minute
- $50 a second

1 out of 8 SLO County Jobs depend on travel and tourism.

Source: California Economic Development Department + Dean Runyan

<table>
<thead>
<tr>
<th>Accommodations &amp; Food Service</th>
<th>10,650 Jobs</th>
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<tbody>
<tr>
<td>Arts, Entertainment &amp; Recreation</td>
<td>4,970 Jobs</td>
</tr>
<tr>
<td>Retail</td>
<td>1,490 Jobs</td>
</tr>
<tr>
<td>Ground Transportation</td>
<td>440 Jobs</td>
</tr>
<tr>
<td>Visitor Air Transportation</td>
<td>90 Jobs</td>
</tr>
<tr>
<td>Other Travel</td>
<td>180 Jobs</td>
</tr>
</tbody>
</table>

**Total Jobs**: 17,820
Smith Travel Research (STR) Reports
VSC uses weekly and monthly STR reports to monitor lodging industry performance and track seasonal changes and incidental impacts for 11 communities and the county as a whole.

VisaVue® Travel
VSC continues to invest in the Visit California co-op on VisaVue® Travel data for both domestic and international travel spending in SLO CAL. The quarterly and annual reports offer key information on spending by market segment and merchant category, allowing VSC to gain insights on market impacts, changes and opportunities.

Local Tax Revenue

$61.7M
Which covers expenses for

- 898 Police Officers’ Salaries
- 119 Miles of 2-lane Roads Resurfaced
- 1,025 Firefighters’ Salaries
- 86 Parks Built

Each SLO CAL household would pay an additional $595,70 in taxes without the tax revenue generated by travel and tourism.

Source: Dean Runyan + U.S. Census Bureau

Visitor Tax Receipts vs. Business Tax Receipts
$44M vs. $18M

Lodging by the Numbers

<table>
<thead>
<tr>
<th></th>
<th>FY 2014/15</th>
<th>FY 2015/16</th>
<th>FY 2016/17</th>
</tr>
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<tbody>
<tr>
<td>TOT</td>
<td>$33,563,348</td>
<td>$35,926,108</td>
<td>$37,161,854</td>
</tr>
<tr>
<td>OCC</td>
<td>70.5%</td>
<td>69.9%</td>
<td>68.9%</td>
</tr>
<tr>
<td>ADR</td>
<td>$135.64</td>
<td>$144.00</td>
<td>$148.54</td>
</tr>
<tr>
<td>REV-par</td>
<td>$95.63</td>
<td>$100.64</td>
<td>$102.37</td>
</tr>
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</table>

Source: STR, INC

Smith Travel Research (STR) Reports

VSC uses weekly and monthly STR reports to monitor lodging industry performance and track seasonal changes and incidental impacts for 11 communities and the county as a whole.

VisaVue® Travel

VSC continues to invest in the Visit California co-op on VisaVue® Travel data for both domestic and international travel spending in SLO CAL. The quarterly and annual reports offer key information on spending by market segment and merchant category, allowing VSC to gain insights on market impacts, changes and opportunities.

2016 Top Originating MSAs YOY $ Growth (Percents)

- LA/Orange County/Riverside
- San Francisco/Oakland/San Jose
- Santa Barbara/Santa Maria
- Fresno
- Bakersfield
- San Diego
- Sacramento/Yolo
- Visalia/Tulare/Porterville
- Salinas
- Seattle/Tacoma/Bremerton

2016 Top $ Countries YOY $ Growth (Percents)

- China
- United Kingdom
- Canada
- Germany
- France
- Australia
- Switzerland
- Denmark
- Spain
- Sweden

Source: Visit SLO CAL

Source: STR, INC

Source: STR, INC

Source: STR, INC

Source: STR, INC

Source: STR, INC

Source: STR, INC

Source: STR, INC

Source: STR, INC

Source: STR, INC

Source: STR, INC
Meetings & Conferences

VSC actively promoted SLO CAL as a premier meetings destination at tradeshows and through industry associations, resulting in:

- 84 Appointments and Leads
- $5M Estimated Buying Power

Partnership with Black Diamond

For the first time ever, VSC had direct travel trade representation in the UK and Ireland markets. VSC’s partnership with Black Diamond in FY 2016/17 included:

- Training for Product Managers/Travel Agents
- VSC-Specific UK FAM
- Exclusive VSC Sales Mission in London and Dublin

VCA Mexico Sales Mission

CalSAE Seasonal Spectacular

VCA China FAM

VCA UK SuperFAM

VSC Meeting & Conference Sales Mission

MEETINGS & CONFERENCES

VSC actively promoted SLO CAL as a premier meetings destination at tradeshows and through industry associations, resulting in:

- 84 Appointments and Leads
- $5M Estimated Buying Power
SALES MISSIONS

VSC targeted top tour operators in China, the UK and Mexico through domestic and international sales missions. Through these missions, VSC built awareness for the destination, trained travel agency call centers and cultivated relationships with top travel agents and product managers. In FY 2016/17, travel trade sales missions resulted in:
- 103 Industry Appointments
- 86 Leads
- $100M Estimated Buying Power

FAM TOURS

This year, VSC hosted travel trade FAMs from China, the UK, Ireland, France and Mexico to showcase the tour opportunities throughout SLO CAL. These FAMs included:
- 50 International Travel Professionals
- Top-Producing Travel Agency Product Managers
- $15M Estimated Buying Power
MEDIA FAM TOURS/HOSTED MEDIA
In FY 2016/17, VSC partnered with Visit California, Central Coast Tourism Council and local DMO partners to host and/or work directly with over 100 journalists to craft stories featuring SLO CAL as a premier West Coast destination. The journalists that VSC hosted worked with major outlets, such as:

**VISIT CALIFORNIA MEDIA RECEPTIONS**
VSC took full advantage of opportunities offered through Visit California to reach national and international media.

- **LOS ANGELES MEDIA RECEPTION**
  - 80+ Writers, Editors and Press
  - Notable Media: AAA Westways, Condé Nast, Disney

- **CHICAGO MEDIA BOOT CAMP**
  - 20+ Writers, Editors and Digital Influencers
  - Notable Media: Dallas Morning News, Delta Sky, Chicago Tribune, National Geographic Traveler, USA Today

- **NEW YORK MEDIA RECEPTION**
  - 192 Writers, Editors and Press
  - Notable Media: Fodor’s, NBC’s TODAY, ShermansTravel, Travel + Leisure

- **SAN FRANCISCO MEDIA RECEPTION**
  - 80+ Writers, Editors and Press
  - Notable Media: AFAR, Bay Area News Group, San Francisco Chronicle, Smart Meetings, Sunset

**HOSTED MEDIA ACCOUNTED FOR 110 SEPARATE ARTICLES FOR SLO CAL, INCLUDING**

- **TRAVEL WEEKLY**
  - 150,000 REACH
  - $3,800 VALUE

- **escapism**
  - 101,681 REACH
  - $2,974 VALUE

- **63,372 REACH**
  - $35,830 VALUE

- **50,000 REACH**
  - $6,000 VALUE

- **170,000 REACH**
  - $17,141 VALUE

- **258,214 REACH**
  - $10,467 VALUE

- **101,562 REACH**
  - 44,922 UNIQUE MONTHLY VISITORS
**DESKSIDES + EVENTS**

Conducting meetings (desksides) or hosting events with members of the press in their home market is an effective and efficient way for VSC to share information about SLO CAL, pitch story ideas and cultivate relationships with writers, editors and influencers. In FY 2016/17, VSC conducted such press relations in multiple markets.

- **NEW YORK: 3 DESKSIDE MEETINGS**
  Notable Media: Conde Nast Traveler, The Rachael Ray Show and Magazine, Successful Meetings

- **DENVER: 10 DESKSIDE MEETINGS**
  Notable Media: 5280 Magazines, AAA Encompass, Denver Post, National Geographic Social

- **SEATTLE: 25 DESKSIDE MEETINGS**
  Notable Media: Destination Wineries, Evening Magazine, Northwest Travel & Life, Seattle Times

**PRESS RELEASES**

In FY 2016/17, VSC wrote over a dozen press releases featuring seasonal story ideas, new attractions and key VSC initiatives, including Restaurant Month and Travel & Tourism Week. Releases are distributed directly to VSC’s media contacts, through events and on the news wire, reaching thousands of writers and editors worldwide.

**PR CONTRACTORS**

VSC public relations efforts expanded in FY 2016/17 to include in-market representation in Denver and Seattle, in addition to local contractors. Through these contracts, VSC leveraged their established relationships and met with media in market to garner press coverage in conjunction with the launch of new air service.

**IPW 2017 MEDIA MARKETPLACE**

In June 2017, VSC represented SLO CAL at the IPW Media Marketplace, conducting 23 on-site media visits and proactive outreach, sharing press releases and story ideas.

**PARTNERSHIP WITH BLACK DIAMOND**

In November 2016, VSC began a contract with international public relations and trade agency, Black Diamond. This strategic relationship has increased VSC’s media presence in the UK and Ireland markets by pitching stories, identifying opportunities and hosting media events, resulting in:

- **40,998,890 IN MEDIA CIRCULATION**
- **$633,021 IN PUBLIC RELATIONS VALUE**

**CRISIS COMMUNICATION**

In FY 2016/17, two natural crises in the county required activation of the VSC Crisis Communication Plan that was developed in 2015: the Chimney Fire and the closure of Highway 1.

- **CHIMNEY FIRE:**
  The Chimney Fire consumed over 46,000 acres in SLO CAL in August and September of 2016, and VSC worked quickly and consistently to keep constituents updated via the website, email alerts and industry-specific social media channels.

- **PFEIFFER BRIDGE CLOSURE AND HIGHWAY 1 LANDSLIDES:**
  VSC has worked closely with state, regional and local partners to activate a crisis communications strategy around the Highway 1 closure, informing the public, press and tourism industry partners through a variety of tactics and outlets, including:

**CRISIS PLAN**

**TALKING POINTS FOR INDUSTRY PARTNERS**

**ONLINE CLOSURE INFORMATION HUB**

**CONSUMER RESOURCES & DETOUR MAPS**

**INDUSTRY OUTREACH:**

**224 LODGING PROPERTY VISITS**

**24 VISITOR CENTER & CHAMBER VISITS**

**ONGOING MEDIA RELATIONS, INTERVIEWS + INFORMATION**
**OWNED MEDIA**

**SLOCAL.COM WEBSITE**

With the launch of the new “Life’s Too Beautiful to Rush” SLO CAL brand campaign, VSC also launched a dynamic, interactive landing page featuring a video header, visual mapping tour of the county and snapshots of the individual destinations.

Additionally, the previous website continues to house VSC’s robust guest-experience information, event calendar and blog. This site has seen extensive growth in traffic due to VSC’s ad campaign, strategic content development and continued site optimization efforts.

---

**2016-2017 SNAPSHOT**

- **2,082,828** Website Visits **UP 316.6% YOY**
- **1,134,390** Unique Visitors **UP 199.6% YOY**
- **3,532,325** Pageviews **UP 137.7% YOY**
- **1.7** Average Pages Per Visit
- **2.6 MILLION** Minutes on SLOCAL.COM
- **ORGANIC SEARCH TRAFFIC UP 26.6% YOY**
- **MOBILE TRAFFIC INCREASE UP 621.6% YOY**
- **6% TABLET**
- **16% DESKTOP**
- **78% MOBILE**
- **53% REFERRAL**
- **11% DIRECT / OTHER**
- **15% MEDIA**
- **21% ORGANIC**
The SLO CAL blog continues to be a critical part of telling the destination story, inspiring travel and gaining organic search engine traffic. VSC has developed a strategic content calendar, expanding efforts to engage website users, tell unique stories and highlight partners through dynamic content. VSC also worked with Expedia to help create a blog post for SLOCAL.com, which was shared on Expedia’s social media channels. VSC follows a “create once, distribute everywhere” (CODE) model, distributing content widely through email marketing, social media and website pages. In FY 2016/17, the VSC blog saw 400,605 pageviews, an increase of 251.36% over FY 2015/16.

E-MAIL MARKETING

THIS MONTH IN SLO CAL
This Month in SLO CAL is VSC’s monthly newsletter, sharing trip ideas, giveaways, seasonal blog posts, unique deals and signature events with 36,000 subscribers. VSC also sends targeted e-blasts to strategic markets, such as promotions sent to Seattle and Denver subscribers supporting the new direct flights to San Luis Obispo County.

THIS WEEK IN SLO CAL
Every Thursday, VSC delivers the weekly industry newsletter, This Week in SLO CAL, to lodging constituents, members and partners, sharing industry insights, travel trends, VSC news, crisis communications and local events.

2017/18 VISITORS MAGAZINE
In 2017, VSC expanded the SLO CAL Visitors Magazine (SCVM) with fresh, rich content and new branding. The SCVM provides an important opportunity to inspire travelers through engaging stories about SLO CAL’s unique culinary, wine, adventure, cultural and coastal scenes, as well as exciting events and hidden backstories about our destination. The 2017 SCVM included new features on local picks, regional drives and A Day in the Life, where readers get to meet interesting people in SLO CAL.

- 45,000 SCVMs were printed and distributed
- SCVM was distributed through:
  - Travel & Corporate Locations in Los Angeles and San Francisco
  - VCA Welcome Centers
  - Requests on SLOCAL.com
  - Businesses, Hotels & Visitor Centers in SLO CAL

SLO CAL BLOG
The SLO CAL blog continues to be a critical part of telling the destination story, inspiring travel and gaining organic search engine traffic. VSC has developed a strategic content calendar, expanding efforts to engage website users, tell unique stories and highlight partners through dynamic content. VSC also worked with Expedia to help create a blog post for SLOCAL.com, which was shared on Expedia’s social media channels. VSC follows a “create once, distribute everywhere” (CODE) model, distributing content widely through email marketing, social media and website pages. In FY 2016/17, the VSC blog saw 400,605 pageviews, an increase of 251.36% over FY 2015/16.

SOCIAL MEDIA
VSC applied the new SLO CAL brand to all social media channels in 2017. VSC also continues to expand efforts to work with influencers, allowing them to tell the SLO CAL story directly to their hyper-engaged audiences.

INFLUENCERS
VSC continues to seek opportunities to expand online SLO CAL presence through brand ambassadors near and far. In FY 2016/17, VSC hosted two influencers, and will grow this program in the coming year.

Pete Halvorsen - @PeteHalvorsen 199K Followers
Corey Marshall - @MissFoodieProblems 87K Followers
NEW SLO CAL BRAND

In January of 2017, VSC completed a key Strategic Plan imperative, rolling out the first ever countywide tourism brand, SLO CAL, and the “Life’s Too Beautiful to Rush” campaign to support it. Built on research, including the Share-of-Wallet Study and the Feeder Market Study, the new campaign is both data-driven and emotionally resonant. With it, San Luis Obispo County became SLO CAL, a “world you’ve been too busy to see,” with a sense of place that connects with both visitors and residents.

TARGET MARKETS

VSC’s limited advertising budget means that each dollar must be spent strategically, hitting the right people, at the right time, with the right message, and only those people. VSC reduces waste by careful targeting and optimization toward three strategic personas and by narrowing the focus to six key feeder markets, chosen through research data and to support the two new direct flights.

CAMPAIGN BY THE NUMBERS

TOTAL WEB TRAFFIC*: 1,797,695
ENGAGED USERS: 135,314
ENGAGED USERS CVR: 7.5%
CONTENT PAGE VIEWS (BUZZFEED & MATADOR): 230,866
COST PER ARRIVAL: $88.64
COST PER MINUTE OF ENGAGEMENT: $4.53
COST PER WEIGHTED CONVERSION: $12.60
ARRIVALS**: 6,093

*TOTAL WEB TRAFFIC DURING CAMPAIGN PERIOD, NOT JUST PAID MEDIA EFFORTS
**ARRIVALS ARE BASED ON MEDIA PLACEMENTS TRACKABLE THROUGH ARRIVALIST AND ARE NOT INCLUSIVE OF ALL ARRIVALS RESULTING FROM THE MEDIA PLAN

6 MARKETS

- LOS ANGELES
- SAN FRANCISCO
- SEATTLE
- DENVER
- PHOENIX
- LAS VEGAS
**PERSONAS**

VSC’s marketing strategy leverages psychographic segmentation to go beyond the demographics of household income, age, education level, etc., to uncover the beliefs, motivations, aspirations and lifestyles that enable engagement with the person, not just the target market.

**MOM TO THE MAX**
Scheduled, Connected, Affluent, Seeks Transparency

**ACTIVE ADVENTURER**
Active, Mid-High Affluent, Educated, Passionate Experience-Seekers

**CULTURED CLASS**
Educated, Risk Takers, Gracious, Confident, Professionals

---

**COOPERATIVE ADVERTISING**

Telling the full countywide travel story enables the consumer to envision a more extensive and dynamic vacation experience in SLO CAL, leading to longer stays and higher spending. VSC’s co-op ad programs enable multiple organizations to join forces and funds to do just that – creating efficiencies and multiplying impact. In FY 2016/17, VSC worked with the Marketing Committee to identify and implement a variety of co-op ad programs, including:

**MATADOR network**
- PARTICIPANTS: Morro Bay • Arroyo Grande • Atascadero • San Luis Obispo • Pismo Beach
  - 2 ARTICLES
  - 5:90 VIDEOS

**BuzzFeed**
- PARTICIPANTS: Atascadero • Paso Robles • San Luis Obispo
  - “FORGET NORCAL AND SOCAL, SLO CAL IS WHERE IT’S AT”
  - 2 ARTICLES

---

**Alaska AIRLINES**
- 7 PAGE CO-OP

**RAN MAY 2017 IN ALASKA AIRLINES’ IN-FLIGHT MAGAZINE**
**RESEARCH**

**RESEARCH NOW**

VSC hired a global market research firm, Research Now, to conduct a three-wave Brand Lift Study (BLS) to measure consumer awareness of the SLO CAL brand in key feeder markets. The first wave was completed ahead of the advertising launch and established a baseline from which to measure the campaign’s impact. Wave two was conducted during the summer, following the campaign, and wave three will be conducted next year. So far, the BLS shows:

**FAMILIARITY WITH SLO CAL**

- 39% have visited SLO CAL in the past, up from 37% in Wave 1
- 61% have not visited, of which 68% would be interested in visiting SLO CAL

**ARRIVALIST**

Another way that VSC is tracking the success of the “Life’s Too Beautiful to Rush” campaign is through a new contract with Arrivalist, a platform that evaluates the link between marketing exposure and market visitation. Arrivalist places tracking pixels on the SLOCAL.com website and on the digital ads VSC places to track interactions with consumers (viewing ads, visiting the website, etc.) and actual visits to SLO CAL (when their mobile device arrives in the county).

### Familiarity with SLO CAL

<table>
<thead>
<tr>
<th>Likelihood to Consider Visiting SLO CAL After Seeing Ads</th>
<th>Very Likely 45%</th>
<th>Very Unlikely 4%</th>
<th>Somewhat Likely 40%</th>
<th>Somewhat Unlikely 11%</th>
</tr>
</thead>
</table>

### Arrivalist

<table>
<thead>
<tr>
<th>Month</th>
<th>Exposures</th>
<th>Arrivals</th>
</tr>
</thead>
<tbody>
<tr>
<td>JAN (21ST TO 31ST)</td>
<td>7.96%</td>
<td>1.39%</td>
</tr>
<tr>
<td>FEB</td>
<td>27.28%</td>
<td>14.04%</td>
</tr>
<tr>
<td>MAR</td>
<td>26.75%</td>
<td>20.57%</td>
</tr>
<tr>
<td>APR</td>
<td>29.08%</td>
<td>27.82%</td>
</tr>
<tr>
<td>MAY</td>
<td>5.25%</td>
<td>15.83%</td>
</tr>
<tr>
<td>JUNE</td>
<td>3.64%</td>
<td>12.65%</td>
</tr>
<tr>
<td>JULY (1ST TO 17TH)</td>
<td>0.04%</td>
<td>7.69%</td>
</tr>
</tbody>
</table>

### Paid Media Arrivals by Top 5 States

<table>
<thead>
<tr>
<th>State</th>
<th>% Arrivals</th>
</tr>
</thead>
<tbody>
<tr>
<td>CALIFORNIA</td>
<td>83.0%</td>
</tr>
<tr>
<td>WASHINGTON</td>
<td>7.1%</td>
</tr>
<tr>
<td>ARIZONA</td>
<td>5.4%</td>
</tr>
<tr>
<td>COLORADO</td>
<td>2.3%</td>
</tr>
<tr>
<td>TEXAS</td>
<td>0.3%</td>
</tr>
</tbody>
</table>

### Owned Media Arrivals by Top 5 States

<table>
<thead>
<tr>
<th>State</th>
<th>% Arrivals</th>
</tr>
</thead>
<tbody>
<tr>
<td>CALIFORNIA</td>
<td>83.0%</td>
</tr>
<tr>
<td>NEVADA</td>
<td>2.0%</td>
</tr>
<tr>
<td>ARIZONA</td>
<td>1.8%</td>
</tr>
<tr>
<td>COLORADO</td>
<td>1.7%</td>
</tr>
<tr>
<td>TEXAS</td>
<td>1.6%</td>
</tr>
</tbody>
</table>
Along with the new SLO CAL brand, the SLO CAL Film Commission was rebranded as Film SLO CAL (FSC). FSC promotes, tracks and facilitates filming in the county. In 2016, filming remained strong with 120 project leads coming through the FSC office in the calendar year. These projects included independent feature films, television programs, commercials, photo shoots, music videos, documentary films and more. In 2016, FSC reported:

**Film Industry Location Familiarization Tour**

As part of its sponsorship of the SLO Film Fest, FSC hosted 12 location managers, scouts and filmmakers for a two-day film location scouting FAM through the county. Participants included independent film makers and location scouts for studios, such as Disney.

**Major Film Commission Trade Shows**

**Film in California Event:** FSC met with representatives from Paramount and Disney, and with location managers who work on features, commercials and TV series.

**Association of Film Commissioners International (AFCI) Locations Conference:** FSC promoted SLO CAL as a film location to over 500 industry professionals seeking locations for upcoming feature films, TV shows and commercials.

**New Film SLO CAL Brochure**

This year, FSC produced its first-ever Film in SLO CAL marketing brochure, showcasing a sample of the beautiful film locations in the county and providing information on production services available in the region. This is the first time FSC has had a branding piece of this caliber to display and distribute to filmmakers at trade shows and events.

**Notable Productions Included:**
- Bizarre Foods with Andrew Zimmerman (Viewership: 1M)
- Beach Front Bargain Hunt (Viewership: 9.4M)
- Shark Week (Viewership: 2M)
- The Real Housewives of Beverly Hills
- Commercial film or still shoots for Subaru, Polaris, Dodge, Jeep, Samsung, ipsy, Neiman Marcus and Bic Soleil
- Visit California “Living the Dream” TV commercial

**316 Filming Days**

**$6.3M Economic Impact for SLO CAL**

**Over 85 Productions**

**FILM SLO CAL**
SAVOR ON THE ROAD

Last year, VSC reinvented SAVOR as an event marketing activation, taking it on the road to key target markets. To accomplish an immersive SLO CAL destination experience, VSC partnered with a variety of local restaurants, winery, brewery, distillery and activity members to create “SAVOR—A San Luis Obispo County Experience.” VSC organized destination installations with food, wine, beer and spirit tastings, as well as craft products and local foods, at the San Diego Bay Wine + Food Festival in November and the Seattle Wine & Food Experience in February.

VSC DELIVERS AMGEN TOUR OF CALIFORNIA TO SLO CAL

VSC sponsored the AMGEN Tour of California for the second year in a row, contributing $50,000 to support a race start in Pismo Beach and a finish in Morro Bay on May 16, 2017. The race route covered many SLO CAL communities during the two-hour live international broadcast, including Grover Beach, Arroyo Grande and Edna Valley, as well as a sprint down Higuera Street in downtown San Luis Obispo. In addition to the coverage, VSC, along with the start and finish cities, received promotions, such as international TV commercials on NBC Sports, online video ads, social media coverage and more.

COWPARADE SLO COUNTY

Contributing $20,000, VSC was the Official Tourism Sponsor for CowParade SLO County, a countywide art installation that ran from September 2016 to April 2017. VSC collaborated with local marketing firm BCA to create and produce seven “Adventure Cow” videos featuring activities throughout the county—from kayaking in Morro Bay to ziplining in Santa Margarita, grapestomping in Paso Robles to the Polar Bear Dip in Cayucos. The video promotion saw:

40,800+ Facebook Video Views / 5,000+ Instagram Video Views

VSC continues to seek event sponsorships and partnerships that align with VSC’s mission, fit the SLO CAL brand and provide additional exposure to the key markets and personas.
VSC is dedicated to providing the latest industry information, research and resources to tourism partners, lodging constituents and VSC members. In FY 2016/17, VSC hosted several industry events covering a wide range of topics, including:

**Industry Educational Symposium**
In October 2016, VSC held an Industry Educational Symposium, designed to cover important and timely industry topics, which were focused on perfecting operational effectiveness and increasing revenue.

**Global Ready Training**
VSC partnered with Visit California to host a first-of-its-kind Global Ready China seminar in December 2016. The seminar provided more than 75 attendees with an understanding of the Chinese tourist and insight on how to welcome this growing market.

**Industry Social Media Channels**
VSC utilized the industry social media channels established last year to inform constituents and industry partners on industry news, local accomplishments and crisis updates for the Chimney Fire and the Highway 1 closure.

**2017 Annual Visit SLO CAL Tourism Exchange**
The Tourism Exchange in May is VSC’s largest industry event of the year, bringing together community partners, lodging constituents, VSC members and government officials to celebrate National Travel & Tourism Week. Here, attendees heard the latest industry intelligence from guest speakers, learned from tourism industry experts and networked with peers. The VSC Tourism Exchange saw a record attendance in 2017.

170 Attendees
Following the Strategic Plan imperative to “build and expand strategic partnerships,” VSC continued cultivating and strengthening collaboration with several national, statewide and regional organizations in marketing, development and continuous improvement.

**VISIT CALIFORNIA**

VSC understands the value of the tourism funnel and having strong relationships with DMOs at the national, state and regional level. It is critical for VSC to stay top-of-mind with these organizations, and Visit California (VCA), the state’s destination marketing organization, has proven to be a key ally in accomplishing VSC’s mission. To help maintain this vital relationship, VSC President & CEO, Chuck Davison, sits on VCA’s Branding Committee and VSC staff and partners attend many VCA events, participate in VCA programs and collaborate frequently.

**GLOBAL READY SEMINAR:** VSC partnered with VCA to host training for local partners around the Chinese culture and Chinese guest. For more information, see page 20.

**CHINA & MEXICO SALES MISSIONS:** VSC continued to increase international awareness of SLO CAL by attending VCA’s China and Mexico Sales Missions, allowing VSC access to a network of premier travel agencies and resources.

**MEXICO AND CANADA CEO MISSION:** In May, Chuck Davison joined a delegation of senior industry leadership and elected officials on a VCA CEO Mission to deepen ties and reaffirm our industry’s commitment in Mexico and Canada in response to the U.S. political climate and economic factors impacting international travel.

**SILVER ANNIVERSARY CELEBRATION:** Chuck Davison and VSC Vice President of Marketing, Brooke Burnham, attended Visit California’s Silver Anniversary Celebration in May. Also representing SLO CAL at the event were Paso Robles Mayor, Steve Martin; VSC and VCA Board Member Noreen Martin and VSC Board Chair Jay Jamison.

**CALIFORNIA DMO LEADERSHIP SUMMIT:** Chuck Davison was among 11 destination CEO’s invited by VCA to participate in their DMO Leadership Summit. Attendees discussed a wide array of topics, including government affairs, industry trends, organizational governance and business issues.

**HIGHWAY 1 CLOSURE COLLABORATION:** VSC has been working closely with VCA and partners along the Central Coast to help inform the public and travel trade around the Highway 1 closure (see page 12 for details).

**“LIVING THE DREAM” COMMERCIAL:** VCA featured SLO CAL in their “Living the Dream” TV commercial, which began airing nationally and internationally in the winter.

Supported by planned VCA media spend of $26.1M in FY16/17; deployed through broadcast and online TV channels in 6 markets:

- UK*
- Australia
- Mexico
- China
- Canada
- US

*CAMPAIGN YIELDED OVER 900M IMPRESSIONS
Local Partnerships

SLO County Regional Airport (SLOCRA)
VSC partners with the SLOCRA to attract new visitors to the area, develop new flights and support existing routes. VSC supported new flight development with over $460,000 in marketing to activate the new markets. Three new flights, two serving new markets, were established in FY 2016/17 (see page 23 for more details).

Cal Poly
VSC collaborates with Cal Poly on several initiatives, including Poly Parent Adventures, internships for the Cal Poly Experience Industry Management students and the Local Economic Development Committee for the President’s Council of Advisors, which VSC President & CEO Chuck Davison serves on.

Poly Parent Adventures: VSC and Cal Poly continued their partnership to promote Poly Parent Adventures, offering special deals and packages.
- 35 member participants
- 1,527 pageviews

VSC Internship Program: VSC employed two Cal Poly seniors as full-time interns to gain multi-departmental DMO experience, including events, marketing and travel trade promotion.

Economic Vitality Corporation
VSC President & CEO Chuck Davison serves on the Board of the Economic Vitality Corporation (EVC). VSC and EVC collaborate on many issues, including working with the SLOCRA to advocate for additional air service.

AMTRAK
Amtrak is a VSC member and acts as a strong strategic partner in attracting visitors to SLO CAL via Los Angeles, San Francisco and San Diego.

Other Industry Relations

Brand USA
Brand USA leads the nation’s global marketing effort to promote the US as a premier travel destination.

U.S. Travel Association
U.S. Travel is the leading force that grows and sustains travel, and protects the freedom to travel.

Destinations International
Destinations International (formerly Destination Marketing Association International) is the global destination marketing association, providing education, resources and advocacy for DMOs worldwide.

DMA West
DMA West is the trade association for destination marketing organizations in the western US, providing regionally specific educational enrichment and networking opportunities.

California Travel Association (CalTravel)
CalTravel is the unified voice of California’s travel industry, bringing tourism businesses together in education and advocacy. Chuck Davison serves on both the board of directors and the executive committee.

Central Coast Tourism Council (CCTC)
VSC Vice President of Marketing, Brooke Burnham, serves on the board of this regional DMO. VSC partnered with CCTC to attract international tour groups and media to the county.

DMO Partners
VSC collaborates with local destination marketing organizations (DMOs) to expand their reach and impact, while seeking to reduce and avoid duplication of efforts. Each DMO has a seat on the VSC Marketing Committee, informing the annual VSC Marketing Plan.
One of the five key imperatives of the VSC Strategic Plan is to advocate for the development of critical tourism infrastructure. VSC has been working on a number of related initiatives over the past year, including air service development and conducting the Conference Center Feasibility Study.

**Air Service Development**

VSC partnered with San Luis Obispo County Regional Airport and the EVC to grow flight service to SLO CAL. VSC assists in the development and support of new flights, including promotional campaigns that target new flight markets to grow awareness and demand. FY 2016/17 brought an additional San Francisco flight with United Airlines, a new direct flight to Seattle with Alaska Airlines and new direct service to Denver with United Airlines, marking the first new flight markets in nearly 10 years.

**Conference Center Feasibility Study**

VSC conducted the Conference Center Feasibility Study to explore new opportunities for mid-week and non-peak-season tourism business. The study clearly showed strong potential for a mid-size conference facility to be successful in SLO CAL. The study was shared with business and government leaders throughout the county, and VSC is committed to supporting such an initiative in the future.
MOVING FORWARD

In the coming year, VSC will focus on a number of projects related to the five imperatives in our Strategic Plan. From establishing brand clarity and building partnerships, to advocating for continued infrastructure development and demonstrating value to our communities, VSC is committed to strategic progress for the county.

NEW AIRPORT TERMINAL + AIR SERVICE DEVELOPMENT

VSC will continue to seek opportunities to work alongside the SLOCRA to promote air travel to the destination. The new terminal is scheduled to open in November 2017, offering new ways to welcome visitors to the destination and remind them of all there is to do in SLO CAL. With the initial success of the Denver and Seattle flight markets, VSC is committed to working with EVC and the SLOCRA on flight development to increase vacations to SLO CAL.

NEW WEBSITE

VSC is currently in the process of developing a brand-new website with the leading destination marketing website company, Simpleview, Inc. The new brand hub will be content-forward and consumer-focused, leveraging the latest technology, dynamic storytelling and data-driven construction to deliver the ultimate user experience. From vacation inspiration to trip-planning utility, every aspect of the travel consideration and conversion journey will be addressed, including continued partnership with Booking.com.

NEW BRAND PARTNERSHIPS

VSC is currently working on co-marketing opportunities with local and national brands, including one with local company LeftLane Sports and their sister company The Clymb. Such strategic marketing partnerships enable VSC to amplify the SLO CAL brand through content creation, influencers and promotions with more established partner brands. These co-branding agreements build awareness through strong reach and add authority through key target personas.

ADVOCACY

Advocacy for the tourism industry and our partners will take a front seat for VSC in the coming year as an advocacy strategy is developed to identify, vet and support key initiatives that will advance the tourism industry in SLO County.

NEW PR FIRM

VSC will soon be contracting a national public relations agency for FY 2017/18 and developing a yearlong communications strategy to reach national and international media through proactive initiatives.

BRAND AMBASSADOR + INFLUENCER PROGRAM

Marketing is increasingly about reaching consumers through trusted sources. In FY 2017/18, VSC will expand programs to identify, collaborate with and host influencers and brand ambassadors. Providing or facilitating excellent, authentic content will help expand and galvanize the SLO CAL brand with key target audiences through large, national influencers, as well as regional and local brand ambassadors.
FY 2017/18 BUDGET

Estimated cost of providing activities in the next fiscal year: $3,724,040

Estimated amount of contribution from non-assessment sources: $35,299

Estimated amount of surplus or deficit revenue carried over from the previous fiscal year: $734,944

Reserves: $364,720

Cash Carry-Over: $368,541

*This is a more detailed budget by category than the budget found in the Management District Plan (MDP). However, the Advertising budget is increasing 5.7% from the 15.0% allowable variance defined in the MDP (35.0% to 37.3%)

VISIT SLO CAL BUDGET*

$3,724,040

*This is a more detailed budget by category than the budget found in the Management District Plan (MDP). However, the Advertising budget is increasing 5.7% from the 15.0% allowable variance defined in the MDP (35.0% to 37.3%)

TRAVEL TRADE (11.19%)
GENERAL AND ADMINISTRATIVE (4.75%)
DIGITAL MARKETING (10.51%)
FILM COMMISSION (2.02%)
CONTINGENCY RESERVE (6.83%)
INDUSTRY RESEARCH & RESOURCES (8.00%)
COMMUNICATIONS (6.21%)
EVENTS (5.37%)
PROMOTIONS (1.70%)
ADVERTISING (43.42%)
METHOD AND BASIS OF LEVYING ASSESSMENT
The annual assessment rate is one percent (1%) of gross short-term (stays 30 or fewer consecutive days) room rental revenue. With the passage of the Tourism Marketing District (TMD) on June 10, 2015, implementation of the assessment began July 1, 2015, and continues for five (5) years through June 30, 2020. The county and each city are responsible for collecting the assessment from lodging businesses within their respective jurisdictions on a monthly or quarterly basis, including any delinquencies, penalties and/or interest. Within thirty (30) days of receipt, the county and each city then forward the assessments collected to the TMD managed by VSC.

PROPOSED BOUNDARY, ZONE OR CLASSIFICATION CHANGES
There are no proposed boundary, zone or classification changes for the coming year.

SLO CAL TOURISM MARKETING DISTRICT
Developed by VSC, the San Luis Obispo County TMD (SLOCTMD) is a new countywide cooperative effort to collectively market all that the county has to offer for the benefit of assessed lodging businesses. The assessment district provides specific benefits to payors by funding marketing, advertising, promotions and sales efforts for assessed businesses.

The SLOCTMD provides an opportunity for lodging businesses throughout the county to collaboratively engage in marketing, advertising, sales and promotional efforts. This joint effort helps foster synergy among the county and businesses, and ensures TMD dollars are spent in the most streamlined manner possible. It aims to establish SLO CAL as a premier Central Coast tourism destination and a leader in the California tourism community.

The core focus of the SLOCTMD is twofold: to put more heads in beds and to increase the average daily rate charged for those beds.

To that end, the programs funded by the SLOCTMD have two specific goals: (1) to increase awareness of SLO CAL as an overnight destination, and (2) to increase lodging demand for the destination and lengthen visitors’ average stay (leading to boosted lodging sales and revenue).

ASSESSED FUNDS FROM FY 2016/17
*Collections remitted from July 1, 2016 to June 30, 2017, including funds collected from the prior year based on the transition from cash to accrual accounting method, as well as adjustments made for current year remittances that varied from accrued amounts.

FY 2016/17 DETAILED EXPENDITURES PAID (Amounts and percentages)