



AGENDA

Visit SLO CAL Advisory Committee

Visit SLO CAL Advisory Committee Agenda

Thursday, December 7, 2017

3:00pm – 5:00pm

Embassy Suites

333 Madonna Road, San Luis Obispo, CA 93401

1. **CALL TO ORDER**
2. **PUBLIC COMMENT (On Non-Agenda Items)**

ANNOUNCEMENTS	C. Davison
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CONSENT AGENDA	C. Davison
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3. **Approval of June 1, 2017 Advisory Committee Meeting Minutes (yellow)**
Staff will ask for Committee approval of the June VSC Advisory Committee Meeting Minutes.

BUSINESS ITEMS	C. Davison
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4. **Funding and Allocation (10 min)**
Staff will provide an update on the 2017/2018 budget and current TMD funding received to date, as well as an allocation of dollars spent.
Follow up questions and discussion (5 min)
5. **District Highlights to Date (25 min)**
Staff will provide highlights of the TMD's past six months and progress as it relates to the goals of the District, including ongoing Highway 1 closure outreach, air service development, strategic marketing and PR, travel trade, SAVOR activations and Film SLO CAL efforts.
Follow up questions and discussion (10 min)
6. **Moving Forward (15 min)**
Staff will provide an update on VSC's FY17/18 marketing and PR strategies, international travel trade efforts, air service development, destination development plan and educational initiatives.
Follow up questions and discussion (10 min)
7. **Open Questions and Discussion (25 min)**
Staff will request feedback on the following questions from the committee:
 1. *In your conversations, what are you hearing Visit SLO CAL is doing well?*
 2. *In your conversations, what criticisms are you hearing of Visit SLO CAL and what areas of improvement should we consider?*
 3. *In your specific communities, what can Visit SLO CAL do for you?*
 4. *What are your communities doing to take advantage of and better expand the economic impact of tourism?*
8. **Tourism Impact (10 min)**
Staff will highlight the impact of tourism marketing on the County.
Follow up questions and discussion (10 min)

ADJOURN.

Brown Act Notice: Each speaker is limited to two minutes of public comment for items not on the agenda. Public comment for each agenda item will be called for separately and is also limited to 2 minutes per speaker. State law does not allow the committee to discuss or take action on issues not on the agenda, except that members of the committee may briefly respond to statements made or questions posed by the person giving public comment. Staff may be directed by the committee to follow-up on such items and/or place them on the next board agenda. The order of agenda items is listed for reference and items may be taken in any order deemed appropriate by the Advisory Committee.

ADA Notice: Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Brendan Pringle at (805) 541-8000 at least 48 hours prior to the meeting.



MINUTES

Visit SLO CAL Advisory Committee

**Visit SLO CAL Advisory Committee
Meeting Minutes**
Thursday, June 1, 2017
3:00pm
Avila Lighthouse Suites
550 Front St, Avila Beach, CA 93424

1. CALL TO ORDER: Clint Pearce

PRESENT: Jim Bergman, Matthew Bronson, Lynn Compton, Red Davis, Tom Frutchey, Barbara Harmon, Heidi Harmon, Trevor Keith, Jim Lewis, Katie Lichtig, Steve Martin, Rachelle Rickard, Craig Schmollinger, Mariam Shah, Ed Waage

ABSENT: Tom O'Malley

STAFF PRESENT: Chuck Davison, Brooke Burnham, Michael Wambolt, Brendan Pringle, Pam Roberts, Jordan Carson, Chie Evans

BOARD MEMBERS PRESENT: John Arnold, Aaron Graves, Jay Jamison, Sarah Maggelet, Noreen Martin, Sam Miller, Clint Pearce, Val Seymour, Roger Wightman

MARKETING COMMITTEE MEMBERS PRESENT: Terrie Banish, Molly Cano, Lori Keller Heather Muran,

Call to Order at 3:07 pm.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

CONSENT AGENDA

3. Approval of December 8, 2016 Advisory Committee Meeting Minutes

Public Comment – None.

Committee Discussion.

ACTION: Moved by Waage/Frutchey to approve the Consent Agenda as presented.

Motion carried: 15:0

BUSINESS ITEMS

4. Funding and Allocation

Pringle provided a breakdown of the FY2016/17 Re-forecasted Budget, and noted that it is based on 14 months of revenue due to VSC's switch from cash to accrual based accounting. Annual fully loaded staffing costs for all approved positions represents 15.3 percent of the budget. Pringle also reviewed FY2016/17 TMD funding received to date through March 2017, and provided an overview of staffing. He gave a breakdown of the FY2017/18 budget, approved by the Board in May. Annual fully loaded staffing costs for all approved positions in FY 2017/18 represents 19.9% of the budget, and Marketing, Travel Trade and Communications make up 80 percent of the budget. Pringle reminded the Committee about the importance of on-time assessment remittance and usage of the remittance template for documentation purposes, and encouraged the communities to use ACH for payment.

Public Comment – None.

Committee Discussion. Lewis said he appreciated how VSC listed the portion of the budget going to Marketing, Communications and Travel Trade.

5. District Highlights to Date

Davison outlined the goals of the Tourism Marketing District. Davison provided an overview of brand development, highlighting the research that informed the new SLO CAL brand. He described the target personas, and showcased the SLO CAL brand video and newly-attained 8k aerial footage of the county.

Davison noted that VSC has invested \$245,000 to activate the Seattle market, and that Alaska Airlines allows SLO CAL passengers to bring a case of wine home through their Wine Flies Free program. On June 8, 2017, United Airlines will launch direct service from Denver. VSC has allocated \$215,000 for activation of this market. Davison also provided an update on the Conference Center Feasibility Plan, noting that a detailed report was released on May 8, 2017. He presented some of the key findings of the report.

Davison provided an overview of VSC's Highway 1 Closure communication efforts. Wambolt gave an update on VSC's efforts to target international markets, including China and the UK/Ireland. Davison just returned from the Visit California Mexico & Canada CEO Mission, which included heads of state and CEOs. Wambolt recapped the FAMs, trade shows and sales missions from the last 6 months.

Burnham recapped some of the major strategic marketing initiatives. She discussed the SAVOR on the Road activations at the San Diego Bay Wine + Food Festival and the Seattle Wine and Food Experience, both of which provided a great firsthand experience for potential guests. She recapped the highlights of VSC's sponsorship of AMGEN Tour of California, noting the value of this partnership.

Burnham showcased the Alaska Airlines *Beyond* in-flight magazine advertorial co-op and creative from VSC's paid media campaign. Burnham noted that during the month of April, the VSC website reached 510,000 visitors, with much of the traffic coming from VSC's target markets. Burnham highlighted the features of VSC's interactive website landing page and played VSC's year in review video.

Public Comment – None.

Committee Discussion. B. Harmon asked about the follow-up process on travel trade appointments and leads. Wambolt noted that leads are sent to stakeholders at large, and that VSC follows up with leads to make sure they are able to make connections with SLO CAL stakeholders. Frutchey asked about the audience for the year in review video, and Davison responded that it was produced for VSC's stakeholders, constituents and members. Frutchey also observed that there is not an adequate awareness of what tourism brings to local communities, and asked about ways to show the public the benefit of tourism. Davison directed him to the VSC Report Card that was shared with the Committee at the meeting. Frutchey asked if there was anything he could do to help fill VSC's open positions. Davison noted that VSC will continue to reach out as there are opportunities. Waage complimented VSC's efforts, and pointed out that the organization's advantage right now is that it's more nimble.

6. Moving Forward

Wambolt noted that VSC is working to translate website and sales materials, will offer more opportunities to participate in educational, training and sales missions, and will continue to advance SLO CAL's unique lodging mix. Burnham discussed VSC's long-term strategy for Highway 1 messaging and marketing, as well as its strategies for brand development and marketing partnerships, including one with The Clymb. Burnham reviewed VSC's six target markets. She noted that VSC will be expanding its SAVOR and large-reach event activations, will hire a new national PR firm and key market PR representation and will be launching a new SLO CAL website. Davison discussed VSC's efforts to attain new air service from Dallas.

Public Comment – None.

Committee Discussion. Frutchev asked about the key areas for opportunity moving forward. Davison noted that the key areas of opportunity lie in capturing the international market. Lewis noted that the main question VSC should consider is how the one percent VSC is spending adds value. Waage pointed out the need for better ground transportation in SLO CAL.

7. Open Questions and Discussion

Davison requested feedback on the following open questions:

1. In your conversations, what are you hearing Visit SLO CAL is doing well?
2. In your conversations, what criticisms are you hearing of Visit SLO CAL and what areas of improvement should we consider?
3. In your specific communities, what can Visit SLO CAL do for you?

He also noted that there are two items that VSC would like the Committee to share with government officials and the League of California Cities. The Committee can continue to encourage state officials and Caltrans to complete the work on re-opening Highway 1 as early as possible. Also, he asked that they remind congressional officials about the importance of Brand USA as the national DMO attracting visitors to the USA.

Public Comment – None.

Committee Discussion. Martin noted that a lot of Paso Robles residents aren't familiar with VSC, and that VSC needs to sell the tourism industry to residents. Wightman added that the communities can do a better job of communicating this impact, and Waage agreed that it should be the cities' and County's responsibility to get the message out. Davis complimented VSC and noted that Morro Bay supports its efforts. Waage asked if smaller properties are seeing the value that VSC offers. Davison noted that this is a continuous effort, and that Wambolt has been conducting outreach efforts. Bergman and B. Harmon noted that Arroyo Grande's TBID currently works with a marketing firm from the Los Angeles area, and asked how they can work closer with VSC. Davison responded that the Marketing Committee seat for Arroyo Grande has remained vacant, and encouraged them to fill this seat.

8. Tourism Impact

Davison highlighted some of the key tourism impact numbers for SLO CAL, including guest spending, tourism jobs and the tax revenue generated by tourism. Davison also asked the Committee to save the date for the next Advisory Committee meeting on December 7, 2017.

Public Comment – None.

Committee Discussion.

ADJOURNMENT

Meeting adjourned at 5:08 pm.



ANNUAL REPORT



FY 2016/17

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DEAR STAKEHOLDERS,

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.



STRATEGIC PLAN

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

INITIATIVES:

- Align our organizational structure with our strategic plan
- Establish a continuous learning program for the VSC Team
- Evaluate and develop the tools, systems and technologies we need to succeed

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

INITIATIVES:

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

BUILD AND EXPAND STRATEGIC PARTNERSHIPS

OBJECTIVES:

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

INITIATIVES:

- 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

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

INITIATIVES:

- 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

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:

- 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 Maggelet* | 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

FY2016 /17 ADVISORY COMMITTEE

Jim Bergman | City Manager | Arroyo Grande
 Matthew Bronson | City Manager | Grover Beach
 David Buckingham | City Manager | Morro Bay
 Dan Buckshi | County Administrator | County of San Luis Obispo
 Lynn Compton | Supervisor | County of San Luis Obispo
 Red Davis | Councilmember | Morro Bay
 Thomas Frutchey | City Manager | Paso Robles
 Barbara Harmon | Councilmember | Arroyo Grande

Erik Howell | Mayor Pro Tem | Pismo Beach
 Jim Lewis | City Manager | Pismo Beach
 Katie Lichtig | City Manager | City of San Luis Obispo
 Tom O'Malley | Mayor | Atascadero
 Steve Martin | Mayor | Paso Robles
 Heidi Harmon | Mayor | City of San Luis Obispo
 Rachelle Rickard | City Manager | Atascadero
 Mariam Shah | Councilmember | Grover Beach

OUR TEAM



Chuck Davison • *President & CEO*

Leads the VSC team, advancing the initiatives of the Strategic Plan to position the organization for success; Manages board, committee, community and strategic partner relations

(Open) • *Executive Assistant*



Brooke Burnham • *Vice President of Marketing*

Leads the Marketing Department, managing the integrated marketing program, including paid, earned and owned media, as well as agency relations, partners and contractors; Oversees the Marketing Committee and acts as their liaison to the Board of Directors

(Open) • *Communications Director*

(Open) • *Brand & Digital Marketing Manager*



Jordan Carson • *Marketing Coordinator*

Coordinates consumer and industry social media efforts for VSC; Provides support to the Vice President of Marketing, including the coordination of monthly promotions, content development and sponsorship events

BCF • *Marketing Agency*

Research • *Research Agencies*

Kylee Corliss • *Film SLO CAL*

PR Agency • *TBD*



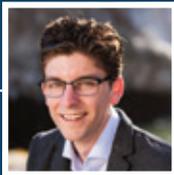
Michael Wambolt • *Director of Travel Trade*

Leads the Travel Trade Department, representing VSC at tradeshow and sales missions throughout the country and internationally, and hosting FAMs in the county; Advances domestic and international awareness of the county in the meeting and conference and the travel and leisure segments



Pam Roberts • *Events & Membership Manager*

Plans and executes all VSC industry events, trade shows and consumer events; Oversees Membership Services, providing support to existing members and activating new members



Brendan Pringle • *Operations Manager*

Manages multi-departmental projects, accounting operations and IT; Serves as the liaison to the VSC Board and Committees

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

DIRECT SPENDING FROM EACH SECTOR



VISITOR SPENDING BY ACCOMMODATION TYPE

VISITOR SPENDING

\$1.53B
UP 1.1% OVER 2015



DIRECT SPENDING BY DOMESTIC AND INTERNATIONAL TRAVELERS AVERAGED



SOURCE: DEAN RUNYAN



1 OUT OF 8 SLO COUNTY JOBS DEPEND ON TRAVEL AND TOURISM

SOURCES: CALIFORNIA ECONOMIC DEVELOPMENT DEPARTMENT + DEAN RUNYAN

17,820
TOTAL JOBS



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 \$595⁷⁰ IN TAXES

WITHOUT THE TAX REVENUE GENERATED BY TRAVEL AND TOURISM

SOURCES: DEAN RUNYAN + U.S. CENSUS BUREAU

VISITOR TAX RECEIPTS

\$44M

VS.

BUSINESS TAX RECEIPTS

\$18M

LODGING BY THE NUMBERS

	FY 2014/15	FY 2015/16	FY 2016/17	
TOT	\$ 33,563,348	\$ 35,926,108	\$ 37,616,854	UP 12.1% OVER 3 YEARS
OCC	70.5%	69.9%	68.9%	SUPPLY UP 4.1% OVER 3 YEARS
ADR	\$ 135.64	\$ 144.00	\$ 148.54	UP 9.5% OVER 3 YEARS
REV PAR	\$ 95.63	\$ 100.64	\$ 102.37	UP 7.0% OVER 3 YEARS

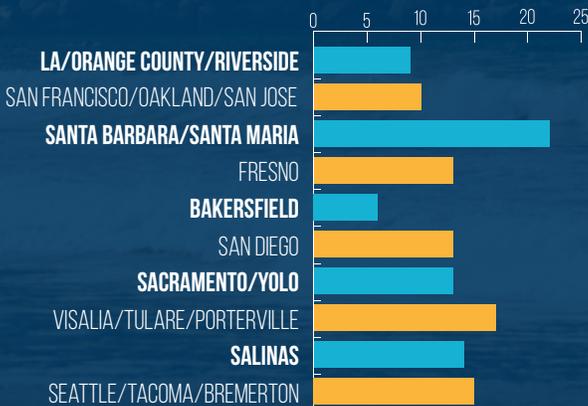
SMITH TRAVEL RESEARCH (STR) REPORTS

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.

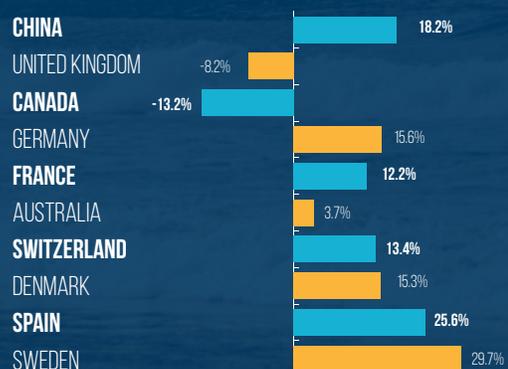
VISAVUE® TRAVEL

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 MSA_s YOY \$ GROWTH (PERCENTS)



2016 TOP \$ COUNTRIES YOY \$ GROWTH (PERCENTS)



TRAVEL TRADE

VSC's Travel Trade Department expanded efforts in FY 2016/17 with a number of new initiatives, including its first independent international representation in the United Kingdom (UK) and Ireland, and the attendance of two additional Visit California programs: the Mexico Sales Mission and Club California France. VSC also strategically targeted tour operators and meeting planners through tradeshows, sales missions, familiarization tours (FAMs) and association connections.

SEP

2016

VSC Tour & Travel
Sales Mission
VCA China FAM



OCT

2016

VCA China FAM
VCA
UK SuperFAM



NOV

2016

VSC Meeting &
Conference Sales
Mission



DEC

2016

CalSAE Seasonal
Spectacular



JAN

2017

VCA Mexico Sales
Mission

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

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



7 FAMS WITH
50 TRAVEL PROFESSIONALS



7 TRADESHOWS

5 SALES MISSIONS



10 CITIES

86 LEADS

5 AGENCY TAKEOVERS

FEB

MAR

APR

MAY

JUN

2017

2017

2017

2017

2017

NTA Travel Exchange

MPI Northern California Expo

Black Diamond UK/Ireland Sales Mission

Vacation Rental Management Association Conference

US Travel Association IPW

Go West Summit

MPI Sacramento/Sierra Nevada Tradeshow

VCA China Sales Mission

VCA Mexico SuperFAM

Connect California

Nan Hu Travel China Tour Operator FAM

California Cup

VCA France FAM

Black Diamond UK/Ireland FAM



SALES MISSIONS

VSC targeted top four 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

EARNED MEDIA

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



150,000 REACH
\$3,800 VALUE



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: Condé 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

224
LODGING PROPERTY VISITS

INDUSTRY OUTREACH:

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



316.6%
YOY



1,134,390
UNIQUE VISITORS



199.6%
YOY



3,532,325
PAGEVIEWS



137.7%
YOY



1.7

AVERAGE PAGES PER VISIT



2.6 MILLION

MINUTES ON SLOCAL.COM



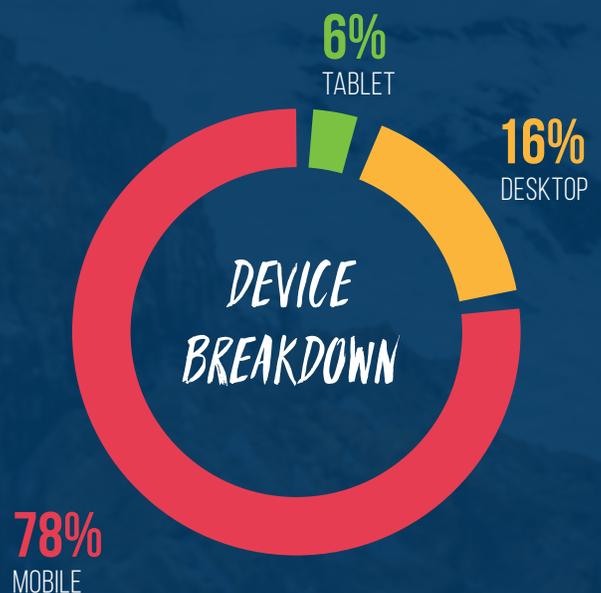
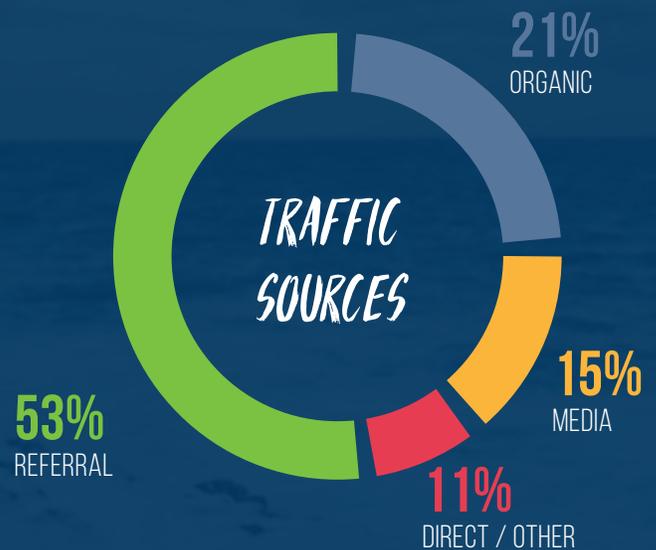
ORGANIC SEARCH TRAFFIC

26.6% YOY



MOBILE TRAFFIC INCREASE

621.6% YOY



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

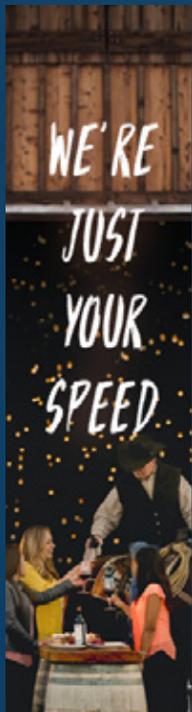
Corey Marshall - @MissFoodieProblems 87K Followers



PAID MEDIA

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.



CAMPAIGN BY THE NUMBERS



TOTAL WEB TRAFFIC*
1,797,695



ENGAGED USERS
135,314



ENGAGED USERS CVR
7.5%



ARRIVALS**
6,093



CONTENT PAGE VIEWS
(BUZZFEED & MATADOR)
230,866



COST PER WEIGHTED
CONVERSION
\$12.60



COST PER ARRIVAL
\$88.64



COST PER MINUTE
OF ENGAGEMENT
\$4.53

*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

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.

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.

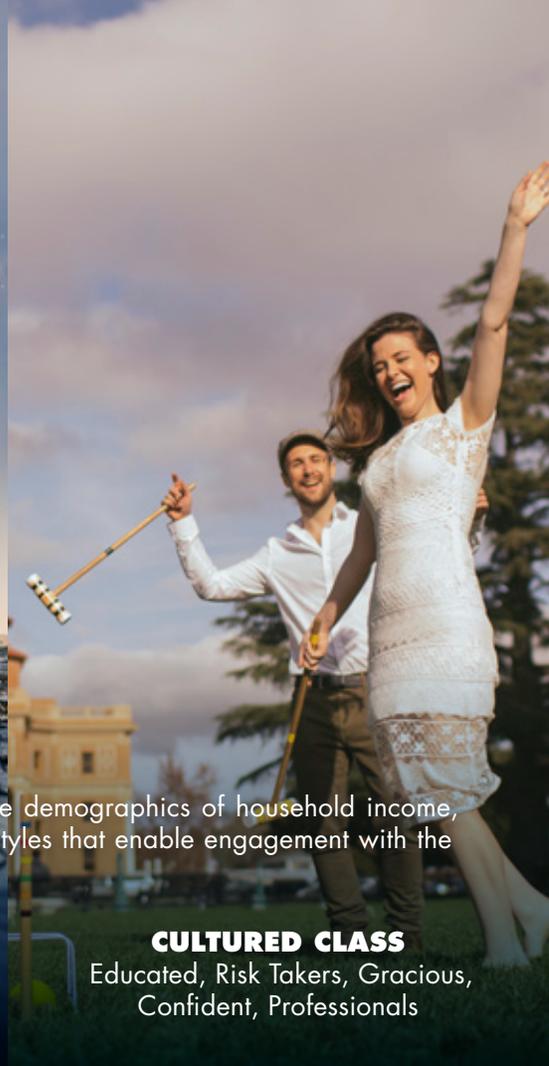
MOM TO THE MAX

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

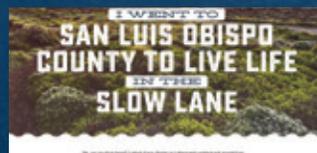


2 ARTICLES | 5 :90 VIDEOS

PARTICIPANTS:

MORRO BAY • ARROYO GRANDE
ATASCADERO • SAN LUIS OBISPO
PISMO BEACH

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

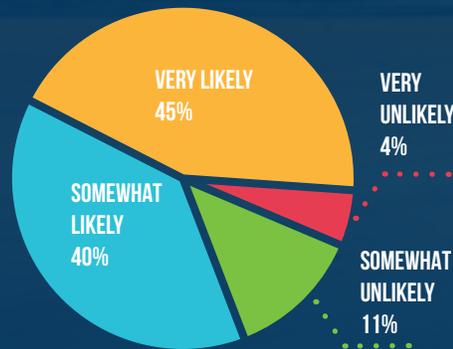
VSC hired a global market research firm, Research Now, to conduct a three-wave Brand Lift Study (BLS) to measure consumer awareness of the SLO CAL brand in key feeder markets. The first wave was completed ahead of the advertising launch and established a baseline from which to measure the campaign's 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

LIKELIHOOD TO CONSIDER VISITING SLO CAL AFTER SEEING ADS



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).



PAID MEDIA ARRIVALS 6,093
TOP 5 STATES % ARRIVALS

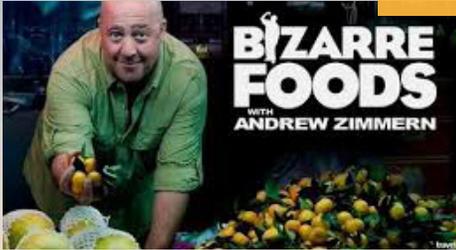
CALIFORNIA	83.0%
WASHINGTON	7.1%
ARIZONA	5.4%
COLORADO	2.3%
TEXAS	0.3%

OWNED MEDIA ARRIVALS 887
TOP 5 STATES % ARRIVALS

CALIFORNIA	83.0%
NEVADA	2.0%
ARIZONA	1.8%
COLORADO	1.7%
TEXAS	1.6%

MONTH	EXPOSURES	ARRIVALS
JAN (21 ST TO 31 ST)	7.96%	1.39%
FEB	27.28%	14.04%
MAR	26.75%	20.57%
APR	29.08%	27.82%
MAY	5.25%	15.83%
JUNE	3.64%	12.65%
JULY(1 ST TO 17 TH)	0.04%	7.69%

FILM SLO CAL



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:

316
FILMING
DAYS

\$6.3M
ECONOMIC IMPACT
FOR SLO CAL

OVER 85
PRODUCTIONS

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, ipsey, Neiman Marcus and Bic Soleil
- Visit California "Living the Dream" TV commercial

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.



SPONSORSHIPS + EVENTS

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.

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.



SAN DIEGO – 5,000 ATTENDEES AND 11 PARTNERS
SEATTLE – 2,000 ATTENDEES AND 9 PARTNERS



\$50,000 SPONSORSHIP

2 HOURS TV COVERAGE

30 SECOND COMMERCIALS

ONLINE VIDEO, BANNER ADS,
SOCIAL MEDIA POSTS + E-BLAST INCLUSION



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.

5,896 Total Tour Tracker Ad Views for VSC

17,688 Total Tour Tracker Ad Views for Pismo Beach, Morro Bay and VSC

Social Media: **13** Social Posts / **461,014** Reach

VSC: **5** Emails / **298,959** Deliveries / **19.86%** Open Rate

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

INDUSTRY EDUCATION

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:

RESEARCH
SOCIAL **LODGING** **INFLUENCERS** **HOTELS** **VISIT CALIFORNIA**
CUSTOMER SERVICE **ADVOCACY**
INTERNATIONAL
TOURISM IMPACT
CHINA **VACATION RENTALS** **PERSONAS** **RECEPTIVES** **SLO CAL**

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.



SPEAKERS FROM...

170 ATTENDEES



STRATEGIC PARTNERSHIPS

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).



60 APPOINTMENTS • 47 LEADS

28 APPOINTMENTS • 24 LEADS



“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:



*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.

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.



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.

TOURISM INFRASTRUCTURE

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.



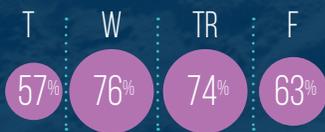
ADDITIONAL FLIGHT SERVICE TO SAN FRANCISCO HAS ALSO BEEN SECURED

15-20,000^{SQ}_{FT} BALLROOM DESIRED

- 81% OF THOSE WHO HAVEN'T BOOKED BEFORE WOULD CONSIDER BOOKING IN SLO CAL IF THE NEW FACILITY WAS BUILT
- 84% OF MEETING PLANNERS WOULD BOOK IN FALL, WINTER AND SPRING
- OF THOSE WHO HAVE BOOKED, 79% ARE DEFINITELY OR LIKELY TO RETURN IF THE NEW FACILITY WAS BUILT

MID-WEEK & SHOULDER SEASON SHOW HIGHEST POTENTIAL

PEAK EVENT TIMING



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 year-long 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 surplus or deficit revenue carried over from the previous fiscal year:

\$734,944

Estimated amount of contribution from non-assessment sources:

\$35,299

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%)

APPENDIX

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

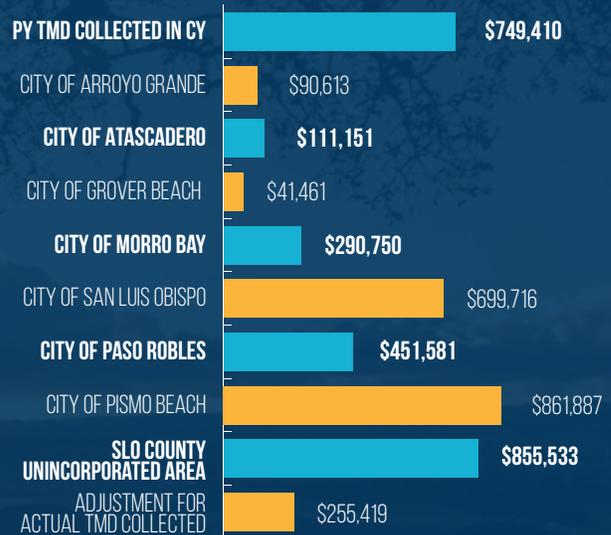
Developed by VSC, the San Luis Obispo County TMD (SLOCTMD) is a new countywide cooperative effort to collectively market all that the county has to offer for the benefit of assessed lodging businesses. The assessment district provides specific benefits to payors by funding marketing, advertising, promotions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

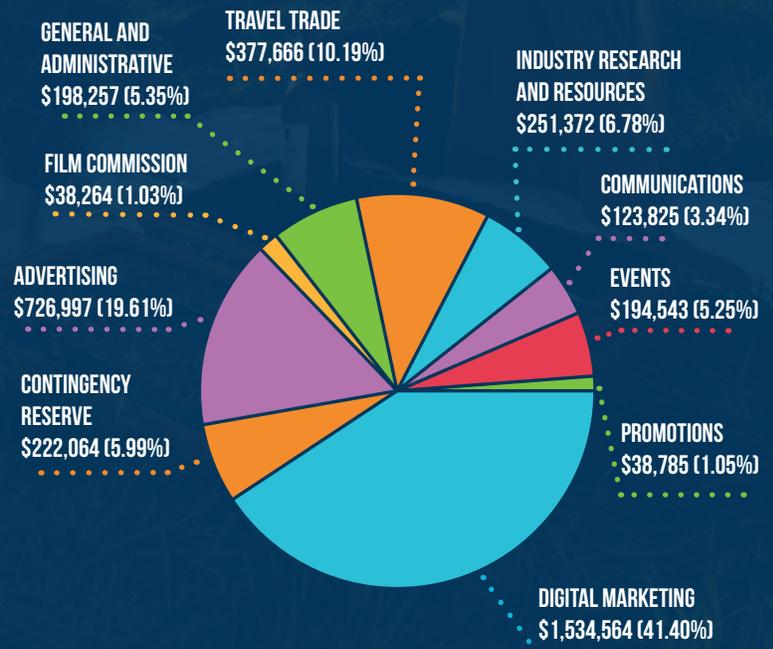
*ASSESSED FUNDS FROM FY 2016/17



*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)





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VISIT



SAN LUIS OBISPO COUNTY
CALIFORNIA

FY 2017/18

MARKETING PLAN

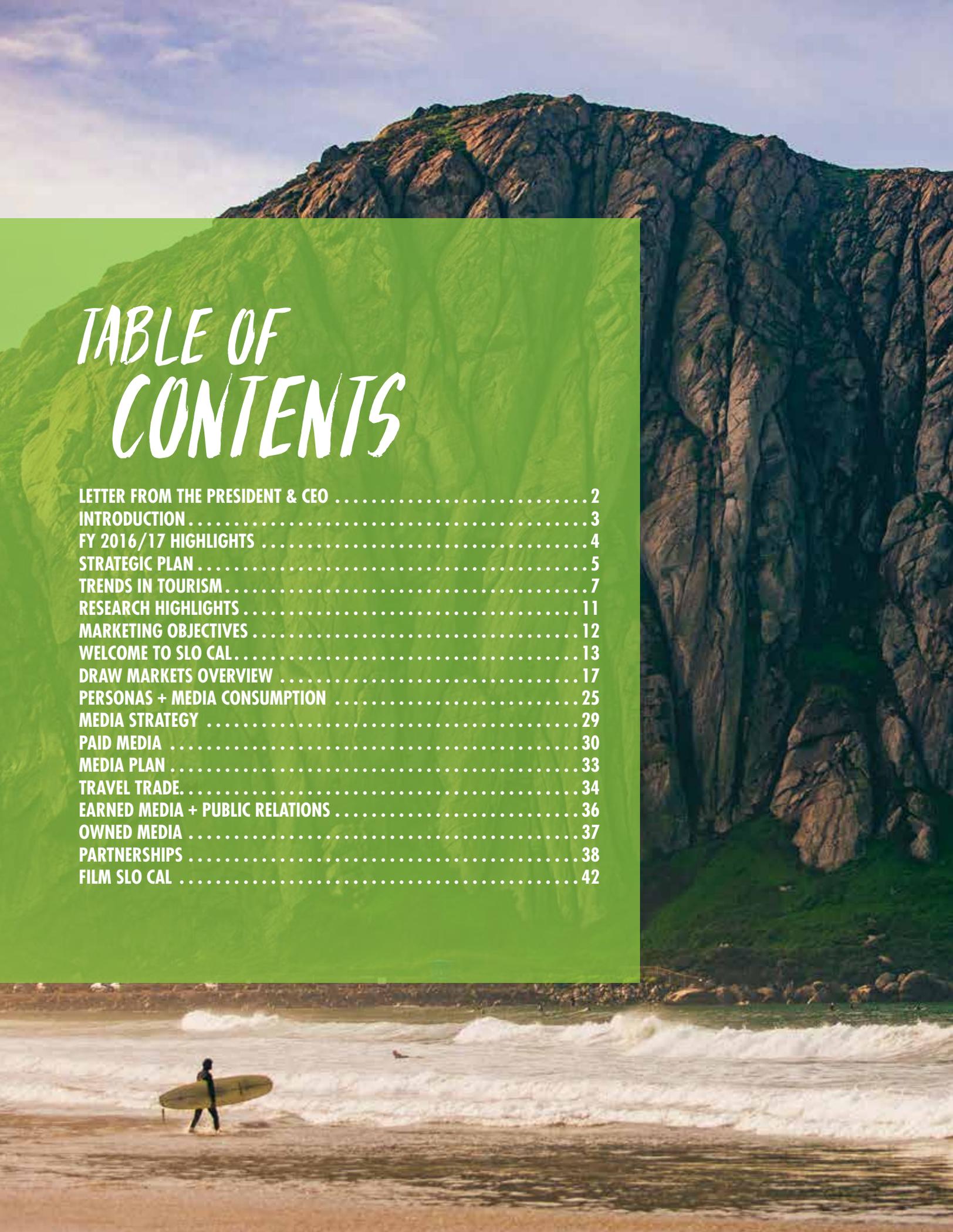


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DEAR STAKEHOLDERS,

Visit SLO CAL has been hard at work bringing our Strategic Plan and brand into focus, and we are excited to present you with our FY 2017/18 Marketing Plan. As we reflect on the progress made over the past year, we are extremely thankful for our partners and stakeholders who have joined us in these efforts. We continue to leverage data-driven research and insights to form a strategic marketing program that will lead to positive economic growth for San Luis Obispo County's tourism industry and residents. Specifically, our continued goals moving forward remain: 1) create greater awareness of our county and its assets, and 2) increase demand for overnight stays.

Last year, Visit SLO CAL (VSC) conducted a first-of-its-kind data collection initiative in SLO County, in partnership with Merrill Research. This initiative included both a demographic and share of wallet study and a feeder market awareness study. The findings from this research were used to craft our new brand, SLO CAL, and identify our target market strategy.

As one of five major Strategic Plan imperatives, armed with the insights from our research, the VSC team worked closely with our marketing agency, BCF, to create countywide brand clarity with the new SLO CAL brand and "Life's Too Beautiful to Rush" campaign. The digital campaign kicked off with ad placements designed to increase awareness of SLO CAL among targeted personas in the major feeder markets of Los Angeles, San Francisco, Phoenix, Las Vegas and San Diego as well as the new flight markets of Seattle and Denver. This campaign is being evaluated on many levels, including evaluation by a brand lift study, which measures initial (pre-campaign) awareness of SLO CAL in the target markets. Two additional rounds of this study will measure the impact of ads on awareness and desire to visit.

A second major Strategic Plan imperative has made progress as we continue to advocate for tourism infrastructure development. In partnership with the San Luis Obispo County Regional Airport and the Economic Vitality Corporation, we celebrated new nonstop flights with Alaska Airlines and United Airlines to Seattle and Denver, respectively. These flights provide long-awaited access to new inbound markets that are well aligned with the SLO CAL brand and target personas. VSC also conducted a Conference Center Feasibility Study, proving demand for a larger-scale meeting facility in the county. The study also showed that such a facility would help round out tourism seasonality and provide needed mid-week business for travel and service-related businesses.

Bringing value to our partners and building strategic partnerships are also key imperatives for VSC's Strategic Plan. As part of these initiatives, we sought opportunities to work with others to showcase our vast, beautiful destination. To that end, we took the best of SLO CAL culinary, wine and artisan products on the road in FY 2016/17 as "SAVOR – A San Luis Obispo County Experience" to food, wine and lifestyle events in San Diego and Seattle. SAVOR enticed audiences by featuring a large, experiential exhibit, showcasing the fun and flavors of SLO CAL. Our goal is to inspire attendees to visit SLO CAL and experience the destination firsthand.

Also in the spirit of partnerships, Visit SLO CAL will continue our outreach and crisis communications around the Highway 1 closure. Together with local, regional and state partners, we are diligently working to educate domestic and international consumers, trade and media about the detour; let them know that Highway 1 is open for business in SLO CAL; and share the plethora of travel experiences available throughout the area. We feel these efforts are essential to encouraging visitation to our north coast and minimizing the impact of the closure.

The coming year brings incredible opportunities to our community as we continue to solidify under the SLO CAL brand. As you read our FY 2017/18 Marketing Plan, you will discover the variety of ways VSC is working to bring this brand to life through paid, earned and owned media, as well as through sales and partnerships. We thank you for your ongoing support and hope you will join us in the rewarding work of marketing the incredible place we get to call home!



CHUCK DAVISON
President & CEO, Visit SLO CAL

INTRODUCTION

Established in 1986 as a 501(c)6, Visit SLO CAL (VSC) is the countywide destination marketing organization. Our goal is to promote San Luis Obispo County through a variety of marketing initiatives, including paid, earned and owned media; travel trade sales; promotions; events and sponsorship, branding the region as a choice destination for regional, national and international travelers alike. To accomplish this, VSC partners with tourism-related organizations, including other area destination marketing organizations, lodging properties, restaurants, wineries, craft industries, activities, attractions, golf courses and retailers to create a unified marketing approach that promotes the diverse tourism experiences of SLO County.

OUR VISION

A vibrant and prosperous San Luis Obispo County, fueled by a collaborative and flourishing tourism industry

OUR MISSION

Inspire travel and foster our unique experiences to create life-long ambassadors and economic growth for San Luis Obispo County

OUR VALUES

FUTURE FOCUSED: Delivering today with an eye on tomorrow

COLLABORATION: Our partnerships inform and support economic success

DRIVE: We bring enthusiasm to our initiatives and focus on results

STEWARDSHIP: We are mindful of our resources and the SLO CAL brand

OUR BRAND INTENTION

STRATEGIC: "They plan and execute."

CONNECTOR: "They bring people together."

CREATIVE: "They innovate and think differently."

INSPIRING: "They show us what's possible."

ESSENTIAL: "We need them in order to succeed."



FY 2016/17 HIGHLIGHTS



In cooperation with the Economic Vitality Corporation, VSC serves as a strategic partner to the San Luis Obispo County Regional Airport by working to attract new visitors to the area. VSC assists in the development and support of new flights, including promotional campaigns that target new flight markets to grow awareness and demand. New service this year included an additional Phoenix flight with American Airlines and two new direct-service flights: Seattle with Alaska Airlines and Denver with United Airlines. These mark the first new flights approved for service in nearly 10 years.



On January 23, 2017, VSC launched our new countywide destination brand, SLO CAL, including a new logo identity, brand promise, images and video assets. The SLO CAL brand and "Life's Too Beautiful to Rush" campaign launched with digital, social media, native and video ads in the key markets of Los Angeles, San Francisco, Phoenix, Las Vegas and San Diego. The launch included a corresponding landing page on SLOCAL.com, taking visitors on a virtual road trip throughout our amazing county.



In 2016, VSC partnered with global market research firm, Research Now, to conduct a three-wave Brand Lift Study (BLS) to measure consumer awareness of SLO CAL advertising and calculate the likelihood of consumers to visit SLO CAL for leisure travel. The first wave was completed ahead of the advertising launch in six key advertising markets: Los Angeles, San Francisco, Seattle, Phoenix, Las Vegas and Denver. Wave two will be conducted this summer and wave three will be conducted in late fall.



VSC continued to increase international awareness of SLO CAL by partnering with Visit California and attending their China and Mexico Sales Missions, allowing VSC access to a network of premier travel agencies and resources. Additionally, in June, VSC showcased a major footprint at IPW, the largest international tour and travel tradeshow. VSC hosted China, France and UK familiarization tours throughout the county. First-time initiatives this year include direct representation for the county in the UK/Ireland and the hosting of a global-ready seminar to prepare constituents for increased visitation from China.



VSC understands the importance of long-view, strategic initiatives and the employment needs of the county as Diablo Canyon edges towards closure. With that in mind, VSC explored new opportunities for mid-week and non-peak-season tourism business through a Conference Center Feasibility Study. The study clearly showed that there is opportunity for a mid-size conference facility to be successful in SLO CAL. These findings have been shared with business and government leaders throughout the county and VSC remains at the ready to support such an initiative in the future.



Last year, VSC shifted gears with the SAVOR event, developing a new partnership with local restaurant, winery, brewery, distillery and activity partners to take SAVOR on the road as "SAVOR—A San Luis Obispo County Experience." Destination roadshow installations have been held at food, wine and lifestyle events in key regional feeder markets, such as the San Diego Bay Wine + Food Festival in November 2016, and the Seattle Wine & Food Experience in February 2017.

STRATEGIC PLAN

In FY 2015/16, VSC worked with Coraggio Group and stakeholders throughout the county to develop a three-year Strategic Plan in order to align staff and stakeholders on the direction of the organization, its strategy and how the organization's success will be measured. Since the plan was published in June of 2016, VSC staff, board and partners have been hard at work to complete key initiatives to accomplish the plan's outlined objectives and five over-arching imperatives:

1. Optimize our organizational capacity
2. Establish brand clarity and increased awareness through unified efforts
3. Build and expand strategic partnerships
4. Advocate for the development of critical tourism infrastructure
5. Demonstrate value to our stakeholders, partners and communities

IMPERATIVES

OPTIMIZE OUR ORGANIZATIONAL CAPACITY

Following the development of the Strategic Plan, VSC has worked with staff and consultants to implement a number of improvements and initiatives designed to move the organization toward greater efficiency and effectiveness. In accordance with these initiatives, VSC:

- Conducted an audit of tools, systems and technologies needed to succeed
- Implemented new technologies designed to increase efficiency, such as Asana project management software and Chute social media aggregator
- Worked with Collaboration Business Consulting to assess and optimize human resources
- Identified and scheduled ongoing staff development for continuous learning

For FY 2017/18, these efforts will continue as we work to further refine human resource development and optimization with new staff. We will look for additional opportunities as we conduct quarterly assessment briefs on tools, systems and technologies. In the coming year, VSC will roll out a new customer relationship management system (CRM) to improve communications efficiencies as well as tracking, invoicing and reporting.

ESTABLISH BRAND CLARITY AND INCREASED AWARENESS THROUGH UNIFIED EFFORTS

After months of research and development, VSC launched the new SLO CAL brand for consumers and Visit SLO CAL for the organization in January of 2017. Since then, the advertising campaign has been running in key markets, targeting strategically built personas to make the most of every dollar. The program is continuously optimized for performance, assessed as a whole on a monthly basis and will be refined prior to the fall media run.

While the campaign is being adjusted and measured in real time, overall success will be measured based on the three-wave Brand Lift Study. Wave one was completed prior to the campaign to establish a baseline, and the second will be conducted in May of 2017. The third and final wave will be completed following the fall ad campaign in FY 2017/18.

In addition to the advertising campaign for the coming year, VSC will develop a multi-tiered brand ambassador program designed to reach and engage audiences at every level. The groundwork for this program began in FY 2016/17 and will be refined and developed over the coming year to include:

- Contracting large-scale influencers to reach thousands of loyal followers
- Identifying and developing regular brand ambassadors comprised of visitors and local residents who best personify SLO CAL
- Employing micro-influencer initiatives that curate, refine and amplify high-quality user-generated content (UGC) to encourage friend-and-family recommendations and online, word-of-mouth exposure

BUILD AND EXPAND STRATEGIC PARTNERSHIPS

Over the past year, VSC has worked with local and regional partners to leverage collaboration and mutual goals in order to increase its collective impact. This has been done in a number of ways and in a variety of industry sectors, including:

- Held monthly Marketing Committee collaborative meetings and annual Marketing Planning Retreat (March)
- Partnered with SLO County Regional Airport and Economic Vitality Corporation on infrastructure development (see Imperative #4)
- Worked with Morro Bay, Pismo Beach and other SLO CAL communities to partner with AEG to bring the AMGEN Tour of California back with an expanded presence
- Developed co-op marketing, consistent feedback opportunities and pro-active collaboration to identify, reduce and avoid duplications of efforts with SLO County DMOs
- Began the process of developing a program to evaluate current and future partnership opportunities, as well as the partnership mix as a whole

In the coming fiscal year, VSC will continue to develop the plan for partnership evaluation and create an Earned Partnership Value (EPV) to enable the assignment of a clear, quantitative value to these partnerships. We will seek out new ways to build cooperative branding, marketing and initiatives that will move tourism in the county forward. Ongoing assessment of what is working and what needs to be re-evaluated will continue to reduce duplicative efforts with and between the county's DMOs and other local strategic partners.

ADVOCATE FOR THE DEVELOPMENT OF CRITICAL TOURISM INFRASTRUCTURE

Guest access to and demand for services, facilities and experiences in SLO CAL are critical to VSC's goal of increasing visitation to the county. Currently, SLO CAL has the capacity to host additional guests mid-week and in non-peak seasons. VSC has been working on a number of initiatives to address this area over the past year. These include:

- Creating easy access to new markets through new flights, especially those offering potential year-round travel rather than summer-only
- Improving international guest experience readiness trainings and assisting international travelers with access through crisis communication regarding the closure on Highway 1
- Demonstrating demand and creating informational support for new infrastructure with the Conference Center Feasibility Study

FY 2017/18 will bring more opportunities for VSC to assist state, local and regional partners with the growth and development of infrastructure. We will work to develop a long-term Tourism Infrastructure Master Plan to identify additional transportation options. We will also continue efforts to support international travel into the county, as well as championing any third-party interest in bringing a larger conference center to SLO CAL.

DEMONSTRATE VALUE TO OUR STAKEHOLDERS, PARTNERS AND COMMUNITIES

Community is the core of everything we do at VSC. We know tourism is vital to the short- and long-term economic success of our towns, our businesses and our residents. We also recognize the importance of the reverse – that in order to be successful, our communities need to understand the relevancy of tourism as an industry and the value of VSC to their vitality. This awareness and appreciation is critical for the success and advancement of tourism in SLO County.

To that goal, VSC has begun advancing initiatives in this area and will continue to do so in the next fiscal year. So far, in FY 2016/17, we have:

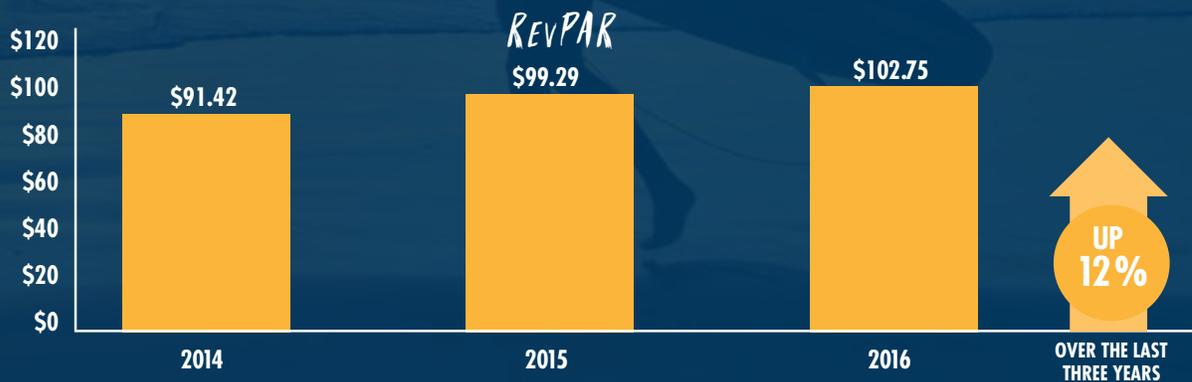
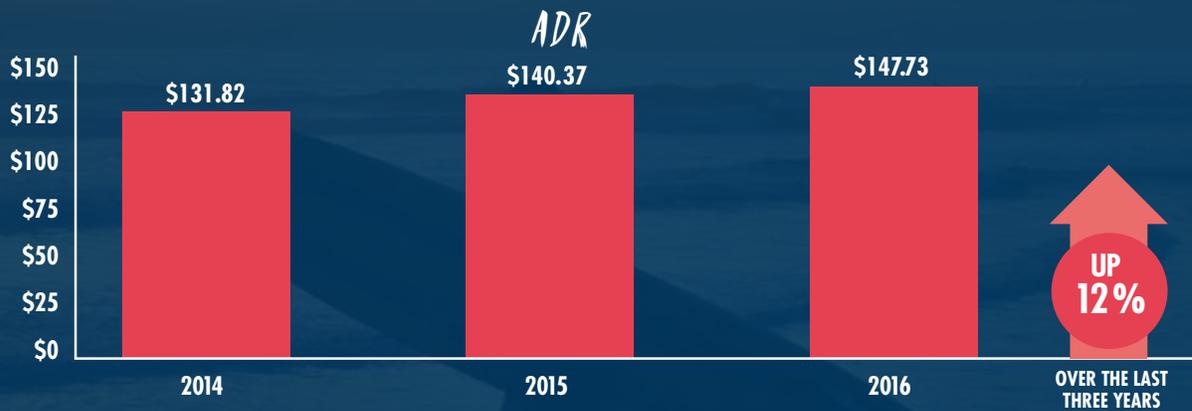
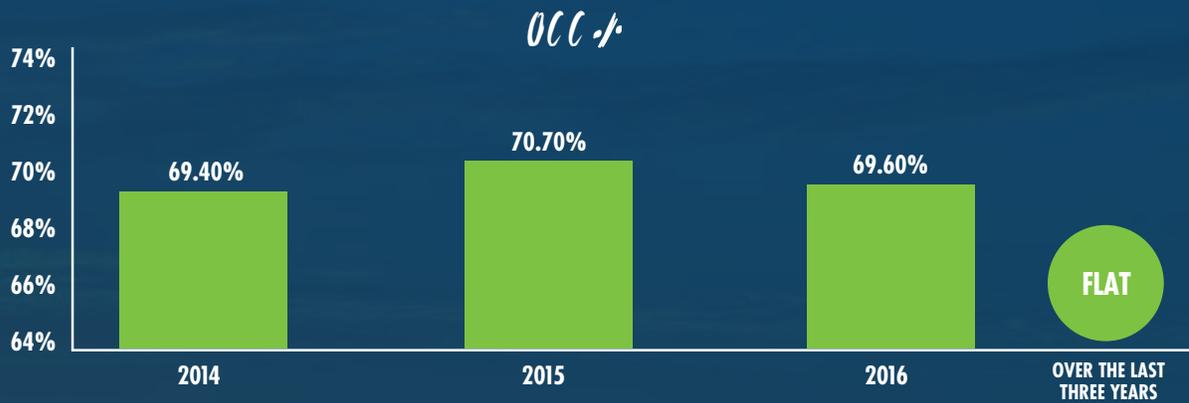
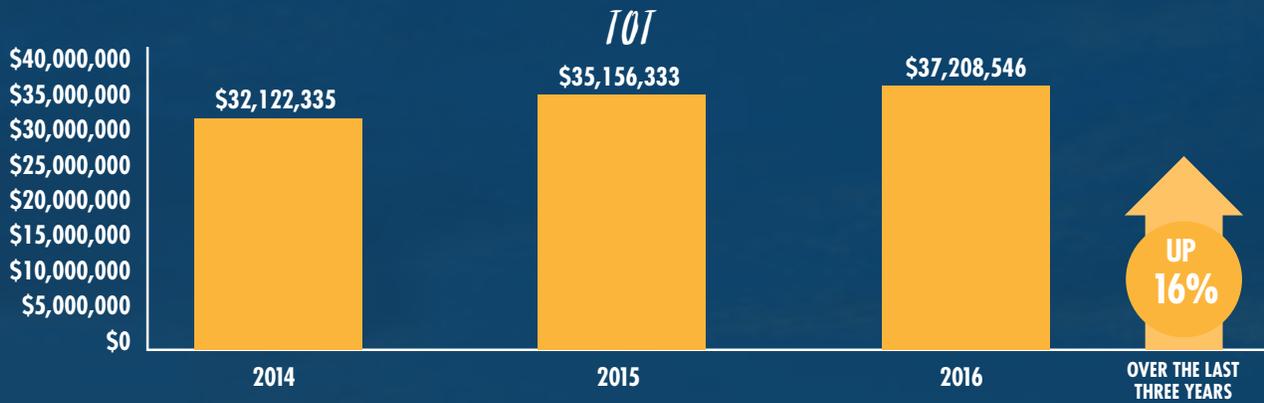
- Embarked on the development of a local communication strategy for rolling out new events, projects and programs to our community
- Written and delivered the first half of a two-year marketing plan and refined the plan for FY 2017/18
- Sought cooperative opportunities for promotion, marketing and asset development with partners and members
- Expanded on stakeholder and member informational, networking and educational events, such as the Tourism Exchange

These efforts and programs will expand in FY 2017/18 as we implement the new local communications strategy, continue to refine our annual marketing plan and seek new ways to inform and engage our stakeholders. Adding events, such as bi-annual packaging programs and periodic networking sessions for VSC stakeholders, will provide more regular interactions between local businesses and VSC. Advocacy for the industry and our partners will take a front seat in the coming year as we develop an advocacy strategy to identify, vet and support key initiatives that will advance the tourism industry in SLO County.



TRENDS IN TOURISM

San Luis Obispo County continues to enjoy the consistent growth of tourism's contribution to the local economy, and we do not expect that trend to change for the FY 2017/18 period. VSC will closely monitor metrics related to overnight stays to ensure that this Marketing Plan is performing as expected.



NOTE: Data reflects a 4.3% increase in room supply from 2014 to 2016.

2016 TOURISM IMPACT



2.6% increase in tourism-supported jobs:

17,820



5.8% increase TOT revenue:

\$37,208,546



Travel spending:

\$1.59B



Travel & tourism earnings:

\$551M

Travel spending created **\$61.7M** in local tax revenue. Equal to:



898

police officers



1,025

firefighters



119

miles of 2-lane
roads resurfaced



86

parks built

TRAVEL TRENDS

A GROWTH INDUSTRY

The U.S. vacation and tourism market is growing, and is expected to continue the upward trend through 2020, reaching \$285B. (Source: Bureau of Economic Analysis, U.S. Office of Travel and Tourism Satellite Accounts/Mintel)

THE SHARING ECONOMY CONTINUES

The regulatory issues surrounding the sharing economy are not a major deterrent for new entrants on both the supply and demand side. Interest in lodging at alternate accommodations (e.g., Airbnb, HomeAway, etc.) resonates across household incomes and generations. With fewer requirements for ride-sharing services than taxi companies, there is a greater supply of riders.

WHEN DINING BECOMES A DESTINATION

Dining out has evolved into an immersive and curated experience, making restaurants as much of a destination as the larger destination itself. Dining establishments, large and small, are creating distinctive feels for their spaces giving them an “only here” feel and in turn an Instagrammable experience for patrons. The curated experience needs to go beyond the visual of the space and into the culinary offerings. (Source: Skift: Travel Megatrends 2017: Dining Out Is the Main Event)

FACEBOOK TAKES TRAVEL MARKETING FROM SCREEN TO SCENE

Facebook isn't asking you to simply “like” your friends' travel photos; they want you to visit those places. Facebook's new mobile travel app now gives users the ability to browse a list of cities their friends have visited, along with recommendations of things to do within each destination. Getting visitors to share their experiences or having them check-in to a specific business is the key for businesses to get added to the curated list. (Source: MMGY: Facebook Launches New Travel Planner App: City Guides)

EXPERIENTIAL TRAVEL MARKETING IS EXPLODING

Experiential marketing—messaging you can touch, feel or view in a physical space—provides destination brands with visible and impactful opportunities to stand out and to be more personal with their traveler targets. There are many ways to interact with visitors to allow them to experience a destination, some that stand out include destination-wide scavenger hunts, music festivals and activations that allow brands to pop-up into someone's everyday life and encourage them to engage with something unique and unexpected. (Source: Mintel)

INFLUENCER TRAVEL

As influencer marketing continues to gain ground with travel brands, knowing how influencers can impact a brand becomes more important. Great influencers understand the importance of authenticity and keeping their audience engaged. Travel brands need to do a better job of engaging with their audience, and collaborating with a like-minded influencer could be mutually beneficial. (Source: Huffington Post: It's time to Bend with the Trends as Influencers and Travelers in 2017)

POCKETWISE TRAVEL

In March 2017, consumer confidence was at its highest level, 125.6 points, since December 2000. Although consumers have expressed greater optimism regarding the short-term outlook for personal income prospects, they've yet to begin acting on the confidence. (Source: The Conference Board)

RESEARCH HIGHLIGHTS

In partnership with Research Now, VSC conducted a multi-wave Brand Lift Study to measure the awareness of advertising and the impact of advertising on the likelihood to visit SLO CAL for leisure.

Wave one of the study was conducted between January 23 and April 7, 2017, with a total of 1,733 surveys completed across six target markets; Los Angeles (500), San Francisco (377), Seattle (167), Las Vegas (201), Phoenix (253) and Denver (235). Qualification criteria included individuals between the ages of 25 and 54 with a minimum household income of \$75,000, who expected to travel in the next 12 months.

KEY FINDINGS IN WAVE 1

FAMILIARITY WITH SLO CAL:



38% have visited SLO CAL in the past

• Of which 92% would visit again

62% have not visited

• Of which 72% would be interested in visiting SLO CAL

LIKELIHOOD TO CONSIDER TRAVELING TO SLO CAL:

- 46% of respondents are very likely to visit SLO CAL in next 2 years
- 34% would be somewhat likely to consider visiting SLO CAL
- Top 2 reasons for unlikeliness to visit SLO CAL were, "don't know enough about the area" and "other destinations are easier to get to"
- 37% of respondents have seen, read or heard some form of advertising for SLO CAL in the past 6 months
- Of which 55% indicated they saw, read or heard about SLO CAL in social media

Wave two of the study is scheduled for summer 2017, with the third wave anticipated to begin the following winter.

MARKETING OBJECTIVES

VSC's marketing program includes three key objectives. Because these objectives operate according to long-term strategy, those outlined for the FY 2017/18 Marketing Plan echo the objectives of the previous year, adjusted accordingly to address current context.

#1 BUILD AWARENESS OF SLO CAL BRAND AND DESTINATION

Leverage the strength of the new brand and the relationships with partners to magnify the reach of San Luis Obispo County

Plan to Achieve: paid media; co-op marketing; earned, owned and social media; sponsorships; travel trade; PR; promotions and partnerships; film commission

Plan to Measure: Brand Lift Study, co-op participation, sponsorship results and media coverage

#2 DEVELOP STRONGER AND DEEPER ENGAGEMENT WITH VISITORS

Work in support of the mission to reach audiences with the highest potential, creating life-long ambassadors and economic growth for the county

Plan to Achieve: website redesign; owned media and social platforms; content development and distribution

Plan to Measure: site visitors; time spent on site; website heat map analysis; cost per non-bounced user; cost per minute of engagement; interactions with social media: followers, impressions, comments, likes and shares

#3 DRIVE DEMAND FOR VISITATION TO THE COUNTY

Deliver an integrated marketing campaign built to reach targets with the highest potential for visitation and that supports activity in other sales channels (Travel Trade, Film Commission, etc.)

Plan to Achieve: paid media; co-op marketing; earned, owned and social media; sponsorships; travel trade; public relations; promotions and partnerships; film commission

Plan to Measure: arrivals in market, revenue per available room (RevPAR) and Transient Occupancy Tax (TOT)

WELCOME TO SLO CAL

This year, VSC launched the new countywide destination brand, SLO CAL. SLO CAL represents and unites the entire county through a new logo, brand promise, still images and video assets, which are incorporated throughout VSC's marketing efforts, including advertising, public relations, social media, the website, digital banners, email marketing and the blog.

SLO CAL establishes a geographical location for the county while at the same time representing its unique pace of life and personality. The new brand evokes feelings of relaxation and the freedom to experience life at your own pace — the SLO CAL way of life.





HOW WE ARRIVED AT SLO CAL

THE RESEARCH

In 2016, VSC conducted multiple research studies to inform the branding process including a feeder market awareness study (FMS) and a share of wallet study (SOWS) and demographic study, surveying over 2,200 consumers to gauge the awareness and perception of San Luis Obispo County as a tourism destination.

AWARENESS & PERCEPTION

Through these studies, VSC found that the majority of consumers surveyed did not know much, if anything, about San Luis Obispo County or what the county offers to travelers. When compared to competitors with similar attributes, San Luis Obispo County was perceived as not having any advantage over them and lacking in other desired attributes.

COLLABORATION & ASSESSMENT

To overcome the lack of awareness and to capitalize on positive attributes, the consumer research was presented to BCF, VSC's agency of record, to craft a brand that would emotionally resonate with consumers. VSC invited over 900 county stakeholders to interviews and meetings, and used the feedback, in combination with that of the Marketing Committee, Board of Directors, staff and agency to develop brand concepts.

These brand concepts were then shared and tested, both locally and in our key markets, to ensure the final brand and logo accurately represented our destination and effectively engaged potential travelers.

BRAND DELIVERY

On January 23rd, 2017, the new SLO CAL brand and corresponding "Life's Too Beautiful to Rush" (LTBTR) campaign was launched with digital banners, social media, native and video communications in our key target markets of Los Angeles, Seattle, San Francisco, Phoenix, Las Vegas and San Diego. The new advertising is highly targeted and optimized to reach consumers most likely to travel to SLO CAL, stay longer and spend more, increasing the impact of tourism on our county's economy.

MOVING FORWARD

Our marketing strategy will continue to focus on expanding the brand presence for SLO CAL; growing awareness of the SLO CAL brand and destination; developing a stronger and deeper engagement with visitors and driving demand for visitation to the county.

We have begun the process of building a new SLO CAL website that will add features for both our tourism partners and consumers.

LIFE'S TOO

BEAUTIFUL

TO RUSH

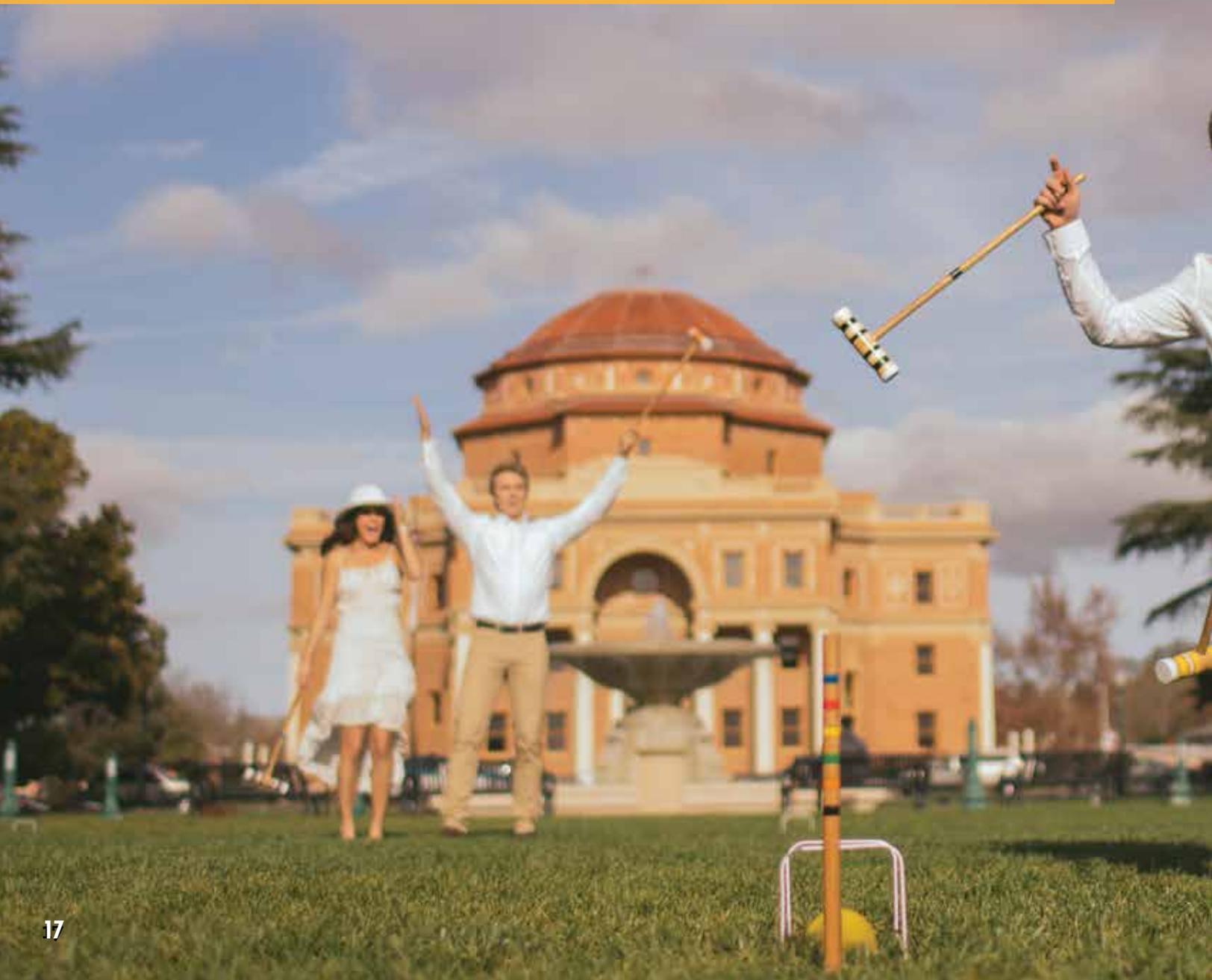


SAN LUIS OBISPO COUNTY
CALIFORNIA



DRAW MARKETS

OVERVIEW





Using the Feeder Market Study, Share of Wallet Study and Brand Lift Study data, VSC analyzed the draw markets based on the following criteria:

MODERATE – LOW AWARENESS

BCF believes the greatest opportunity for growth is to focus on age cohorts who have a lower awareness of the county. In BCF's experience, marketing/advertising best practices indicate that there is greater opportunity at the brand development stage to move the needle from moderate awareness to high, more so than from high to even higher. This practice also exposes the destination to a new set of prospects for message testing.

PROSPECT VERY LIKELY TO VISIT

While the county scores high when combining "very likely to visit" with "somewhat likely to visit," BCF recommends narrowing the focus to those audiences that are "very likely to visit."

TRAVEL SPENDING

Because economic growth and tax revenue are critical for San Luis Obispo County, the recommendation is to focus on those travelers who have a higher propensity to spend more on trips in general or have spent more while visiting the county. BCF analyzed various cross tabs from the SOWS as well as the FMS to develop this position.

FAMILIARITY WITH THE DESTINATION

Prioritizing of geographic markets considered both familiarity with the destination (cited as the reason for travel) and lack of familiarity with the region (cited as the reason for lack of visitation).

AVERAGE ADVERTISING COST

By assessing the size of a potential geographic market, along with average "costs to advertise" for effective penetration, BCF was able to determine the budget allocations required per market to prioritize the media budget allocations to maximum effect.

Note: Because of these qualifiers, we will not be placing media in the Central Valley, leaving opportunities for city-specific marketing.

#1 LOS ANGELES

VENTURA + LOS ANGELES COUNTIES

In general, Los Angeles ranks highest of all the geographic markets in awareness and past visitation. In addition, it is a close-in market with a critical mass population from which to draw. Within this geographic market, the target populations are A25–34 and A45–54. The data below illustrates the rationale for selecting these two demographics:

- **AWARENESS:** Los Angeles has the highest initial awareness of all markets; however, A25–34 and A45–54 have the lowest awareness of all cohorts within the Los Angeles market, and rank 10th and 8th respectively among all cohorts measured.
- **LIKELIHOOD OF VISITATION:** Comparatively, Los Angeles scored low on likelihood to visit, with A45–54 ranking 7th and A25–34 falling out of the top 10. However, this lower ranking was mitigated when looking at the other factors contributing to attractiveness for A25–34 (e.g., spending in market, awareness, critical mass of population, proximity).
- **TRAVEL SPENDING:** A45–54 and A25–34 ranked 10th and 3rd, respectively, on the travel spending for the cohort.
- **FAMILIARITY WITH THE DESTINATION:** The A45–54 ranked 4th, and A25–34 ranked 7th in citing familiarity as a reason to visit the destination.
- **AVERAGE ADVERTISING COST:** While high, the cost of advertising in this market is not prohibitive. Given the size of the market, ability to hyper-target within it and relative ease of travel from Los Angeles to San Luis Obispo County, the cost of advertising did not lower the prioritization.
- **OTHER:** Based on past visitor data, we also know that the interests shared by these two groups overlap and perform strongly as points of differentiation for the county:
 - Weather, beaches, dining
 - A25–34 also cited family and quality
 - A45–54 also cited familiarity and wine





SAN FRANCISCO #2

*CITY OF SAN FRANCISCO, CONTRA COSTA,
ALAMEDA + SANTA CLARA COUNTIES*

San Francisco is another close-in market with a critical mass of population. It ranks 2nd on our list because intent to travel to SLO CAL is the highest compared to the other target markets. We believe there is opportunity to expand brand reach in San Francisco, especially within the selected cohorts of A25–34 and A35–44.

- **AWARENESS:** These two groups ranked lowest (A25–34) and 2nd lowest (A35–44) on prospect awareness among the San Francisco market, while ranking 4th and 10th respectively among all cohorts.
- **LIKELIHOOD OF VISITATION:** As compared to other markets on the whole, the likelihood of visitation is low for the San Francisco cohorts, but within the cohort set, A25–34 ranks 1st and A35–44 ranks 2nd.
- **TRAVEL SPENDING:** For travel spending, A25–34 ranked 4th while A35–44 fell out of the top 10.
- **FAMILIARITY WITH THE DESTINATION:** San Francisco as a whole did not perform well on citing familiarity as the reason for visitation with all cohorts falling out of the top 10 on this metric.
- **AVERAGE ADVERTISING COST:** The cost to advertise to our target in San Francisco is in the high range compared to all the other markets.
- **OTHER:** Interestingly, based on past visitor data, unlike the previous cohorts, these two groups in San Francisco did not have the same kind of overlap in interests in the types of experiences they choose in the county:
 - A25–34 also cited weather, beach, exciting, family, quality
 - A35–44 also cited familiarity, accessibility

#3 SEATTLE

KING + SNOHOMISH COUNTIES

Seattle ranks high on the prioritization list and provides an opportunity for expansion should we sufficiently manage to drive demand for an additional flight(s) into the county. The cohorts selected for Seattle are A25–34 and A35–44. Seattle ranks 2nd in lack of prospect awareness on the whole, and within the cohort group we saw that the A25–34 and A35–44 were least aware.

- **AWARENESS:** A35–44 had the lowest awareness of all cohorts, while A25–34 ranked 3rd lowest.
- **LIKELIHOOD OF VISITATION:** A25–34 and A35–44 ranked 1st and 5th, respectively.
- **TRAVEL SPENDING:** A25–34 and A35–44 ranked 1st and 2nd, respectively.
- **FAMILIARITY WITH THE DESTINATION:** The A45–54 ranked 4th and A25–34 ranked 7th in citing familiarity as a reason to visit the destination.
- **AVERAGE ADVERTISING COST:** The cost to advertise is significantly lower than in other target markets given Seattle’s relatively small size.
- **OTHER:** We placed Seattle higher on the prioritization list due to the information gathered from past visitor responses about spending in the county. For past visitors, these two cohorts ranked 1st (A25–34) and 2nd (A35–44) in spending. The other factor that played into Seattle’s ranking was the new direct flight route with Alaska Airlines, which we hope will encourage flights on that route.
 - o Events, weather, family, excitement
 - o A25–34 also cited beach and dining
 - o A35–54 also cited value and quality





DENVER #4

*DENVER, ARAPAHOE, JEFFERSON, ADAMS, DOUGLAS,
BOULDER, LARIMER + EL PASO COUNTIES*

Denver is another new fly market that provides an opportunity for expansion should we sufficiently manage to drive demand for an additional flight(s) into the county. The cohort selected for Denver is A25–54.

- **AWARENESS:** Denver had the lowest awareness among the six draw markets.
- **LIKELIHOOD OF VISITATION:** As compared to other markets on the whole, the likelihood of visitation is the lowest for Denver.
- **TRAVEL SPENDING:** For travel spending, Denver ranked the 2nd lowest.
- **FAMILIARITY WITH THE DESTINATION:** Denver scored the lowest in familiarity with the destination.
- **AVERAGE ADVERTISING COST:** The cost to advertise in Denver is in mid-to-high range.
- **OTHER:** The obvious factor that played into Denver’s higher ranking was the new direct flight route with United Airlines. Denver area residents look for the following in leisure destinations:
 - o Outdoor recreation, relaxation, exploring new things

#5 PHOENIX

MARICOPA COUNTY

Another fly market, Phoenix, ranks 5th on the prioritization list. Industry data indicates that we can expect travelers coming from fly markets to stay longer. That fact, coupled with data showing that Phoenix ranks 3rd lowest in prospect awareness, justifies Phoenix's position as a target market.

The cohorts selected for Phoenix are A35–44 and A45–54.

- **AWARENESS:** These two groups deliver the lowest awareness (A35–44) and 3rd lowest (A45–54) among all cohorts in Phoenix, with A45–54 in a virtual tie with A25–34 in the market.
- **LIKELIHOOD OF VISITATION:** A35–44 tied for 3rd on likelihood to visit the county. The A45–54 group fell out of the top 10.
- **TRAVEL SPENDING:** Phoenix performed particularly well on this factor, as A35–44 ranked 9th in travel spending, and A45–54 ranked 7th.
- **FAMILIARITY WITH THE DESTINATION:** Phoenix performed poorly on this metric, with each cohort falling out of the top 10.
- **AVERAGE ADVERTISING COST:** The cost to advertise in Phoenix is in the mid-to-high range of the target market list.
- **OTHER:** Referencing past visitor data, we know that the two groups share some similar interests:
 - o Weather, family
 - o A35–44 also cited value, exciting, dining
 - o A45–54 also cited beach



LAS VEGAS #6

CLARK COUNTY

Las Vegas is a fly market, and even though there is more than one flight per day (unlike Seattle) into the region, the general population density/critical mass of the target and the almost 50/50 level of propensity to visit for most of the cohorts resulted in this market's 6th place ranking.

However, there is opportunity in the A25-34 and A35-44 set because both rank relatively well in the likelihood to visit and travel spending categories.

- **AWARENESS:** The A25-34 ranked 2nd in awareness, while A35-44 fell out of the top 10 among all cohorts
- **LIKELIHOOD OF VISITATION:** The A35-44 group ranked highest in likelihood to visit, ranking 6th among all cohorts. A25-34 fell out of the top 10.
- **TRAVEL SPENDING:** The A25-34 was the highest in the cohort set in travel spending, ranking 6th while all other Las Vegas cohorts fell out of the top 10 in this metric.
- **FAMILIARITY WITH THE DESTINATION:** Las Vegas scored particularly low on this metric, and this was the key metric that pushed Las Vegas down in priority.
- **AVERAGE ADVERTISING COST:** The cost to advertise to our targets in Las Vegas is on the lower end.
- **OTHER:** We accounted for the fact that, as previously noted in other fly markets, the propensity to stay longer (and therefore spend more in market) was a factor for Las Vegas's ranking. However, the limitation of three flights a week into the region also factored into the ranking. Past visitor data showed some overlap in desired experiences for these two groups:
 - o Weather, family, beach, dining
 - o A25-34 also cited quality, exciting, wine
 - o A35-44 also cited familiarity



PERSONAS + MEDIA CONSUMPTION

Traditional demographics alone are not enough to build a strategic picture of the target audience for VSC. Psychographic segmentation takes the nuance of our targets' lives into account. It goes beyond the household income, age, education level, etc., to uncover the beliefs, motivations, aspirations and lifestyles that will enable us to engage the person, not just the target. Understanding the way the people in the target geographies interact with information about travel and what informs their decisions is a start. The crux of our media strategy is digital, which falls in the top two sources for most prospective respondents across all target markets.



ACTIVE ADVENTURER #1

**ACTIVE, MID-HIGH AFFLUENT, EDUCATED,
DEEPLY PASSIONATE EXPERIENCE-SEEKERS**

"I keep on the go, but like to plan my travels for outdoor commuting. I stay connected to share my travel, experiences and memories, but my real motivation is seeing the world. Breathing salty sea air and eating fresh local foods bring me back to myself and that's why I travel."

WHAT MATTERS TO THE ACTIVE ADVENTURER?

The Active Adventurer is motivated by a dynamic and participatory lifestyle with a tendency to forge deep and abiding connections with brands and places. Forty-three percent of outdoor consumers have kids at home and are committed to grooming the next generation of outdoor enthusiasts. (Source: Mintel, *Outdoor Enthusiasts-US*, March, 2017)

WHY THE ACTIVE ADVENTURER MATTERS FOR VSC

With green hills, countless miles of hiking and biking trails, great bouldering and an average of 300+ days of sunshine, SLO CAL is paradise for the Active Adventurer. This group fits squarely in our target market, with interests closely aligned to the SLO CAL lifestyle, attributes and products. Prospective visitors to the county are not aware of the outdoor activities and/ or do not think them compelling enough to make a trip.

With their interest in outdoor pursuits such as paddle boarding, we expect that 30% will spend \$2,500 or more per trip, while the other 70% spends \$1,000 or more per trip. (Source: FMS and SOWS) The highest numbers come from Seattle (61.5% of adults 25–34 spend at least \$2,500 per trip) and Los Angeles (31% of adults 25–34 spend at least \$2,500 per trip).

THE ACTIVE ADVENTURER AND MEDIA

Social media, the digital space and friends and family are dominant sources of information for this group. For a subset of the persona (GenX and millennial males), TV is also influential, but on-demand and streaming usage limits the effectiveness of broadcast with this group. They're heavy users of mobile and internet; they like to discover the undiscovered and are regularly searching online for events, trips and opportunities to jump into new experiences.

The Active Adventurer persona shares many attributes with the state's Avid Adventurer and Natural Nurturer, implying shared contact with this persona within the sales funnel.

#2 MOM TO THE MAX

**SCHEDULED, CONNECTED, AFFLUENT,
TRANSPARENT (THE GOOD AND THE UGLY)**

"I want to be in the know, connected and learning from other mothers and their experiences. I want to make my money work harder and last longer. I try to stay on top of cultural trends, especially when it comes to the well-being of my family."

WHAT MATTERS TO THE MOM TO THE MAX?

Family and friends motivate mom. She's highly digital and rarely misses an Instagram post or an opportunity to share her inspirations. Creativity and new trends in home care, family life, decor and travel experiences are top of mind for Mom.

Mom and her partner express an indestructible commitment to their family. She wants it all for herself and her family, but she wants value for her dollar, too.

WHY THE MOM TO THE MAX MATTERS FOR VSC

Mintel's research shows that heritage and culture are Mom's primary travel motivation, thus she demands educational value and authenticity in her family's travel experiences. She and her family are thrilled to take a day trip to the Mission, search for shells on the beach and will take full advantage of local sitters so she and her partner may enjoy the more mature experiences offered in SLO CAL.

Mom to the Max will be traveling with family, which makes it more likely that she'll spend at least \$2,500 in-market. Factors such as family dining, kids' excursions and child care fees contribute to the spend, which she is likely to reach, easily, over a two to three day stay in market.

THE MOM TO THE MAX AND MEDIA

In priority order, the Mom to the Max interacts on: internet, mobile devices, television, radio, print, direct mail, out-of-home product placements and sponsorships. She watches TV, but is more apt to stream that content via Hulu or other platforms where commercials can be blocked; or, when she is watching traditional broadcasts, she uses commercial breaks as time to check work emails or tend to something around the house.



CULTURED CLASS #3

EDUCATED, RISK TAKERS, GRACIOUS,
CONFIDENT, PROFESSIONALS

"I'm never unplugged—a new age renaissance person. I'm always engaged and on the cusp of new trends. Education, music, family, the arts and fine culinary experiences drive me to connect, continue to learn and be the first-to-know in my friend group. I want out-of-the-box experiences. I want to return from a trip renewed, revived and ready to take on the next thing. I demand value when I invest in leisure and relaxation."

WHAT MATTERS TO THE CULTURED CLASS?

The Cultured Class seeks the unexpected and new. They look for experiences that can elevate their lives and connect them to the world in unexpected ways. These are the people who not only want to have the experience for themselves, but who, as trusted advisors to their friends, family and follower groups are invested in sharing new things and encouraging others to join in.

WHY THE CULTURED CLASS MATTERS FOR VSC

The Cultured Class (with annual household income greater than \$100K) is more likely to take vacations (92%). (Source: Nielsen PRIZM data and Mintel Research) The affluent Cultured Classers tend to be older. Four out of five have children, so when targeting the affluent Cultured Class, families (i.e., with young children) need appropriate consideration.

The Cultured Class picks their destinations by researching more than three sources. (Source: Nielsen PRIZM Segmentation) While the majority of the Cultured Class prefers to start planning trips three to four months in advance, this spontaneous generation of travelers is also two to three times more likely than older travelers to start planning within weeks of departure. SLO CAL is the perfect last minute (booking) getaway for our Cultured Class.

Experience, education, culinary expertise and local culture are drivers for this group, and SLO CAL offers a diverse menu of options certain to satisfy their needs. Wine tasting, trips to the Mission and a couple nights stay at a boutique hotel meshes perfectly with our Cultured Class. For these travelers, food and drink is not just an interesting part of their experience, but a major factor that actually drives travel decisions. Indulging in fresh, local culinary culture on a quick getaway or "girls weekend" is highly appealing to the Cultured Class when considering travel to SLO CAL. (Source: 2016 Food Travel Monitor Study)

THE CULTURED CLASS AND MEDIA

They are selective when it comes to media interactions and are the only one of the set where radio (digital and XM) makes the list. The top performers for this group are the internet and mobile.



MEDIA STRATEGY

Our persona-based media strategy focuses primarily on digital executions. We know that consumers are influenced by the web (internet searches, websites) when making travel decisions and that other forms of paid media like print, out-of-home and radio are less influential to them. Our plan is to exploit this preferred channel by building brand awareness and affinity while supporting it with paid search, paid social, owned and earned activity.

BCF's approach to media relies on three foundational pillars:

1. **EFFICIENCY:** the placements are most cost efficient while reaching the most people
2. **TARGETING:** the placements employ the best targeting tactics to reach the campaign's distinct geographic and demographic targets
3. **CONTEXT:** the placements are contextually relevant not only to the campaign's goals, but also to the brand as a whole

As such, we will focus on placements that meet two of the three requirements. Once a campaign is planned and bought, the cycle has only just begun. The launch of a campaign is always seen as the testing phase. All placements proposed are reviewed for best performance throughout the life of the campaign, and optimizations are made to ensure the best performance possible. We will ensure that the media strategy continually delivers the most significant, targeted consumer impact with strong reach, frequency and CPM/CPC/CPV metrics.

With such a strong focus on running measurable media, we will employ a 100% digital marketing plan focusing on brand partnerships and native placements.

We will focus our media flighting in support of the shoulder and low seasons, with 35% of the budget supporting the off-season, running all of October and late January through late February. Shoulder support will be split between both fall and spring, with 20% of the budget supporting fall, running August through September. Spring is supported with the remaining 45% of the budget, with the longest flight running late February through April. Budget shares are estimated and subject to change during plan finalization.

Anticipated budget allocations and the tactical approaches to each are outlined on the following pages. However, outside of the co-op funds, we recommend maintaining some budget fluidity within the tactics, in order to shift budget on an ongoing basis based on performance.

PAID MEDIA

PAID SOCIAL MEDIA

(40% BUDGET ALLOCATION)

- Social media is one of the most important tools in our arsenal for building awareness, engagement and consideration for the SLO CAL brand. Social media is uniquely positioned to deliver both brand awareness and consideration/engagement metrics, more so than any other channel.
- Facebook was the most effective and efficient channel leveraged in FY 2016/17, and as such its budget is doubled going into FY 2017/18.
- Paid Facebook ads and boosted existing posts will be used for content messages on more immediate/urgent opportunities for visitation like promotions, special events and deals.
- We will also leverage the impact of Facebook's newest Canvas offering for its storytelling capabilities through videos, still shots and call-to-action buttons.
- Paid Instagram photo, video and carousel ads will be used in a similar way as Facebook's Canvas to move beyond ads to a deeper engagement with our target and deliver our marketing messages through image-based storytelling.

PAID MEDIA

DIGITAL MEDIA ACROSS MARKETS

WEB & MOBILE (30% BUDGET ALLOCATION)

- **TRADITIONAL DIGITAL ADVERTISING** utilizes partners with the ability to target the most relevant consumers, we will deliver ad formats that are proven to engage and that allow us to test effectiveness of message content, elements and placement. These units will be purchased through biddable, exchange-based DSP platforms to control costs, while providing detailed pockets of optimization, which will enable the campaigns to be continually optimized against a cost-per-engaged-user model and cost-per-in-market visitor. Traditional digital will be additionally segmented against prospecting initiatives, to reach new audiences as well as re-targeting strategies to allow for additional, deeper messaging to be delivered to audiences displaying interest in SLO CAL. This tactic is especially relevant to the Seattle and Denver markets where “direct flight” messaging will be critical to establishing the viability of the new routes.
- **NATIVE ADVERTISING** has evolved into one of the most effective forms of paid media. Sold on a cost-per-click basis, native units mimic the natural form and function of the user experience making them more apt to engage the user. As with the traditional digital elements, native will be continually optimized to a cost-per-engaged-user, however, cost-per-in-market-visitor will not be available due to the technical delivery method of native ad units.
- **CONSUMER TARGETING** strategies will emphasize contextual relevancy with placements on travel, outdoors and culinary websites. In addition to contextual targeting, we will leverage behavioral targeting to include look-alike targeting and past purchase behavior. We will also leverage travel-specific behavioral targeting such as in-market travelers, as well as interest targeting against travel, outdoors and culinary interests.
- **SEARCH ENGINE MARKETING** activities will be utilized in support of the VSC brand initiatives in FY 2017/18. We will focus on upper funnel search queries specific to regional and local travel (such as, Central California beach vacations, California winery tours and things to do in Central CA) to ensure that the SLO CAL brand and destination reaches consumers when they are actively searching for travel. In addition, beginning in FY 2017/18 we will employ city-specific searches in the origin markets of Seattle and Denver.

DIGITAL VIDEO

(15% BUDGET ALLOCATION)

Video advertising is one of the most effective formats available in creating immediate awareness in consumers' minds. In addition, video ads show the highest level of recall and impact among all formats measured. Leveraging video units to increase awareness in key markets with lower awareness specifically Seattle and Denver, will be critical to establishing a foothold within these markets. Digital video will focus on connected TV. With the rise in usage of streaming devices such as Roku, Fire Stick and AppleTV, cord-cutting is becoming more and more likely for consumers. Recent advances in the ability to reach consumers across a wide variety of streaming networks, such as Hulu, ABC Go, Watch ESPN among many others, connected TV will allow VSC to run "TV-like" advertising in a much more efficient and targeted manner.

CO OPERATIVE ADVERTISING

(15% BUDGET ALLOCATION)

The co-op advertising plan is designed to provide solutions which extend opportunities to the partners that would not be possible on an individual basis and that will provide measurable and tangible results. It will include:

- **IN-FLIGHT MAGAZINES:** We will develop an in-flight magazine program with both American Airlines and United Airlines designed to deliver significant reach among travelers within the key feeder markets for the county. The program will be a cost-effective shared piece which allows participating partners to speak in a singular voice while promoting key attributes of their region.
- **OUT-OF-HOME TAKEOVERS:** We will develop a "mall takeover" in the Seattle market to create awareness of the county within one of our new feeder markets, as established by the recent addition of the Alaska Airlines route to Seattle. The program is designed to allow for maximum visibility for all partners, while providing a clear unifying message among all partners and VSC.
- **NATIVE BRAND PARTNERSHIPS:** We will partner with a vendor such as CBS Local, Huffington Post or USA Today to deliver more robust native advertising. This partnership will provide custom-created content, articles, etc., with guaranteed views of the content pieces. By partnering with VSC and sharing costs on these stories, partner expenditures can be reduced by half. We recommend partnering with a publisher which allows for each partner to create content specific to their brand initiatives, while also allowing VSC to support its brand position and create a unifying program among all partners.

MEDIA PLAN



MEDIA FLIGHTS

MEDIA	BUDGET	JUL	AUG	SEPT	OCT	NOV-DEC	JAN	FEB	MAR	APR	MAY	JUN
MARKET	BRAND MEDIA - \$807,500.00											
LOS ANGELES	\$207,356.50			AUG 14 - SEPT 30	OCT 1-31		JAN 29-FEB 25		FEB 26-APR 29			
SAN FRANCISCO	\$207,254.26			AUG 14 - SEPT 30	OCT 1-31		JAN 29-FEB 25		FEB 26-APR 29			
SEATTLE	\$100,796.13			SEPT 1-30	OCT 1-31		JAN 29-FEB 25		FEB 26-MAR 31			
DENVER	\$99,827.56			SEPT 1-30	OCT 1-31				MAR 1-APR 29			
PHOENIX	\$78,368.86		AUG 1 - SEPT 30						FEB 26-MAR 31			
LAS VEGAS	\$64,600.00		AUG 1 - SEPT 30									
NATIONAL	\$49,296.69		AUG 1 - SEPT 30		OCT 1-31		JAN 29-FEB 25		FEB 26-APR 29			
VEHICLE	CO-OP MEDIA - \$142,500.00											
BRAND PARTNERSHIPS	\$50,000.00			SEPT-OCT					FEB-APR			
IN-FLIGHT MAGAZINES	\$50,000.00									APR		
OOH - SEATTLE MALL	\$22,500.00						JAN 29-FEB 25					
CONTINGENCY	\$20,000.00		AUG 1 - SEPT 30		OCT 1-31		JAN 29-FEB 25		FEB 26-APR 29			
MEDIA TOTAL - \$950,000.00												

MEDIA SPENDING BY VEHICLE

MEDIA VEHICLE	COST
DIGITAL	\$233,858.12
DIGITAL VIDEO	\$149,520.02
SOCIAL	\$386,506.86
SEARCH	\$37,615.00
BRANDED CONTENT	\$50,000.00
OUT OF HOME	\$22,500.00
PRINT	\$50,000.00
CO-OP CONTINGENCY	\$20,000.00
MEDIA TOTAL	\$950,000.00



TRAVEL TRADE

Over the course of the last year, VSC's Travel Trade program has grown substantially, leading to increased awareness, consideration and demand for the SLO CAL product. Targets for Travel Trade include:

- International and Domestic Tour and Travel
- Meeting and Conference
- Individual Travel Agents and Agencies
- Key Industry Association Memberships
- Association and Government Organizations

TOUR AND TRAVEL

Over the next year, VSC will strategically target key international and domestic tour operators to reinforce the SLO CAL product. In the international market, VSC will further leverage their new exclusive contract with the trade and PR firm, Black Diamond, to expand sales efforts in the UK. Simultaneously, they will utilize partnerships and sales missions with Visit California to grow efforts in China, Canada and Mexico. In addition to participation at stateside trade shows, VSC will attend ITB in Berlin and WTM in the UK for the first time, building upon the sales mission strategy and exposing new markets to SLO CAL offerings.

Coordination of familiarization (FAM) trips will showcase first-hand the unique assets of the county to tour operators. Regional sales missions will focus on international receptive operators based in California, and industry communications highlighting our area will be distributed quarterly to tour and trade operators.

Education is key, and VSC will continue to seek tools and resources to expand members' knowledge and understanding of this important industry sector through market-ready training. VSC also works with in-bound tour operators, contractors and Visit California to train international travel agency staff on the SLO CAL experience, equipping them with the tools needed to sell the destination on it's behalf. The international and domestic tour and travel market is a long-term investment and brings unlimited potential for business in shoulder and off-peak seasons in San Luis Obispo County.

MEETING AND CONFERENCE

VSC will continue to target corporate, association and government meeting planners, focusing on the key feeder markets of the San Francisco Bay Area, Sacramento, Los Angeles and Orange County. By utilizing strategic partnerships and optimizing sponsorship opportunities, the team will create enticing meeting and conference packages and pitches, and use these to establish awareness at key trade shows (e.g., MPI, CalSAE and GBTA).

Quarterly sales missions into feeder markets and a meeting and conference specific FAM will be coordinated to expose meeting planners to the VSC product. Building upon last year's efforts, VSC will create awareness for SLO CAL, positioning it as an accessible and unique destination for meetings and conferences.

Additionally, the new Customer Relationship Management (CRM) system and meetings area of the website will make enticing, informing and communicating with planners more effective. Easily delivering and tracking leads, referrals and sales for members will provide a tangible benefit with more in-depth, actionable information and increasing opportunities for conversion.

FY 2017/18 TRAVEL TRADE CALENDAR

July	August	September	October	November	December
TRADE SHOWS					
			VRMA National 15-18 Orlando, FL	WTM 7-9 London, England	CalSAE 12-14 Sacramento, CA
			CA RV Show 6-15 Pomona, CA		NTA 14-18 San Antonio, TX
SALES MISSIONS & FAM					
			Visit CA Canada		
Southern Cal* T&T		Northern Cal* M&C		M&C FAM	
PARTNER/MEMBER					
			Packaging Party		

January	February	March	April	May	June
TRADE SHOWS					
GoWest 16-19 Salt Lake City, UT	MPI Northern* 27 San Francisco, CA	MPISSN TBA* Sacramento, CA		IPW 19-23* Denver, CO	
SALES MISSIONS & FAM					
	Visit CA Mexico	Black Diamond UK	Visit CA China		
	Northern Cal* M&C			Southern Cal* Sales T&T	

* Co-op Opportunity

EARNED MEDIA + PUBLIC RELATIONS

VSC is actively researching public relations firms and preparing to distribute a request for proposals (RFPs) with the goal of contracting a firm for the coming year. As the onboarding and planning process takes shape with the new firm, some activities may change, however the core of VSC's earned media program is expected to remain intact.

AN UPDATED, BRANDED PRESS KIT A new brand means the need to have a new way to communicate key message points to targeted media. Based on changing industry trends and the need for continuous updates, this will be developed as a digital document and will include current news and story ideas, along with background information and facts on SLO CAL.

PROACTIVE PITCHING VSC will leverage lifestyle and travel trends, new products and compelling experiences to showcase SLO CAL stories to a targeted list of media, writers and publications based on the research-driven personas VSC targets in paid and owned media. The pitch calendar, to be developed with the new PR Firm, will enable a regular, strategically-driven schedule of media outreach to targeted publications. Select pitches will also be translated into foreign languages and shared with international press.

MEDIA FAMILIARIZATION TRIPS VSC will host both domestic and international writers for firsthand experience with a range of activities, accommodations and attractions relevant to their readership. Vetting media independently and through Visit California, VSC will work with DMOs and member partners throughout the county to host targeted, highly qualified media.

DESK-SIDE BRIEFINGS Meeting with members of the media to showcase the destination and pitch story ideas in person has been highly effective in growing awareness of SLO CAL through media in major markets, such as New York City, as well as in the CA markets of Los Angeles, San Francisco and the Central Valley. VSC will schedule meetings with national and international media when in market for media events.

VISIT CALIFORNIA MEDIA RECEPTIONS The VSC public relations team will participate in Visit California Media receptions in Los Angeles, San Francisco, New York and other markets (TBD) where dozens of writers congregate to learn about California travel and hear SLO CAL pitches.

TRACKING The new PR firm will provide increased tracking of public relations and earned media publications about SLO CAL. The new CRM will enable VSC to efficiently communicate these stories to members and partners, while also tracking the quality and value of the articles.

LOCAL MEDIA While driving demand for SLO CAL travel experiences is at the top of the list for the VSC earned media team, the value in sharing VSC news, developments and programs with the local community cannot be overlooked. VSC will conduct regular outreach to local and regional media to inform the local public of the organization and to keep the importance of tourism top-of-mind for both residents and community leaders.

CRISIS COMMUNICATIONS While never pleasant, crisis communications are an essential piece of the VSC earned media toolkit. VSC will maintain and update their crisis communication plan, while also following through with the current incident response plan for the Highway 1 closure as construction progresses and the road reopens. VSC will continue to update and share critical information and communication tools for partners throughout the construction process.

OWNED MEDIA

ONLINE BRAND DELIVERY

The new SLO CAL brand platform will be used across every visitor touch point, from paid media and public relations activities to the county's owned channels, including SLOCAL.com. VSC is currently in the process of developing a brand-new website with the leading destination marketing website company, Simpleview, Inc.

This new brand hub will be content- and consumer-driven, 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 the continued partnership with Booking.com, to drive demand to the county. VSC will be constantly improving the user experience on the site, including the look, feel and navigation, encouraging visitors to increase their engagement time. The site is expected to launch in the fall of 2017.

USER-GENERATED CONTENT PLATFORM – CHUTE

VSC will bring SLO CAL to life in another new way on SLOCAL.com by utilizing a user-generated content platform, powered by Chute. Social media is a huge part of interacting and engaging with consumers to grow awareness. Through sourcing and acquiring rights to UGC, visitors to the website will be able to interact with the SLO CAL brand quickly and easily. From the homepage to the lodging page, Chute will allow consumers to be inspired at nearly every touchpoint of the website experience.

SLO CAL INFLUENCER PROGRAM

Influencers are a huge trend in social media and allow a brand to reach a normally inaccessible consumer base. By engaging with local and out-of-market influencers, the SLO CAL story will be told through new and unique lenses. These influencers will exemplify certain aspects of the SLO CAL personas.

QUARTERLY PROMOTIONS

While VSC has utilized a monthly, themed calendar to produce and strategize social content in the past, our owned media strategy will evolve in order to better serve our personas and target markets. VSC will continue to participate in and organize Restaurant Month in January and promote California Wine Month in September. VSC has allocated funds to procure four major giveaway packages that enhance the message being served at that time.

STRATEGY DRIVEN CONTENT

Monthly recurring blog posts will center on our research-driven target personas with features such as perfect pairings, SLO CAL crafted, Cultured Class, Active Adventurer and Mom to the Max. This content is designed to be evergreen and to convey authentic stories, useful facts and travel inspiration. It will be published on SLOCAL.com and distributed through our owned and paid channels, as well as serve as story ideas for earned media.



PARTNERSHIPS

The county will engage with strong regional and national brand partners to elevate the new brand through mutually beneficial marketing and promotional activities. Ultimately, the goal is for the county, the partner and the consumer to find value such that:

- Consumer loyalty to one brand is extended to another
- Both partners are able to expand reach and enter into new markets and/or segments
- Marketing costs are reduced (or less than they would be if the partners attempted the activity on their own)
- Visitors and consumers find value in the partnership

PARTNERSHIP OPPORTUNITIES

VSC is currently working on co-branding partnership opportunities with local and national brands. Such strategic marketing partnerships will enable VSC to amplify the SLO CAL brand through content creation, influencers and promotions by leveraging strong online engagement with more established partner brands. These co-marketing agreements build awareness through strong reach and add authority through key target personas.

PROMOTIONAL PARTNERSHIPS

SAVOR—A SAN LUIS OBISPO COUNTY EXPERIENCE

Partnering with area businesses, VSC has developed a branded, traveling destination experience, SAVOR—A San Luis Obispo County Experience, to promote the county at food, wine and lifestyle events in key markets. This event-within-an-event experience features SLO CAL activities; chefs and restaurants; local foods; and craft industries, such as wineries, breweries, farms, etc. The ongoing effort was installed at the San Diego Bay Wine + Food Festival in November 2016 and the Seattle Wine and Food Experience in February 2017. VSC continues to seek opportunities to expand the brand installation in new markets and events, as well as to add new partners.

ALASKA + SEATTLE With the new direct route from Seattle to San Luis Obispo, VSC worked with Alaska Airlines and the San Luis Obispo County Regional Airport to develop marketing activities surrounding the new route launch. Paid, earned and owned marketing efforts were deployed in the Seattle metro area. VSC partnered with Visit Seattle to cross-promote the two destinations through giveaways and social media. VSC also worked with local businesses, DMOs, wine associations and Alaska Airlines to promote the Wine Flies Free program to grow awareness and support participation in the service.

UNITED + DENVER The nonstop flight from Denver to San Luis Obispo presented another opportunity for partnerships. VSC collaborated with Denver International Airport and engaged a multifaceted campaign in the region to support this flight, including an in-terminal party for passengers on the first flight to San Luis Obispo from Denver.

AMGEN TOUR OF CALIFORNIA VSC was a key sponsor for the 2017 AMGEN Tour of California in San Luis Obispo County. With a start in Pismo Beach, the tour extended through south county, Edna Valley wine country and passed through San Luis Obispo, followed by a finish in Morro Bay. SLO CAL was a major feature of the race on national and international broadcasts. VSC submitted \$50,000 to bring these race events to SLO CAL and received print, digital and international broadcast marketing as part of the sponsorship package. Additionally, the incredible race footage showcased the beauty of SLO CAL to millions of viewers throughout the world.



STRATEGIC PARTNERSHIPS

VISIT CALIFORNIA Visit California is a nonprofit organization with a mission to develop and maintain marketing programs that, in partnership with the state's travel industry, keep California top-of-mind as a premier travel destination. VSC has continued to cultivate its relationship with Visit California. President & CEO Chuck Davison is a member of Visit California's Research Committee, and VSC participates in many Visit California industry events, keeping VSC top-of-mind with Visit California's staff and partners. This has directly led to many tour operator FAM and media FAM leads, along with other special opportunities.

CENTRAL COAST TOURISM COUNCIL (CCTC) This regional tourism promotion entity attracts international tour groups and media visits to SLO CAL. VSC partners with the Central Coast Tourism Council on several media visits each year, and VSC President & CEO Chuck Davison is a board member of the CCTC, ensuring SLO CAL is well represented. DMOs within the county are also very active in the CCTC, and together, this greater SLO CAL representation will help guide the future of the CCTC as they embark on strategic planning process this year.

CALTRAVEL CalTravel is the unified voice of California's travel and tourism industry, protecting and enhancing the interests of California travel and tourism through advocacy, collaboration and education. VSC attends the annual CalTravel Summit each spring and supports CalTravel's proactive TID advocacy plan to defend its funding resources and continue to move the needle for the county tourism industry.

BRAND USA Brand USA leads the nation's global marketing effort to promote the United States as a premier travel destination. VSC partnered with Brand USA on a multi-channel program in Canada that included an Expedia landing page focused on driving lodging rooms. VSC continues to work with Brand USA as a national partner in tourism.

FILM LIAISONS IN CALIFORNIA STATEWIDE (FLICS) The San Luis Obispo County Film Commission is a proud partner of FLICS. VSC attends the Film in California Conference (organized by FLICS) and takes advantage of the various opportunities FLICS offers throughout the year for film commissions to broaden their reach statewide and nationally.

U.S. TRAVEL U.S. Travel is the leading force that grows and sustains the travel industry, and protects the freedom to travel. VSC is a participating member.

DESTINATION MARKETING ASSOCIATION INTERNATIONAL (DMAI) DMAI is the global trade association for official destination marketing organizations, providing cutting-edge educational enrichment and networking opportunities. VSC attends DMAI's CEO Summit, CMO Summit and annual conference for networking, partnership development and education.

DESTINATION MARKETING ASSOCIATION OF THE WEST (DMA WEST) DMA West is a regional membership organization of more than 145 DMOs. As a participating member of DMA West, VSC regularly utilizes their online resources & educational summits.

LOCAL PARTNERSHIPS



SAN LUIS OBISPO COUNTY REGIONAL AIRPORT

VSC continues to serve as a strategic partner to the San Luis Obispo County Regional Airport to attract visitors. American Airlines added an evening flight from the San Luis Obispo County Regional Airport to Phoenix.

After years of discussion with Alaska Airlines, new air service from San Luis Obispo to Seattle began in April 2017. Similar efforts with United Airlines have brought direct service to Denver in June 2017. These new flights are big wins for SLO CAL tourism and are essential to the effort to bring more regional flights to target markets.



CALIFORNIA POLYTECHNIC STATE UNIVERSITY (CAL POLY), SAN LUIS OBISPO

VSC partnered with Cal Poly on several opportunities, including the Poly Parent Adventures. VSC President & CEO Chuck Davison is a member of the Local Economic Development Committee on Cal Poly's President's Council of Advisors.



ECONOMIC VITALITY CORPORATION (EVC)

The EVC is a regional nonprofit, economic development organization committed to developing a vibrant and sustainable economy throughout SLO CAL. The President & CEO of VSC, Chuck Davison, chairs the Uniquely SLO Cluster group, advocating additional air service and working with the business community to promote the lifestyle that tourism creates in SLO CAL. EVC President Mike Manchak was integral in the development of VSC's Strategic Plan as part of the planning team.

LOCAL DMOs + ASSOCIATIONS

VSC continues to work with the seven DMOs within San Luis Obispo County and has representation from them, the area wine associations and other key tourism marketing groups on our Marketing Committee. The VSC Marketing Committee meets monthly and held the first Annual VSC Marketing Retreat this spring to help guide the marketing and media plans for FY 2017/18.

FILM SLO CAL



VSC will continue to develop and promote the countywide Film Commission, or Film SLO CAL (FSC), inviting productions for television, feature and documentary films, product shoots, etc. to work in San Luis Obispo County. FSC will continue to seek new opportunities for partnerships to promote SLO CAL as the ideal film production destination.

FSC will activate a new annual site manager familiarization tour in conjunction with the SLO Film Festival, hosting a group of site scouts and managers on a tour of the county's location assets. FSC will conduct proactive outreach to targeted leads from past productions, and identify new opportunities and markets at the same time. Regular outreach and promotion will grow in the coming year through in-person meetings, trade shows, e-newsletters and film industry advertising.

Seeking opportunities for collaboration and support within SLO CAL will continue to be a major focus of FSC, as well as bringing together film permitting professionals in the county and partnering with the SLO Film Festival to enhance and promote their event. The county will also continue its vibrant and effective partnership with Film Liaisons in California Statewide (FLICS) in order to access filming professionals at conferences, educational symposia and other industry events.

The new SLOCAL.com will also bring a new FilmSLOCAL.com, which will provide a hub of information, inspiration and resources for those considering SLO CAL for their film location. Making initiatives more effective and efficient, FSC will also utilize the CRM to manage leads, monitor and strengthen relationships and to communicate with destination and location partners.



SLOCAL.COM