



# SRTBIA

2015 ANNUAL REPORT



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## EXECUTIVE SUMMARY

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### ECONOMIC INDICATORS

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- Visitor Spending
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- Industry Survey
- Transient Occupancy Tax

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- Visit Santa Rosa: Welcome Center + Sales + PR

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- City of Santa Rosa
- Visit Santa Rosa

### APPENDICES

- Santa Rosa Historical TOT
- Annual Tourism Report



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## BACKGROUND

The SRTBIA assessment (*3% visitor surcharge for Santa Rosa lodging establishments*) provides reliable funding for tourism programming to increase tourism promotions, overnight stays, Transient Occupancy Taxes (TOT) and local sales taxes.

The City receives a 2% administrative fee for revenue collection; revenues are then dispersed 70% for the Santa Rosa Chamber of Commerce/Visit Santa Rosa (VSR) programs, and 30% for the City's economic development tourism programming.

Programs and services focus on:

- **VSR Group Sales:** bringing groups and organizations to Santa Rosa for meetings, events and conventions.
- **Event Support + Attraction:** growing future event opportunities to encourage overnight stays.
- **Marketing + Promotions + Public Relations:** producing Santa Rosa centric brand campaigns; increase destination awareness.
- **Welcome Center Operations:** directing visitors to community amenities: hotels, restaurants, retail, local attractions and special events.



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ECONOMIC INDICATORS

## SONOMA COUNTY

- Sonoma County's Transient Occupancy Tax (TOT) receipts totaled \$28 million in 2014 after adjusting for inflation. This is the ***highest level of TOT receipts that Sonoma County has ever received.***
- In 2014, the average daily lodging rates grew by 14%, following a 2.6% increase in 2013.

## EMPLOYMENT

- Sonoma County tourism accounted for 19,350 jobs. The county employs more tourism industry employees than Napa and Marin counties. Sonoma County's growth in tourism earning is nearing pre-recession levels.
- Distribution of employment within Sonoma County's Tourism industry is similar to previous years, within 52% of employment in accommodations & food services, 36% in arts, entertainment and recreation, and 8% in retail. Ground transportation and air travel (other travel) have also increased their share of employment at 2.3% and 1.4% respectively.



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ECONOMIC INDICATORS

## AIRPORT INTERCEPT SURVEY

Sonoma County Tourism SCT, in conjunction with the Charles M. Schulz Sonoma County Airport, initiated a year-long visitor intercept survey designed to capture information on tourists visiting Sonoma County as a travel destination and to gain understanding of their activities while in-market.

On average, visitors spent 4 days in Sonoma County, and had an average travel party size of 2. While in market, the average spending per travel party was \$379 per day. The most common reason for visiting Sonoma County included family and friends at 36%. Another 16% of respondents indicated that their travel was specifically for business, while 15% said they were on vacation. Visitors also indicated coming for weekend getaways (11%), weddings (5%), and conferences and tradeshow (8%). Only 2% of travelers surveyed stated that they were just passing through the area.

Additional survey highlights:

- Overnight accommodations, once in Sonoma County over 48% of respondents stayed with family or friends in a private residence. More than 34% booked lodging in hotels, while nearly 9% chose to stay in a vacation home or rental, and 7.4% stayed at bed and breakfasts. Just under 7% stayed in a motel, and roughly 2% camped or utilized an RV Park.
- Most commonly, survey respondents indicated spending money on local restaurants (87%) and lodging (68%). Retail purchases was the next most popular activity, representing 66% of respondents. Just under 50% purchased wine, while 38% reported spending money on tasting room fees at Sonoma County wineries.



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## ECONOMIC INDICATORS

### VISITOR SPENDING

Accommodations, wine activities, retail and other tourism related purchases are up 2.4% from \$1.6 billion in 2013 to \$1.64 billion in 2014; a total destination spending equal to \$1.6 billion. The majority of the money is spent at hotels or motels (\$786.8 million) and on food and beverage (\$483.4 million).

Destination spending per-capita shows for each of Sonoma County's 495,684 residents, \$3,319 dollars in destination spending were generated. Marin County generated \$2,535 per-capita and Napa County generated the highest per-capita spending at \$8,140.

### Santa Rosa Transient Occupancy Tax

YEAR	1ST QUARTER	2ND QUARTER	3RD QUARTER	4TH QUARTER
2013	\$730,203	\$1,166,691	\$1,459,427	\$1,004,402
2014	\$836,436	\$1,241,528	\$1,610,962	\$1,200,795
2015	\$957,684	\$1,413,327	\$1,801,829	\$1,294,574



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## ACCOMPLISHMENTS

### CITY

#### OutThereSR

The OutThereSR campaign evolves Santa Rosa's brand promise to stay relevant. The OutThereSR website focuses on Santa Rosa's urban style, food and wine, bikes and craft brews within the Sonoma County wine country visitor market.

The site encourages locals to share their view of what they love about Santa Rosa by:

- **Word of Mouth:** residents sharing through personal stories.
- **Content Creation:** media videos, stories, and music that illustrates the *Out There SR* brand.
- **Promotions:** merchandise tailored to cycling, art, food, beer, wine and food; contests and special incentives to engage visitors and locals.

OutThereSR promotional messages are over-delivering above industry averages. Our final performance numbers show the following results in key media markets:

#### Static Banners

- Targeting: **SF & Sacramento**
- Clicks: 3865
- CTR: .13% (Industry Avg - .05%)

#### Video & Pre Roll Banners

- Targeting: **LA, Seattle & Portland**
- Clicks: 3571
- CTR: .22% (Industry Avg. .07%)

#### Pandora Radio

- Targeting: **SF, Sacramento & Santa Rosa**
- Clicks: 7663
- CTR: 1.07% (Pandora Avg. .5%)



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## ACCOMPLISHMENTS

### CITY

#### Merchandise + Welcome Wagon

OutThereSR branded merchandise is available: online and at special events with OutThereSR Welcome Wagon.

This year's merchandise reflects the spirit of the OutThereSR campaign by featuring three celebrated local artists:

- Tony Speirs
- Bud Snow
- Todd Barricklow

Santa Rosa centric merchandise includes, drink cozies, stickers, hats, scout books, patches, poster artwork, shirts, messenger bags, growlers and post cards.

The Welcome Wagon serves as mobile content collector and public engagement tool focusing on:

- creating + capturing local content
- engaging travelers + locals
- selling local pride merchandise

The Welcome Wagon helps staff create interactive media galleries that include a collection of still photography, short video portraits and local music recordings that feature local culture.

### ACCOMPLISHMENTS: CITY + VISIT SANTA ROSA (VSR)

#### SRTBIA Cooperative Event Support

- Amgen Tour of California
- AT's Showdown Mountain Bike Competition
- Battle of the Brews
- Monster Truck Spring Nationals
- Rate Beer Fest
- National Heirloom Exposition
- Wine Country Senior Games
- Country Summer
- Russian River Mud Run



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## ACCOMPLISHMENTS

### VSR

#### GROUP BUSINESS

CVB room nights booked for the 2015 calendar year were 8,431 and an increase of 324 room nights over 2014. In addition the SRCVB booked over \$141,288 in other non-hotel revenues in 2015 including restaurants, winery groups and transportation.

#### WELCOME CENTER

California Welcome Center assisted 39,832 walk-in visitors to the Santa Rosa community, handled 1,543 tourism related phone calls. The Welcome Center provided over 11,326 direct referrals for winery visits, 3,110 restaurant recommendations and 1,087 accommodation requests and reservations.

#### CVB PRINT AND WEB MEDIA

SRCVB contracted for print advertising with VIA and Sunset Magazine. Ads proved to be very successful at increasing traffic to the SRCVB web site and requests for information: 2,447 leads were generated from this ad campaign. Lastly, the SRCVB web site enjoyed a healthy stream of 152,134 unique web visits for the 2015 calendar year.

It was a **great** year for media coverage with over **25+** articles and over **65,886,363** media impressions thanks to the SRCVB team:

#### MEDIA

- Conde Nast: Eight Dark Horse Destinations
- Travel + Leisure: A Dreamy Drive Redwood Country
- Sunset Magazine: 2015 Best Family Fun – Safari West
- Thrillist: 8 Incredible Destination Breweries for Beer Pilgrims
- Thrillist: 19 American Breweries You Need to Experience
- Vice: These Hops make your Beer Taste like Mango
- Active.com Destination Cycling in Santa Rosa
- The Points Guy: Napa vs Sonoma: Which Wine Country is Right for you?



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## ACCOMPLISHMENTS

### VSR

#### MEDIA

- Food Republic: 6 Breweries to hit on your northern California beer tour
- Honolulu Star Advertiser: Sonoma Bliss
- Parents Canada: Fun adventure in Santa Rosa, California
- SBS Australia: Traveling Sonoma with Nick Vindin
- NBC Bay Area: Valentine's Cute: Free Schulz Museum Entry for Red-haired Guests
- Press Democrat: 10 days of fun
- The Sacramento Bee: Discoveries: Sounds of the Safari Fill the Air in Santa Rosa
- The Sacramento Bee: Craft Beer in Wine Country: Santa Rosa makes push for breweries
- Sonoma County.com: Plan a Romantic Getaway with your Valentine in Wine Country
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## ACCOMPLISHMENTS

### VSR

#### **Marketing, Advertising and Public Relations**

Because the Sonoma County Tourism (SCT) has a broad branding message and covers the major print outlets to market Sonoma County and its destinations, the VSR drives hotel night sales to Santa Rosa while continuing to leverage cooperative opportunities such as the Official Visitor Guide presented by the SCT. Print advertising will be in publications such as:

- AAA Tour book and website
- VIA Magazine Travel Guide
- Sunset Magazine
- Official Sonoma County Visitor Guide & Map
- 101 Things to Do

#### **Social Media and Website**

The SRCVB utilizes electronic media to engage customers, improve customer service, create loyalty and drive hotel nights by developing new video outreach pieces to be placed on the Web and social media channels like Facebook and Twitter. Facebook Fans at the end of 2015 were 33,054. The SRCVB also creates goals and monitors social media engagement including sharing of post, comments on post and retweet of messages.

#### **Internet & Mobile**

Continue and expand our website reach through creating new content and a SEO/WSO (Search Engine Optimization) programs. In 2015 we increased unique visitors to VisitSantaRosa.com with the proliferation in the use of smart phones during travel. In 2016 we will launch a new website.

#### **Niche Markets—Food & Wine**

Augment and expand locally specific advertising and marketing efforts promoting Santa Rosa as a food & wine country, and regional service destination. Activities include promoting Sonoma County Restaurant Week by highlighting Santa Rosa dining opportunities.

#### **Niche Markets—Arts & Culture**

Expand collaboration on events that drive overnight room nights and co-marketing and branding to boost this niche market's potential for overnight stays.



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## ACCOMPLISHMENTS

### VSR

#### Cycling

Create event partnerships that drive room nights and co-marketing and branding opportunities to boost cycling related activities. Continue to showcase all the Amgen Tour of California events since 2006 and promote Santa Rosa as a year round cycling destination.

#### California Welcome Center (CWC) Operations

The CWC will continue its mission of providing excellent customer service to visitors to Santa Rosa while making an economic difference to the local business community as follows:

- Maintain daily Welcome Center operation with professional staff and volunteers;
- Update and promote VisitCWC.com in conjunction with the State of California;
- Conduct ongoing training programs for staff and volunteers;
- Track monthly referrals to local businesses and Chamber Members; and
- Track visitor requests, walk-ins, web, and phone inquiries.
- Attract and develop sports tourism to provide overnight stays for our lodging partners.
- Increase visitor local spending (focusing on Chamber members) through visits to and referrals from the CWC to area attractions.
- Maximize the effective use of BIA funds through the implementation of a coordinated work plan with the City of Santa Rosa.
- Increase revenue for our lodging partners through effective leisure transient marketing programs.
- Increase awareness of Santa Rosa as a visitor destination through an effective PR and social media campaign.
- Develop and implement an annual local community public relations plan communicating the benefits of the VSR's activities and the importance of tourism.
- Achieve annual goals for group room nights for our lodging partners through the effective deployment of our sales team.



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## BUDGET

### FY 2014/2015 PROGRAM COSTS

Appropriated Budget (*based on a full year*)

CITY	FY 15/16	VSR	2015
Group Sales	N/A	Group Sales	\$337,600
Events	\$50,000	Events	\$50,000
Marketing + PR	\$233,570	Marketing	\$206,035
Welcome Center	N/A	Welcome Center	\$175,756
Operations	\$172,680	Operations	\$315,651
<b>Total</b>	<b>\$446,250</b>	<b>Total</b>	<b>\$1,085,042</b>

### FY 2015/2016 BUDGET ACTUALS

FY 2015/2016 budget actual reflects 3 quarters of Transient Occupancy Tax revenue collections.

CITY	FY 15/16	VSR	2015
Group Sales	N/A	Group Sales	\$308,804
Events	\$43,375	Events	\$43,375
Marketing + PR	\$182,964	Marketing	\$191,811
Welcome Center	N/A	Welcome Center	\$167,082
Operations	\$129,510	Operations	\$350,504
<b>Total</b>	<b>\$355,849</b>	<b>Total</b>	<b>\$1,061,576</b>



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2017 WORK PLAN

## BUDGET

### 2016/2017 VSR PROPOSED BUDGET

Santa Rosa hoteliers are forecasting a 7% revenue increase for FY 2016/2017.

VSR	2016/2017
Group Sales	\$247,600
Event Support + Attraction	\$57,000
Marketing + Promotions, Public Relations	\$282,502
California Welcome Center	\$163,000
CVB Operations	\$343,175
<b>Total</b>	<b>\$1,093,277</b>

### 2016/2017 CITY PROPOSED BUDGET

CITY	2016/2017
Administrative Costs	\$185,009
Salary 1.22 (FTE)	(\$110,451)
Benefits	(\$63,735)
City Overhead	(\$10,823)
<b>Programming</b>	
Event Support	\$50,000
Marketing + Promotions	\$245,491
<b>Total</b>	<b>\$480,500</b>