

**SONOMA COUNTY TOURISM  
FISCAL YEAR 2024-2025 ANNUAL REPORT**

TO BE FILED WITH THE OFFICE OF THE CLERK OF SONOMA COUNTY  
PURSUANT TO STREETS AND HIGHWAYS CODE SECTION 36533

**SUBMITTED: MARCH 29, 2024**

**I.**

**BACKGROUND**

**A. Sonoma County Tourism Business Improvement Area**

On November 2, 2004, the Sonoma County Board of Supervisors ("Board") adopted Ordinance No. 5525 ("Ordinance") creating the Sonoma County Tourism Business Improvement Area ("SCTB BIA"). Under the Ordinance, lodging establishments generating annual room revenue of \$350,000 or more during the preceding fiscal year must pay an assessment equal to 2% of such revenue. Proceeds from assessments are used to pay for activities designed to increase the number of overnight visitors to the area.

In January 2005, the Board appointed five members to the Sonoma County Tourism Business Improvement Area Advisory Board ("Advisory Board"), a body established pursuant to the Parking and Business Improvement Area Law of 1989 (Streets & Highways Code section 36500 et seq., the "Act") which is charged with advising the Board on the amount of the SCTBBIA assessments and on the services, programs and activities to be funded by the assessments. In 2011, the Board amended the Ordinance, appointing the board of directors of Sonoma County Tourism Bureau, Inc. ("SCTBB") to serve as the Advisory Board for the SCTBBIA. This decision was based on recommendations of a 2010 County audit of the organization.

**B. Sonoma County Tourism Bureau, Inc.**

The Ordinance authorized the County to enter into an agreement with a contractor to carry out the services, activities, and programs to be funded from the assessments, and designated SCTB to serve as the initial contractor. In June of 2005, the Board executed an agreement with SCTB to carry out services, activities and programs promoting tourism to Sonoma County, with funding from both SCTB BIA assessments and from transient occupant tax (TOT) revenue allocated to SCTB by the Board. As noted above, in 2011, the SCTB Board of Directors also was appointed to serve as the Advisory Board. The Ordinance requires a 22-member Board of Directors for SCTB, the composition of which must comply with a matrix that provides representation from each supervisorial district, and from each size category of lodging establishment. Appointments to the SCTB board are made on a pro rata basis in accordance with the respective contributions made to the SCTBB budget by SCTB BIA assessments and by County TOT allocations. The Sonoma lodging industry appoints the number of directors resulting from SCTB BIA assessments, and the Board appoints the number of directors resulting from TOT allocations.

**C. Boundaries**

The SCTB BIA was the first county-wide tourism Business Improvement Area formed in California. For assessments to be collected from lodging establishments within the incorporated cities in the County, the councils of each City had to consent to formation of the SCTB BIA. Consent was given by the Cities of Santa Rosa, Petaluma, Rohnert Park, Sebastopol, Cloverdale and Cotati, and the Town of Windsor. Accordingly, the boundaries of the SCTB BIA include the territory within the boundaries of those seven cities plus all of the unincorporated territory within the County. These boundaries have remained unchanged since the SCTB BIA was formed, and SCTB does not recommend any changes to the boundaries in the upcoming year.

**D. Assessment**

Lodging establishments within the boundaries of the SCTB BIA generating annual room revenue of \$350,000 or more during the preceding fiscal year must pay an assessment equal to 2% of such revenue. Lodging establishments in the unincorporated territory of the County forward the assessment to the County tax collector. Lodging establishments in the municipalities that consented to formation of the SCTB BIA allocate the assessments to the collecting entities within their respective municipalities. Those collecting

entities, in turn, remit the collected assessments to the County in accordance with written agreements between the County and each municipality.

#### **E. Purpose and Specific Benefit**

The Ordinance requires that revenues from assessments must be used to conduct marketing activities designed to increase overnight visits to the area. The term “area” is defined as the territory within the boundaries of the SCTB BIA, and the term “marketing activities” is defined as activities designed to market the area as a tourist destination, including the expenditure of funds to place advertising in any media, conduct public relations campaigns, perform marketing research, promote conventions and trade shows, and foster improved contacts within the travel industry, for the purpose of promoting tourism within the area. Revenues from assessments may be used for programs, services, and activities outside the area, if such programs, services, and activities are designed to promote and encourage overnight visits to the area. Revenues from assessments may also be used to pay the ongoing administrative costs associated with the marketing activities.

The focus on increasing overnight visits to the area constitutes a specific benefit to the lodging establishments that pay the assessments. This specific benefit is what distinguishes the assessments from taxes that are subject to voter approval requirements. The fact that others may receive incidental benefits from the expenditure of assessments, such as restaurants, attractions, wineries, retailers and parks, does not change the characterization of assessments as a specific benefit to lodging establishments because no additional cost is imposed on the lodging establishments to provide those incidental benefits. During 2021, with the continued impact of the COVID-19 global pandemic, SCTB shifted some of its focus to providing consumer insights and industry monitoring to help keep the tourism industry aware of the constantly shifting environment.

#### **F. Annual Report**

Pursuant to Ordinance, and in accordance with section 36533 of the Act, the SCTB must present an Annual Report to the Board for its approval that includes a program of activities intended to be implemented within the SCTB BIA during the upcoming fiscal year, together with an estimate of related expenditures. The SCTB must also include in the Annual Report an outline of the previous year’s revenues and how those revenues were spent. The SCTB obtains annual audits from independent auditors each year. The most recent annual audit is submitted as part of this Annual Report, providing a detailed analysis of the sources and uses of funds. Looking forward, the annual budget for the upcoming year submitted herewith describes the anticipated revenues and expenditures. The balance of this Annual Report will provide additional information concerning programs and activities completed in the prior year, as well as those planned for the upcoming year. The Board’s consideration and requested approval of this Annual Report is the act which constitutes the levy of the assessment for the upcoming year.

II.  
**ANTICIPATED USE OF REVENUE FOR FY24-25**

- A. Fiscal Year 2024-2025 BIA Revenue (forecast):** \$6,011,508.34
- B. Fiscal Year 2024-2025 TOT Revenue (forecast):** \$3,451,569.30
- C. Total Budget (forecast):** \$9,511,272 (including additional revenue – see budget page)
- D. Recommendation**

SCTB, in its capacity as the Advisory Board, recommends that the Board confirm this Annual Report and continue to levy the SCTB BIA annual assessment for Fiscal Year 2024-2025 pursuant to the Parking and Business Improvement Area Law of 1989 (California Streets and Highways Code section 36500 et seq.), subject to the following findings and recommendations:

- 1) That the boundaries of the SCTB BIA should remain the same, with the recognition that the properties within the cities of Santa Rosa, Petaluma, Rohnert Park, Sebastopol, Cloverdale and Cotati, and the Town of Windsor, continue to participate in the SCTB BIA with support from each of the cities;
- 2) that SCTB continue to serve as the Advisory Board for the SCTB BIA;
- 3) that the method and basis of levying the assessment remain unchanged, and in accordance with the terms of the Ordinance in fiscal year 2024 – 2025 (July 1, 2024 – June 30, 2025);
- 4) that the revenues generated by the assessment be used in accordance with the requirements of the Ordinance to conduct marketing activities designed to increase the number of overnight visits to the County; and
- 5) that SCTB retained the services of an independent certified public accounting firm, Pisenti & Brinker and has audited the SCTB financial statements for the 2023-24 fiscal year (July 1, 2023 to June 30, 2024). Their findings continue to show a “clean” report - no material weaknesses or significant audit findings were found in relation to SCTB’s books and records. This report is included with this document. SCT will continue to conduct annual audits with County-approved firms.

**E. Activities and Program Expenditures**

Sonoma County Tourism launched its Destination Stewardship and Resiliency Master Plan May 11, 2023. This plan, coupled with the biennial strategic plan chart the course of work for the organization.

**Mission:** Inspire travel to Sonoma County that strengthens our economy, reflects our diversity and encourages stewardship of our community’s resources.

**Vision:** Sonoma County will be the leading destination for responsible travelers who enjoy, protect and preserve our community’s bountiful natural and cultural resources.

**Organization Values:**

- **Trusted** – SCT maintains the confidence of local stakeholders and residents by implementing programs founded on research, driven by best-in-class execution and with results conveyed through partner communications.
- **Transparent** – All budgets and programs administered by SCT are created within an environment of openness and accuracy. SCT’s goal is for all stakeholders to trust its operational effectiveness and believe the organization is an efficient steward of the funding provided.
- **Community-Centric** – As a steward of the region, SCT is committed to ensuring local businesses and residents are engaged in the organization’s programming and support its direction. SCT understands its is predicated on the success of its partners.

- **Inclusive** – SCT is committed to ensuring persons of all backgrounds are included and welcomed throughout its internal operations and external audience outreach. A strong dedication to diversity, inclusion and equity guides the organization.
- **Entrepreneurial** – SCT operates as an ambitious and nimble business seeking new opportunities for revenue and growth. SCT works to find business development opportunities that drive revenue for partner businesses and generate new revenue for the region and the organization.
- **Creative** – Representing the Life Opens Up brand and a “progressive community of artisans”, SCT develops programming with a strategically creative approach. The organization actively seeks innovative ideas and strives to be a “first to market” organization.

### **Organizational Priorities**

**Drive the Economy** – Programs developed and administered through Sonoma County Tourism will be focused on ensuring a vibrant economy for Sonoma County and a stellar quality of life for the businesses and employees within the tourism and hospitality industry. Through robust sales and marketing efforts, SCT will bolster the revenue generated through travel and tourism activities.

**Create a Resilient Organization** – With a history of managing natural, health and financial crises, Sonoma County Tourism is committed to having the foundation needed to ensure it is fortified against all potential impacts. Programs and services will center around building a financially secure organization, ensuring the capacity to prepare for and manage a crisis, building a high-performing and satisfied team, and maintaining full organizational transparency.

**Engage the Community** – Sonoma County Tourism and the partners it serves are integral members of the Sonoma County community. Through a thoughtful Community Engagement program and as a focus of all marketing and sales initiatives, SCT is dedicated to ensuring the community it represents is integrated into, and benefits from, the organization’s programming.

**Solidify Commitment to Destination Stewardship** – Becoming a Destination Stewardship Organization in 2018, SCT has since developed programming and partnerships that take a broad-based view of the destination. Focusing on responsible and sustainable travel, the organization works to mitigate damage resulting from visitor behavior and creates programming and associated messaging to protect and preserve the area’s fragile natural and cultural resources.

### **2024-25 Programming**

The programs listed herein are fundamental to the success of a destination organization. As the environment in which tourism organizations evolves, so too does the types of programming and channels required to compel responsible travel and manage the organization. Below is an outline of the current categories of work for the FY24-25 year, the programs contained therein and the associated budget. These program overviews differ from those in previous reports, but represent a greater alignment with the current programming conducted by Sonoma County Tourism’s programming and operations areas:

1. Marketing/Communications
2. Destination Sales/Travel Trade
3. Business Development
4. Community Engagement
5. Research
6. Labor
7. Administrative Expenses
8. Capital Expenses
9. Reserves

Budget projections for this plan are based on a forecasted moderate 4.5% year-over-year increase in revenue for FY24-25. This forecast is based on five key factors:

1. Increase in year-over-year visitation – the return of both business and leisure groups, some international inbound and a continued robust marketing effort;
2. Additional room supply – the STR pipeline shows 460 additional rooms will come online for FY24-25;
3. Impact of visitation to San Francisco - most especially for groups/meetings and international travelers;
4. General economic pressures facing travelers/consumers. The threat of a recession, the realities of inflation, increased consumer debt and obstacles to freedom of movement due to rising mortgage rates may impact consumer's desire to purchase travel. SCT will continue to watch this environment very closely; and
5. An annual budget that shows only moderate growth limiting opportunistic sales/marketing programming.

## **1. Marketing Communications**

**1a. Paid Advertising** (all paid consumer marketing including digital, print, television, social media; website development; content development; photo/video; professional services fees). Sonoma County Tourism works with its agency of record, Fahlgren Mortine, to craft both a seasonal intent marketing campaign (November – April) and an “always on” strategy. The paid media campaign is run incorporating the following elements:

- Paid advertising in key California markets, including San Francisco, Sacramento, Los Angeles, Orange County and San Diego this may include a television commercial, paid inserts into streaming services, segments on lifestyle programming, etc.
- Digital and search buy with aggregators such as Flipbook, inPowered, content platforms such as Travel Spike, and partnerships with Online Travel Agencies (OTAs) including Expedia, Priceline and TravelZoo. This is viewed in markets throughout the country.
- Social media advertising on Facebook/Meta, LinkedIn and on social components of traditional media groups such as DotDash (Meredith – Travel & Leisure, Food and Wine, etc.)

**1b. Partner Marketing Programs** (all platforms for partner co-op marketing including the digital semi-annual Inspiration Guide, the printed map/visitor guide, consumer e-newsletter). In FY24-25 SCT will supplement its twice-yearly digital guide with a printed hybrid map/visitors guide. Additional marketing programs occur with various cooperative marketing partners in the above noted TravelZoo and Expedia.

**1c. Media Relations/Earned Media** (all programming for outreach to the consumer, travel trade and meetings market segments including in-market press trips, deskside visits, media missions to large media-centric markets, trade shows, professional services fees – PR agency efforts) For FY24-25, the PR team will engage in the following initiatives:

- In-market press trips – hosting media in Sonoma County
- Media missions – trips to major media markets such as New York, Los Angeles to introduce Sonoma County through deskside visits, media events and other activities
- Ongoing media outreach – the SCT and Fahlgren Mortine team work collectively to pitch stories to local, national and international media
- Influencer visits – these generally come at a cost, so this effort is often shared with paid marketing. Influencers can be powerful contributors to the editorial content for Sonoma County.

**1d. Consumer Event Sponsorships** (sponsoring events that occur in Sonoma County designed to drive out-of-market visitation). SCT now has a semi-annual application process for events to gain approval for funding. For FY24-25, we anticipate the allocation will be \$60,000, \$30,000 allocated per application period.

## 2. Destination Sales/Travel Trade

**2a. Destination Sales** (all programs for this sector includes trade shows participation and trade association sponsorships, promotions, FAM trips, client events, partner incentives, professional services fees – marketing vendors, international representation firms). The goal is to inspire meeting & event producers sharing our destination insights through engagement in their prospective markets and in-person and virtual visits to Sonoma County. During FY24-25 the focus will be placed on connecting with meeting planners on a one-on-one basis, elevating awareness of Sonoma County outside a cluttered trade show floor. The brand will continue to have a presence at select trade shows.

**2b. Travel Trade (domestic)** SCT works to promote the destination to leisure groups- including bank, SMERF - social, military, educational, religious and fraternal, and other types of leisure group trips. The focus during FY24-25 will be to continue connecting with these groups to identify opportunities to include Sonoma County in offerings.

**2c. Travel Trade (international)** SCT has vendor contracts with marketing/public relations companies in three key international markets:

- United Kingdom – Rocket Travel Marketing
- Australia – Gate 7
- Germany – MSI

The goals of this initiative are to include Sonoma County in the offerings of tour operators, travel agents and wholesalers in international markets and to raise awareness of Sonoma County as a destination through robust media outreach and promotions.

3. **Business Development** This initiative encompasses many attributes. Developing the industry is important to help ensure Sonoma County is adapting to evolving visitor preferences and has the lodging and meeting properties that help to expand Sonoma County's offerings. During FY24-25, this area will focus on several critical components:

**3a. Experiences Development** – with the input of an expert consultant, Sonoma County will undergo an experience audit to identify opportunities for partners to heighten the types of experiences offered to visitors.

**3b. Integration with Developers** – as developers build properties in the county, SCT will work to be at the table with developers and permitting agencies to help ensure the types of properties built align with the brand and offer both leisure and business travelers with options that run the entire spectrum of lodging types.

**3c. Convention Center Development** – SCT will continue to work with partner organizations to develop a convention center. The program of work is dependent on a yet-to-be determined timeline and scope of work.

4. **Community Engagement** (programs that reach local residents and stakeholders, Accredited Hospitality Professional (AHP) program, community event sponsorships)

**4a. Stakeholder Outreach.** The Community Engagement team works to forge positive relationships with stakeholders including elected officials, city and county staff, chamber of commerce/visitor center teams and influential organizations throughout the county. For FY24-25, SCT will continue to host mixers and meetings that allow the industry to convey the issues and opportunities inherent in tourism.

- Visitor Center Connectivity – With SCT funding a portion of the operating costs for the visitor centers, the staff position will continue to work with each Center to help elevate the experience of visitors and the staff.

**4b. Accredited Hospitality Professional (AHP) program.** SCT sunset the Certified Tourism Ambassador program in 2021 and introduced its fully customized Accredited Hospitality Professional (AHP) program in 2021. The program offers a

variety of training and information for employees in the tourism/hospitality industry as well as overall industry training for students considering a career in tourism.

**4c. Sustainability Initiatives:** SCT works in partnership with the Sonoma County Regional Parks on the Leave No Trace initiatives, has adopted five roads for clean-up activities, continues to hold Tourism Cares programs and will continue its partnership with Kind Traveler to communicate the region's commitment to destination stewardship.

**4d. Sonoma County Hospitality Association (SCHA) Partnership:** SCT works with the SCHA on issues and policy management initiatives as well as industry education programs. For FY23-24, SCT will re-sign its MOU with the SCHA for a \$35,000 partnership.

5. **Research** (all research ongoing and ad hoc programming): As an evidence-led sales and marketing organization, ensuring a solid foundation of research, program analytics and metrics-based performance programming is critical. This initiative was elevated during the past several years, so moving forward to ensure a highly focused and relevant program will continue to inform SCT's efforts. Current research providers include:

- Longwoods International - annual visitation, marketing return-on-investment
- NEAR – real time geotracking of visitors when they travel through the county.
- TravelClick – provides “pacing” information that shows booked business into the future. This allows both SCT and its partners to see where need periods exist.
- Smith Travel Research (STR) – weekly and monthly performance of lodging properties part of the STR program (doesn't include many independent properties).
- Key Data – this is a new partner that shows performance of the vacation rental properties.
- Tourism Economics – monthly dashboard showing performance of the entirety of the tourism ecosystem.
- Dean Runyan Associates – annual economic impact model that shows overall revenue including visitor spending and tax generation as well as industry sector employment numbers.

## 6. Labor

Following the reduction in staffing due to COVID, SCT has rehired most of the positions back. Total FTEs now stand at 23. Staffing costs have risen as SCT works to remain competitive in the Sonoma County labor market. For FY24-25 SCT will provide its employees with a 3% COLA. Compensation is evaluated on an annual basis.

## 7. Administrative Expenses

**7a. Database:** CRM database: SCT operates its database that houses all information for use across SCT marketing, sales and operational programming through Simpleview, a renowned tourism industry database provider.

**7b. Technology:** This includes the contract with SCT's external IT vendor, licenses for the various platforms needed to conduct business, internet access fees and telephone bills,

**7c. Office Supplies and Equipment:** This includes repairs and maintenance of office equipment, equipment and small tools – smaller office equipment not included under capital expense, office supplies and the mailing and delivery services.

**7d. Fees & Licenses:** This area covers the majority of the services used by SCT to manage its business. Under this category are bank fees, insurance, professional fees including legal and HR contractor services, and other taxes and licenses.

**7e. Rent:** SCT will continue to reside in the American AgCredit Building at 400 Aviation Boulevard for the next five years. SCT has a lease partnership with the Sonoma County Vintners through which the Vintners pay for their portion of the space and a share of the Common Area Maintenance (CAM) and janitorial costs.

**7f. Professional Services:** SCT contracts with outside vendors in its Human Resources, Legal and Accounting/Audit roles.

**8. Capital Expenditures**

The SCTB will continue to replace outdated and end-of-life computers based on its 4-year replacement schedule. All other expenditures will be determined based on the office space situation and personnel needs.

**9. Reserves**

The SCTB has a 3-month (90-day) reserve level to provide funds for significant future cash demands arising from both planned and unplanned events or circumstances. This number has fluctuated during the past two years as revenues have been uncertain. The FY22-23 end of year reserves amount is \$2.0 million, providing SCT with a 90-day reserve at current staffing and programming levels. To note, during 2018, the SCTB reduced its reserve target from a 6-month level to a 90-day level.



## FY24-25 BUDGET

**Fiscal Year**  
**2024-2025**

### **Revenues**

BIA Assessment	6,011,508
Transient Occupancy Tax	3,451,569
Interest and Other Income	48,650
Total Revenue	9,511,727

### **Expenditures**

Advertising	1,671,100
Cient Events, Fams and	
Entertainment	316,690
Tradeshows and Sales Missions	326,945
Digital Engagement	588,359
Research, Tools & Memberships	326,227
Contract Services	770,075
Professional Development	240,300
Destination & Industry Programming	1,148,098
Labor	3,527,940
Administrative Expenses	722,411
Total Uses	9,638,145

**TOTAL REVENUE LESS USES** **-126,418**

Reserve Usage Capital Items	
Depreciation	18,000

**TOTAL SOURCES LESS USES** **-144,418**

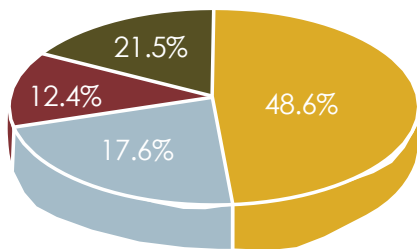
III.  
**Annual Report (FY22-23)**

Due to the timing of the delivery of this report, the most recent full annual report is for FY22-23. Following are highlights from a year that saw the beginning of recovery and the end of the COVID chokehold. The annual report in its full version is available at [SonomaCounty.com/partners](https://SonomaCounty.com/partners).

The budget for fiscal year 2022-2023 was finalized in March 2022 and approved in April 2022. Revenues were based off conservative growth for the year assuming a year without any pandemic shutdowns or restrictions. The TOT revenue for fiscal year 2021-2022 was largely unknown at this time and the county performed much better than anticipated during that time frame. Revenue for the last 3 quarters of that fiscal year came in almost \$1,000,000 more than anticipated. This allowed us to adjust our expected spending levels for FY22-23 and add in extra programming that we felt could boost the county. We continue to reforecast our anticipated revenue and expenses each month to be able to pivot as quickly as possible based on market performance and needs within the county.

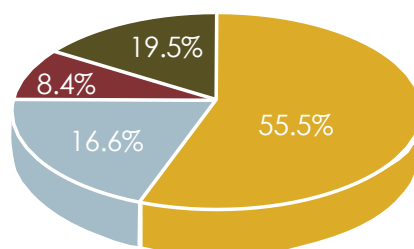
Fiscal year 2022-2023 started off strong in the summer but started to see some softening in the fall and over the winter. Poor weather conditions January to April hurt occupancy levels in the county and the re-opening of international destinations along with travel deals continued to slow occupancy throughout the spring. We were able to use our surplus funds from the prior year to add funding to our advertising campaigns for those need periods. In addition, we used funds to sponsor the 3rd Hour of the Today Show to highlight the county in April.

We had anticipated funding the Visitor Centers in FY22-23 which did not come to fruition so that money was shifted to other programming such as attending additional tradeshow, bringing in meeting planners for familiarization tours and sponsoring events being held both in Sonoma County to attract overnight guests and at events attended by meeting planners and tour operators to showcase what the county has to offer. We also used the additional funding to redesign our website and to continue to develop and add more features to our Sonoma County App. In fiscal year 2021-2022, we embarked on a Resiliency and Stewardship Master Plan and this was finalized in this fiscal year. Funding has been allocated in future years to work on the priorities that were identified in that Master Plan.



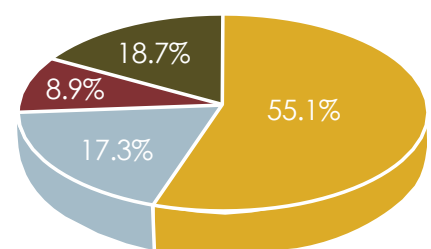
**F22-23 Original Budget**

48.6% Marketing	\$4,829,957
21.5% Business Development	\$2,134,123
12.4% Community Engagement	\$1,231,086
17.6% Administration	\$1,752,402
<hr/>	
<b>\$9,947,568</b>	



**F22-23 Midyear Reforecast**

55.5% Marketing	\$6,489,012
19.5% Business Development	\$2,286,115
08.4% Community Engagement	\$975,656
16.6% Administration	\$1,944,446
<hr/>	
<b>\$11,696,229</b>	



**F22-23 Projected Results**

55.1% Marketing	\$5,866,654
18.7% Business Development	\$1,985,760
08.9% Community Engagement	\$950,516
17.3% Administration	\$1,841,030
<hr/>	
<b>\$10,643,960</b>	

Expense by Category	Forecast		Budget	
Advertising	\$2,250,973	21.1%	\$2,148,000	21.6%
Client Events, FAM and Entertainment	\$411,734	3.9%	\$524,170	5.3%
Travel and Tradeshow	\$305,514	2.9%	\$301,505	3.0%
Digital Engagement	\$1,945,976	18.3%	\$917,666	9.2%
Organization Tools	\$112,926	1.1%	\$76,758	0.8%
Research	\$239,393	2.2%	\$164,990	1.7%
Event and Organization Sponsorships	\$426,907	4.0%	\$390,000	3.9%
Memberships	\$41,230	0.7%	\$61,669	0.6%
Contract Services	\$771,171	7.2%	\$647,800	6.5%
Professional Development & Training	\$312,000	2.9%	\$264,950	2.7%
Destination Programming	\$134,068	1.3%	\$510,352	5.1%
Payroll and Human Resources	\$3,029,852	28.5%	\$3,238,340	32.6%
Technology	\$153,209	1.4%	\$138,512	1.4%
Office Supplies and Equipment	\$55,919	0.5%	\$79,666	0.8%
Fees and Licenses	\$178,967	1.7%	\$228,770	2.3%
Facilities Expense	\$241,110	2.3%	\$254,420	2.6%
	<b>\$10,643,959</b>		<b>\$9,947,568</b>	

Expense by Source Funding	TOT		BIA	
Advertising	\$69,068	1.5%	\$2,181,905	35.7%
Client Events, FAM and Entertainment	\$155,660	3.4%	\$256,074	4.2%
Travel and Tradeshow	\$0	0.0%	\$305,514	5.0%
Digital Engagement	\$1,575,752	34.8%	\$370,224	6.1%
Organization Tools	\$45,973	1.0%	\$66,953	1.1%
Research	\$110,340	2.4%	\$129,053	2.1%
Event and Organization Sponsorships	\$149,414	3.3%	\$277,494	4.5%
Memberships	\$55,536	1.2%	\$18,695	0.3%
Contract Services	\$48,119	1.1%	\$723,052	11.8%
Professional Development & Training	\$265,139	5.9%	\$46,871	0.8%
Destination Programming	\$134,068	3.1%	\$0	0.0%
Payroll and Human Resources	\$1,332,919	29.2%	\$1,706,933	27.9%
Technology	\$153,209	3.4%	\$0	0.0%
Office Supplies and Equipment	\$24,626	0.5%	\$31,293	0.5%
Fees and Licenses	\$174,917	3.9%	\$4,050	0.1%
Facilities Expense	\$241,110	5.3%	\$0	0.0%
	<b>\$4,525,850</b>	<b>42.5%</b>	<b>\$6,118,110</b>	<b>57.5%</b>

## Strategic Plan Fundamental Components

Sonoma County Tourism is guided through its foundational elements. Each of these works together to create a solid base from which all programming is built. During FY22-23, these organizational statements were:

**Mission:** Inspire overnight travel to Sonoma County that bolsters the region's economy and encourages responsible stewardship of the community's abundant resources.

**Vision:** Sonoma County will be the premier destination in North America for responsible travelers who enjoy, protect and preserve the area's bountiful natural and cultural resources.

**Values:**

- *Strategic* – SCT approaches all programs and opportunities with a foundation of research and structured with consideration for all potential program outcomes and impacts to the organization, key stakeholders and the County at large.
- *Transparent* – All budgets and programs administered by SCT are done so within an environment of transparency. This helps ensure all stakeholders have a high level of understanding regarding the operational effectiveness of the organization and can champion the organization as an efficient steward of the funding provided.
- *Collaborative* – SCT is successful only if its partners and stakeholders are successful. This occurs within a robust business-development environment offering opportunities for constituents to benefit from partnerships with the organization and gain business-driving benefits from the programs administered by the organization.
- *Inclusive* – SCT is committed to ensuring persons of all backgrounds are included and welcomed throughout its internal operations and external audience outreach. A strong dedication to diversity, inclusion and equity will guide the organization.
- *Entrepreneurial* – SCT operates as an ambitious and nimble business seeking new opportunities for revenue and growth. SCT staffers work to find business development opportunities that drive revenue for partner businesses and generate new revenue for the organization.
- *Trusted* – SCT will develop programs founded on research, driven by best-in-class execution and with results conveyed via various partner communications channels in a timely and truthful manner.

## FY22-23 Organizational Priorities

### Business Recovery

As the world moves into a post-pandemic environment, Sonoma County Tourism must look at both the long- and short-term strategies for successfully driving business to the destination. Robust sales and marketing programs will be conducted that drive brand awareness, evolve the brand to meet shifting consumer preferences and compel visitation. This is all done overlaid on a data-driven foundation of proprietary, general tourism industry and consumer research.

The key strategies within this priority are:

- Obtain and convey industry insights and marketing analytics
- Drive inquiry and conversion (visitation) through advertising and other paid opportunities
- Amplify the brand
- Acquire, engage and expand key audiences
- Develop business from existing and new market segments
- Engage partners
- Restart travel trade/international outreach as the market returns

### Destination Stewardship

As the nation's first Destination Stewardship Organization, SCT is committed to taking a broad-based approach to its responsibility to protect and preserve the destination. This means that while marketing and sales will continue to drive the lion share of the budget and programming, SCT also will work more closely with community organizations and land managers to help ensure a vibrant long-term future for Sonoma County, addressing critical issues of importance to residents and imperative for the long-range health of all communities.

The key strategies within this priority are:

- Encourage responsible travel behaviors
- Align with local organizations and national programs with a similar mission
- Develop and communicate broad-based approach to destination management
- Initiate and maximize the Accredited Hospitality Professional (AHP) program

### Organizational Sustainability

As a not-for-profit organization, funded through public funds, Sonoma County Tourism must operate its business in a fully transparent, ethical manner ensuring public dollars are allocated in the most effective manner possible. Helping to ensure the long-term health of the organization also means diversifying its funding sources to lessen reliance on any one funding stream.

The key strategies within this priority are:

- Develop and integrate long-term funding.
- Run an effective business.
- Create a high-performance environment founded in employee engagement, wellness and team development.
- Ensure team inclusion and strong commitment to Diversity, Equity and Inclusion (DEI).
- Conduct timely and relevant stakeholder outreach.
- Ensure a highly engaged board of directors and committees.
- Prepare for and manage crises situations.

## Organizational KPIs (FY22-23)

1. Achieve a 5% year-over-year increase in revenue to Sonoma County's lodging properties as reported through the Dean Runyan economic impact survey.

The Dean Runyan 2022 Economic Impact report shows revenue to Sonoma County surpassed pre-pandemic levels by 2.7%.

Economic Impact of Travel in Sonoma County	2017	2018	2019	2020	2021	2022
Total Destination Spending (\$Million)	\$2,084	\$2,200	\$2,237	\$1,137	\$1,196	\$2,299
Earnings (\$Million)	\$767	\$815	\$863	\$653	\$763	\$931
Employment	\$22,510	\$22,380	\$22,360	\$16,260	\$17,610	\$21,150
Local Taxes (\$Million)	\$97	\$108	\$110	\$74	\$115	\$130
State Taxes (\$Million)	\$85	\$91	\$95	\$61	\$80	\$93
Total Taxes (\$Million)	\$182	\$199	\$204	\$135	\$195	\$223

Source: Dean Runyan Associates

Funding Source	FY20-21- Actuals	FY22-23 – Estimated	Change
Transient Occupancy Tax (unincorporated Sonoma County) **includes prior periods late payments	\$3,516,667	\$3,088,183	-12.2% (\$428,484)
SCTB Business Improvement Area	\$5,912,755	\$5,652,233	-4.4% (\$260,522)

2. Increase length of stay from 2.8 nights (2020) to 3.1 nights (or longer), focusing on winter and spring, helping to flatten weekend vs. weekday travel (per Longwoods International Visitation Study).

The 2022 Longwoods International Visitor Study shows length of stay decreased from 2.8 nights in 2020 to 1.9 nights in 2021. 2022 did see a slight increase to 2.1 nights, but we did not achieve the 2.8 night goal. The slow return of international travel and groups were key factors in this result, however, we also saw a more focused visitation from the Bay Area and northern California. SCT continued to and will continue in the future to advertise in direct flight markets with the aim of gaining visits from leisure travelers who live further away and will stay longer.

3. Increase group leads to partners by 10% year-over-year; generate 12,000 influenced room nights.

Through tremendous efforts of the Business Development team, this goal was surpassed:

- a. 12,365 influenced room nights (103.04% of goal)
- b. \$3,934,959 in hotel room rental revenue + TOT + BIA.
- c. This represents a 271% year-over-year increase

4. Generate a marketing program Return-on-Investment that exceeds pre-pandemic levels (per Longwoods ROI Study) and continues to show a high level of customer awareness of SCT advertising.

SCT's paid advertising campaign continues to deliver tremendous return on investment results:

Year/Paid Campaign Period	Overall Advertising ROI <sup>1</sup>	Tax Revenue ROI	Incremental Trips	Incremental Visitor Spending <sup>2</sup>	Incremental Taxes
2019 (Jan – June)	\$166:1 (\$ .6 M ad investment)	\$18:1	580,000	\$94 M	\$10 M
2021 (April – Aug)	\$203:1 (\$ .8 M ad investment)	\$21:1	1,500,000	\$164 M	\$16.6 M
2022 (Jan– April)	\$262:1 (\$ .4 M ad investment)	\$27:1	700,000	\$106.4 M	\$10.8 M

<sup>1</sup> For every dollar spent on tourism paid advertising, the return is noted in the first number.

<sup>2</sup> Due to the paid marketing campaign (only). This does not represent overall annual visitor spending. This is among the highest ROI in the tourism industry showcasing an enormously efficient and effective campaign.

5. Ensure the organization's DEI imperative has a high level of inclusion and satisfaction within the programming (internal) and diverse audiences are being included at increasingly higher levels in sales and marketing pieces (external).

SCT continued to work on its DEI goals through a number of components:

- Team hiring practices
- Working with the County on the GARE Assessment for tourism businesses (specifically vacation rentals)
- Continued education through participation in classes offered through Destinations International
- The SCT executive team completed the Destinations International Equity, Diversity and Inclusion online course.

SCT does need to move further forward into true DEI integration. This will be done through hiring a consultant to steer this initiative.

6. Bolster partner satisfaction in the organization's efforts with results shown through an annual partner survey achieving a high or very high overall rating.

SCT created and distributed a partner survey that was in the conducted June 7 – Aug. 3 to identify a number of key insights pertaining to partner satisfaction with SCT's programs, the state of the industry and considerations SCT should be aware of as new programming is designed.

While questions were asked outside of the programming satisfaction levels, and SCT will most certainly consider all comments – both positive and negative, the programming satisfaction matrix is the component for which the SCT team must be laser focused. Within this section, nine questions were asked of partners.

Please identify the effectiveness of SCT's Initiatives (with Partner responses):

Initiative	Extremely Effective	Somewhat Effective	Not Effective	Not Applicable
Provide tourism performance and market research insight	47%	37%	5%	12%
Provide networking opportunities	37%	46%	7%	10%
Provide marketing, advertising, PR and other promotional opportunities	44%	45%	6%	4%
Develop programs to advance sustainable travel and promote responsible travel behavior	36%	43%	5%	16%
Offer partners opportunities to include events in SCT's online calendar of events	36%	43%	5%	17%
Offer opportunities for partners to participate in trade shows, sales missions and client events	23%	42%	9%	26%
Develop and promote partner deals and offers on SCT's website	24%	48%	10%	19%
Provide partner education/information sessions, webinars, briefings, etc.	25%	51%	5%	20%

Identify the effectiveness of SCT's Initiatives (with partner responses):

- 200 participants responded to the survey and this question.
- While most of the survey respondents responded favorably, the survey in its entirety provides great insights into
- the areas for which partners ask SCT to better serve their needs.

7. Ensure the process for long-term funding secured in FY21-22 is operational and funds are distributed to the organization as designated.

Recognizing the need to diversify its funding sources and more fully include a growing sector of the lodging industry into the sales and marketing efforts of SCT, the organization worked to integrate the short-term-rental community into its Business Improvement Area (BIA) program. The process we thought would be concluded prior to June 30, 2022 required additional time to get through all phases of conveying information and obtaining approvals, so the KPI continued into FY22-23.

The organization worked through the process of informing and gaining support from each municipality within the BIA structure and had the program approved by the County. Throughout the process the short-term rental community was kept informed, but when the final discussions with that segment occurred, objections from owners/managers were such that SCT determined the timing was not right for this integration. This resulted in SCT forming a new Vacation Rental Committee working to gain better insights into this critical lodging sector and identify opportunities to better market the vacation rental experience.

Work continues on identifying long-term funding sources that help the organization become truly resilient against potential financial impacts.



### Business Recovery

#### Overall

1. Obtain and convey industry insights and marketing analytics, providing to partners at least monthly via Partner News and Insights newsletter.

SCT provided partners with monthly Tourism Insights and Performance newsletters throughout the year. These newsletters conveyed the performance of the local industry along with trends and other insights helpful for making data-supported business decisions.

SCT partnered with leading research firms to provide insights that laid the foundation for all business decisions:

- i. Longwoods International – Annual visitor study, Marketing ROI study
- ii. Dean Runyan Associates – Annual economic impact report
- iii. Tourism Economics – Monthly dashboard showing a collective of industry data
- iv. Near – geo-specific tracing of travelers in the destination
- v. TravelClick – futures forecast of pending booked business
- vi. STS airport activity

This data is available in the Partners section of SonomaCounty.com.

2. Drive Visitation among Responsible Travelers through advertising, enhanced content distribution, the new Sonoma County App and other paid, earned and owned opportunities.

The first half of FY22-23 saw robust visitation. Summer through Fall, and most notably absent impacts from fires, proved very successful. The second half of the year, however, was marked by record rainfall, which while tremendously beneficial, did impact visitation.

SCT's marketing team, through industry and proprietary research leaned into consumers' interest in self care, wellness and connecting with family and friends through travel experiences. The campaign, Pause & Effect showcased Sonoma County's capacity to bridge both wellbeing and responsible travel.

The campaign, with a Nov. 1, 2022 - April 30, 2023 flight, invited travelers to reenergize, relax and reconnect. The campaign included responsible travel messaging delivered through content development (paid, earned and owned channels), updated imagery and optimized media channels.

SCT also fully launched its app with continued platform development. At the close of FY22-23 (3,313) have downloaded the app and use it to help plan the visit.

3. Continue to see year-over-year growth of revenue into the BIA partners and the county.
  - Fiscal year 2018-19 BIA revenue: \$5,038,723
  - Fiscal year 2022-23 Estimated BIA revenue: \$5,652,233 Growth of 11%

## Business Development

SCT's Group Business Development team employed smart relationship building and destination promotion initiatives throughout the year to influence bookings for business and leisure groups.

1. Engage in one-on-one meetings with key planners through interactions including trade show attendance, sales trainings, client events and in-person office meetings.
  - Team goal: 841 meetings (10% increase over FY21-22)
  - Result: 1,482 -- 176% of goal
  - Tradeshows, Conferences, & Events Attended: 47
  - Client Events: 4
  - Hosted FAM Tours: 6
2. Elevate group business and leisure travel leads and partner booking, highlighting urban experiences and unique venues.
  - Team goal: 12,000 influenced leads per business development manager (increase of 9% over goal)
  - Result: Influenced Room Nights: 13,095 (109% of goal; 12,000)
    - Compared to FY 21-22's production of 3,332 room nights at \$1,289,338, 22-23
      - represents a YoY increase of 271% influenced room nights.
    - Economic Impact: \$4,145,358 (Room Revenue: \$3,665,573; TOT: \$406,473; BIA: \$73,311)
    - Cvent Response Rates:
      - a. RFP Response Rate: 99%
      - b. Average Response Time: < 12 hrs
      - c. Wedding Guide:
    - Views: 26,547
    - Total Page Views: 48,197
    - Partner Referral (click throughs): 13,937
    - Average time on the Guide: 2 minutes 12 seconds
    - Top Markets: Bay Area, Los Angeles, Sacramento, Seattle, and New York

SCT held a session with the Santa Rosa hotels to identify how the organization can better represent these urban properties. As a result, Santa Rosa was the featured cover of the Spring Summer Sonoma County inspiration guide.

- 3, Engage Partners through business development opportunities in key audience and market segments. Partners also participated in a holiday sales mixer event aboard the San Francisco Giants' yacht including a tour around the San Francisco Bay. The Business Development team worked to identify opportunities for partner inclusion in trade shows, connections to meeting planners and other business building opportunities.

Partners participated in trade shows, client events and sales missions:

- San Francisco Client Event
- IMEX
- IPW
- UK Sales Mission
- CalSAE Elevate
- Visit California Luxury Forum

The Sales team organized a quarterly series of "Destination Sales Team" mixers, inviting sales teams from hotels, wineries, attractions, tour operators, and other businesses who focus on groups and travel trade sales. Mixers were held in:

- Balletto Vineyards – Unincorporated Sonoma County
- Paradise Ridge – Santa Rosa

- Brooks Note Winery and Tasting Room – Petaluma
- Blue Ridge Kitchen – Sebastopol/The Barlow

- 4, Continue to increase participation in and revenue from the Bandwango Sonoma County Tasting Pass.
  - Team goal: \$37,405 (10% increase over FY21-22)
  - Result: Total Revenue: \$113,747
  - SCT Revenue: \$22,186
  - SCT Partner Revenue: \$76,512
  - Number of Passes Sold: 2,563

## Travel Trade

As it was clear leisure groups and international travel would begin to emerge following the pandemic, SCT moved strategically back into the market. While many of the goals were those that provided a benchmark for future programming, the team aggressively worked to reaffirm the appeal of Sonoma County to global tour operators, wholesalers and Online Travel Agencies (OTAs).

1. Restart travel trade/international marketing in three key markets: U.K., Germany, Australia. Representative firms have been hired in all markets and efforts are underway.

SCT reengaged representative firms in the U.K., Germany and Australia and has begun in-market promotional efforts.

- b. Markets Served: USA, Canada, Mexico, United Kingdom, Australia, Germany, India, France, Italy
- c. Client Site Tours and International FAM Tours: 7
- d. Tradeshows, Conferences and Client Events: 11,773 1:1 Meetings and Trainings
- e. Represent Sonoma County at four domestic trade shows:
  - a. Visit California Luxury Forum (Oct '22)
  - b. Visit California Signature (Nov '22)
  - c. GoWest Summit (March '23)
  - d. US Travel IPW (May '23)
- Represent Sonoma County at four international trade shows:
  - a. BrandUSA Travel Week Frankfurt (Aug '22)
  - b. Visit California Mexico Trade Event
  - c. IPW – US Travel/Brand USA international travel show
  - d. ILTM
- Room Nights Produced: 3,464 Note: Room nights are a result of SCT's owned campaigns and not a cumulative total of all room night production from international sources.
- f. 12% increase in destination bookings through Hotelbeds.

- 2, Expand In-market product offerings specially for lodging programming.  
The two campaigns done through OTAs, Expedia and Hotelbeds were specifically designed to drive business to BIA lodging properties.
3. Add new hotels to the options available to leisure group planners/operators. Increase international programs offered and Itinerary Inclusion in catalogues specifically for fly-drive offerings.
  - a. Germany - In FY22-23, SCT executed drive promotional campaigns which resulted in four new itineraries and three new hotels added.
  - b. UK – In FY22-23, the campaigns executed resulted in three new fly-drive itineraries added to tour operator offerings.
  - c. Australia – In FY22-23, the campaign resulted in one new itinerary added to tour operator offerings.

## Marketing/Communications

1. Engage targeted priority markets and audiences.

SCT completed through its Intent Marketing “Pause and Effect” campaign noted in this report. During the year, as the drive market continued its strength, but direct flight markets continued to expand, SCT evolved its marketing channels to reach these markets. While the drive market continues to be the predominant visitor base, we continue outreach to direct flight markets through main digital channels. Those in key markets (primarily wine buyers) of New York, Chicago, Houston and Florida cities are those in which we reach with secondary digital marketing and media outreach.

The impact of the TODAY show will be measured in the upcoming marketing ROI study.

2. Amplify storytelling around cities, towns and neighborhoods.

SCT’s “What’s Happening in Sonoma County” video series kicked into high gear during the year. Hosted by Chris Vomvolakis with AJ Ruiz as the videographer, the series aims to provide a buzzy, story-driven approach to conveying upcoming events and reasons for a timely visit to Sonoma County. Episodes included:

- d. Winter Lights: Skating on the Square
- e. Extended Stay Promotion
- f. Cheese in Sonoma County
- g. April is Wine Month

SCT also started its Neighborhoods Project – an in-depth look at the unique features of Sonoma County’s neighborhoods and towns conveyed through video storytelling. The project will expand during FY23-24.

3. Launch Sonoma County App through to phase 2 – creating additional opportunities to drive business and enhance loyalty.

The app was launched and had tremendous success during the year.

Team goal: 1,400 active users

Result: 3,133 active users -220% of goal

Additional stats:

- 17,000 downloads
- App store rating: 4.8/5
- Number of partners featured: 2,528
- Number of Challenges: 23
- Average time spent in the app: 3:31

Media coverage specific to the app:

Travel + Leisure featured the app in Jan. 2023: [This Interactive App Will Help You Plan the Perfect Trip to Sonoma \(travelandleisure.com\)](https://www.travelandleisure.com/this-interactive-app-will-help-you-plan-the-perfect-trip-to-sonoma) resulting in enormous interest in the product.

4. Continue to develop responsible travel messaging, and increase exposure audiences to responsible travel content, including responsible travel page, LNT principles, video views, travel kindly pledge, etc.

Responsible travel is now fully integrated into all components of SCT’s sales, marketing and community

engagement efforts. The paid media campaign that began Jan 2023 directs people to SonomaCounty.com sustainable page helping ensure greater exposure to the overall organizational commitment and the various initiatives.

In Oct 2022, SCT with its agency partner, Fahlgren Mortine, developed a targeted responsible travel strategy designed to build over three phases and bridge the gap between wellness and responsible travel. During FY22-23 the first phase was completed:

Invite and inform – This phase aimed to drive upper funnel awareness of Sonoma County as a responsible travel destination and drive/encourage sustainable travel to and throughout the destination. Campaign objectives were to position Sonoma County as a leader in the sustainable and responsible travel space and to drive weekday visits during the off-season. Tactics included utilizing media to generate awareness of Responsible Travel messaging and increase website traffic to SCT’s owned digital channels.

- Paid Media
  - i. Initiatives reached Responsible Travelers in priority in-state and out-of-state markets and created opportunities for audience discovery and awareness of Sonoma County through the lens of Pause & Effect messaging.
  - ii. Media mix included digital, video, audio and content sponsorships.
  - iii. Total media campaign spend: \$900,489
  - iv. Media KPIs were monitored, measured and optimized against impression delivery, clicks and website engagement on a monthly basis.
- Earned Media
  - i. 94 total placements secured including 37 Top 100 placements
  - ii. Secured 13 total feature placements
  - iii. 398,435,619 total audience
  - iv. 7.7 Barcelona Principles (qualitative) average score for November – April  
*(goal is to maintain at least a score of 7)*

5, Measure and report ROI – achieving pre-pandemic level of 166:1.

The paid marketing Return on Investment (ROI) study was conducted by Longwoods International for the Spring 2022 campaign. For this campaign period, the return-on-investment was 262:1 in visitor spending and 27:1 in taxes generated for the county. The 2022 Spring ROI is higher than that of the 2019 and 2021 Spring Summer studies. This is actually among the highest ROI in the tourism industry showcasing an enormously efficient and effective campaign.

(See the expanded overview in the Overarching KPIs section.)

6, Leverage new and developing partnerships:

SCT worked with advertising partner – Volta. This partnership places Sonoma County advertising on electric vehicle charging stations throughout Southern California – a key target market for SCT. This not only raised awareness about the region, but aligned with SCT’s commitment to sustainable living.

7, Continue ADA work on website, including making top 10 web articles available audibly. Audit site for ongoing ADA compliance opportunities.

All pages on website are available audibly given a browser based functionality for those with special needs. Our broad-based content audit in FY22/23 addressed ADA compliance specifically with captions for all images

and other best practices. Global styling is also based around ADA compliance for font size and color.

8. Create updated event sponsorship process to review, vet, and activate on opportunities throughout the year. Communicate new process to existing and potential event partners.

An updated schedule for applying for sponsorship funds as well as a new application was approved by the board and integrated with partners. This was the first year SCT saw a competitive environment for its sponsorships. The applications were vetted by the Marketing Committee and sent to the Board for final approval. In FY22-23, the following event sponsorships were provided:

- a. Sonoma County Wine Month
- b. Sonoma County Barrel Auction
- c. Harvest Fair Awards Dinner – Oct. 2022
- d. Artisan Cheese Festival - March 2023
- e. Taste of Sonoma - June 2023

9. Identify and begin integrating marketing initiatives for new BIA payors.

The program to bring vacation rentals into the BIA stalled in 2022. Recognizing the need to better understand the vacation rental industry and the concerns of both non-hosted and hosted properties, SCT formed the Vacation Rental Committee. The aim is to better understand this segment and identify ways to better integrate it into marketing efforts.

## **Destination Stewardship**

### **Overall**

1. Encourage responsible travel behaviors, elevating SCT's partnership with Leave No Trace and other organizations that will help elevate this priority.

During the year, SCT partnered with the Regional Parks and Leave No Trace on a video project that showcases each of the Seven Principles. These videos are available on the [SonomaCounty.com/sustainable](https://www.sonomacounty.com/sustainable) web page.

2. Position Sonoma County Tourism as an industry leader in destination stewardship through integration with local, national and international organizations.

SCT elevated the organization's industry position through being a featured speaker at Green Destinations International Conference, the Travel and Tourism Research Association (TTRA) Marketing Outlook Forum, the TTRA International Conference and the DMA West Education Summit.

Devin McConnell was made SCT's Manager of Sustainability and Climate Initiatives. He has spent the year identifying opportunities for SCT to be better integrated into statewide and national organizations. He attended the Global Sustainable Tourism Council annual conference and is working to identify a certification program for Sonoma County. Devin also sits on the CalTravel Sustainability Committee where he made significant contributions to the CalTravel Sustainability and Stewardship Toolkit for Statewide DMOs.

SCT also joined the US Travel Association's Sustainability Coalition to help further policies and industry practices around sustainable travel. SCT participated in the Sustainable Tourism International's video series that was launched worldwide on World Tourism Day Sept. 27, 2022.

3. Finalize and socialize Destination Sustainability and Resilience master plan, identifying action plan funding,

roll-out and integration.

The plan was completed and launched on May 11, 2023.

4. Continue to grow the Accredited Hospitality Professional (AHP) program, creating additional opportunities for continuing education. Continuing education programming included:
  - a. Power of Tourism Lunch & Learn – Economic Data
  - b. Social Media Training
  - c. Summer Celebration Networking at Hook & Ladder
  - d. Workforce training was conducted at Analy High School
  - e. Petaluma Lodging Association funded scholarships for high school students to go through the program in 2023-24 school year.
5. Execute a robust National Travel and Tourism Week, including a Stars of the Industry Event, to raise awareness of the importance of the tourism industry to the residents of Sonoma County.
  - a. Stars of the Industry was held on May 9 with over 240 in attendance, and more than 21,000 votes cast. Industry superstars were selected in 11 categories.
  - b. A Gold Resolution was presented at the Board of Supervisors meeting in honor of the travel and tourism industry on May 9.
  - c. The Destination Sustainability and Resilience Master Plan was publicly released at a Community Mixer on May 11.
  - d. A Sonoma County Tourism Cares event was held at The Humane Society on May 12.
  - e. Throughout the week over 20 businesses were lit around the County in Pinot Purple. These businesses were featured on both sonomacounty.com and the Sonoma County App.
  - f. A full-page ad ran in the Press Democrat and in 2 weekly papers to showcase the economic impact of tourism in the County, along with a full page ad congratulating the winners of Stars in the Industry. Digital ads were also run.
6. Accredited Hospitality Program
  - a. Increase the number of Accredited Hospitality Professionals from 128 to 350.
    - i. Enrolled in the AHP program since inception: 381
    - ii. Fully accredited: 253
    - iii. In progress: 128
    - iv. Percentage to goal as of 6/30: 67%
  - b. At least 30 partners actively engaged in supporting continuing education for AHP.

As of June 30, 21 partners are actively engaged in the continuing education efforts.
  - c. Quarterly updates to online module and curriculum for AHP.

An RFP was sent for an online platform, but the renovation of the SonomaCounty.com website has put this on pause.
  - d. A minimum of 10 AHP classes to be hosted at partner sites.

At year's end, six (6) classes have been held at partner sites.

7. Sustainable/Responsible Tourism

- a. Identify measurement metrics that show the positive impact of shifting consumer behavior.

Staff has made contact with a scientist from Leave No Trace to identify a measurement tool. At this point, no measurement tool exists.

- b. Develop dynamic voluntourism page on sonomacounty.com.

The page continues to be updated, and currently includes these opportunities for travelers to volunteer while in the destination:

- i. Redwood Empire Food Bank
- ii. Farm to Pantry
- iii. Sonoma Ecology Center
- iv. Sonoma County Regional Parks

The page also includes link for travelers to identify additional opportunities.

- c. Develop carbon offset incentive program. The carbon offset program has been added to SonomaCounty.com.

The usage is fairly small, so SCT is reaching out to partners to identify opportunities for refinement and expansion. SCT also includes the carbon offset calculator on its Travel Authorization Form for all employees traveling on business. SCT will pay for the carbon offsets for each trip.

- d. Double the number of Sonoma County Leave No Trace Coalition partners from 36 to 72.

Twenty-six businesses signed on to becoming Coalition partners in FY22-23, falling short of our goal. We have asked our collaborators at Sonoma County Regional Parks to take an active role in getting new businesses on board with this initiative for FY23-24.

- e. Onboard 20 businesses (10 coastal and 10 river area businesses) to Rewards for Rubbish program. Generate report near end of FY measuring program success.  
Despite a great deal of outreach (phone, email and in-person), we were not successful at getting businesses to adopt the program beyond one visitor center and one business. In addition, the volunteer engagement has been modest. We will continue to offer the program to any businesses interested in participating, but will not prioritize this specific program in the coming year.

8. Hold 3 Sonoma County Tourism Cares events per year and 10 Adopt a Road Clean-up events.

This goal has been reached:

Sonoma County Tourism Cares Activities:

- a. Nov & Dec 2022: Donation Drive for Personal Hygiene Products: Partnered with 7 chambers/ visitor centers resulting in 365 lbs. of product donated to Sonoma County's unhoused population.
- b. March 2023: Native Grasslands Planting with Conservation Works: Planted native grasses to prevent soil erosion and assist in carbon sequestration, and milkweed -- an important food source for the threatened monarch butterfly.
- c. May 2023: Humane Society of Sonoma County: Donated and bagged 418 lbs. of pet food and revitalized the campus's canine play area.



Road Clean-ups - Sonoma County Tourism has adopted roads in each of the five districts. During FY22-23, ten road cleanups occurred. With a participation of more than 70 SCT staff and partners, 103 bags of garbage were removed from the roads.

<b>Adopted Road</b>	<b>Clean-Up Date(s)</b>
Airport Blvd. (Santa Rosa)	July 22, 2022
Petaluma Hill Road (Santa Rosa)	Aug. 31, 2022
Armstrong Woods Road (Guerneville)	Oct. 20, 2022
Arnold Drive (Glen Ellen)	Nov. 18, 2022
Main St./Petaluma Hill Road (Penngrove)	Dec. 2, 2022
Airport Blvd. (Santa Rosa)	Feb. 21, 2023
Petaluma Hill Road (Santa Rosa) *	April 7, 2023
Armstrong Woods Road (Guerneville)	April 13, 2023
Arnold Drive (Glen Ellen)	May 25, 2023
Main St./Petaluma Hill Road (Penngrove)*	June 26, 2023

*\*In partnership with the California Highway Adoption Co.*

#### 9. Hospitality Collaboratives/Mixers

A second Coffee + Collaboration was held with elected officials with the topics of discussion being those they determined via an informal poll. The industry performance, most especially Transient Occupancy Tax (TOT) collections and forecast was the top discussion point.

This will continue to be a semi-annual event.

## **Organizational Sustainability**

### **Finance and Operations - Finance**

#### 1. Update accounting policies and procedures manual.

This was not completed during this year. This will be revisited in FY24-25.

#### 2. Develop updated tracking method and forecast model for revenue to achieve 5% forecast accuracy for revenue.

Due to dramatic increases in the TOT revenue seen during the first half of the year and timing of receiving the information from the County, SCT had a very difficult time forecasting revenue for the year. While the revenue was mostly above forecast, the winter months and impact of the copious precipitation swung the pendulum the other way and into a negative range. At year's end, industry performance in occupancy, Average Daily Rate (ADR) and Revenue per Available Room (REVPAR) was lagging behind the strong 2022 performance.

#### 3. Ensure reserves amount is kept at a three-month operating expenses level (\$2.1 million).

At year's end, reserves are at a three-month operating level. FY22-23 has been a volatile year, but at the close, a more stabilized financial environment allowed SCT to forecast and allocate funds at a more normalized level. This allowed for reserve funds to be allocated as such.

#### 4. Find new ways to safely maximize investments for reserves.

The increases by the Federal Reserve in the interest rate has given the traditionally conservative investment portfolio new strength. It was determined that a riskier approach would not be needed at this point.

## Finance & Operations – Operations

1. Ensure board and committees have full participation.

SCT works to ensure the Board and all committees have a full complement of members. The Board continues to have a few open seats, and SCT is working to fill these positions.

2. Develop new asset tracking system for all new equipment and hardware.

A new inventory tracking system was integrated in June helping the team better track all equipment and premium items.

3. Update Employee Handbook to encompass evolution of work environment, labor laws and ensure inclusion of DEI imperatives.

The Employee Handbook still need to be updated. Components of the handbook and associated policies, including the Travel and Entertainment policy were updated in FY22-23.

4. Data Systems

- a. Conduct full audit of all listings on the database and ensure information is updated in a timely manner.

A full audit of listings was completed, including responsive timing in updating information requested by partners.

- b. Create tutorial for partners to ensure administration of the database is easily understood.

Distributed Hospitality Hub training resources to partners, conducted one-on-one partner trainings, had 682 accounts log into the Hospitality Hub (a 5% increase from FY21-22).

5. Work with existing platforms and identify new technology that streamlines and automates office processes such as expense reports, online inquiries and Simpleview reporting of activities.

Created a new system for tracking media/PR pitches and articles, travel authorizations, and inventory. Integrated new technology for digital asset management, calendar of events management, and article importing.

## Research

1. Integrate quantitative and qualitative data to provide added insight and context into visitor flows.

More than ever, SCT is including a variety of models into its research foundation to ensure information is timely, integrates both quantitative and qualitative insights and has the output most salient to partners. Research is derived from:

- i. Dean Runyan annual economic impact survey
- ii. Longwoods International annual visitor survey
- iii. Longwoods International marketing ROI survey
- iv. STR reports
- v. Tourism Economics Symphony Dashboard
- vi. Air DnA – tracks vacation rental performance
- vii. NEAR data – tracks people’s movement within the destination using GPS tracking

- viii. TravelClick – provides pace reports and destination- wide booking forecasts

2. Use the outcomes from the Destination Stewardship and Resiliency Master Plan.

The Plan was completed in May 2023. Some of the key outcomes have been integrated into the FY24 25 strategic plan including developing compelling experiences, ensuring accessibility and addressing the need for a convention center. Each of the initiatives has been included in the plan as possible for the upcoming two year timeframe.

3. Identity qualitative methodology to measure sustainable travel behaviors.

This continues to be a challenging piece of data to source and identify. SCT has not yet integrated this type of research. Note that a data scientist from Leave No Trace has been engaged for this work.

4. Evaluate performance of the Symphony (Tourism Economics) dashboard and opportunities to integrate into marketing campaigns and other research platforms.

SCT did evaluate this product and reviewed it against other similar products. We determined to continue to work with Symphony and have signed a three-year agreement for continued and elevated services.

This data has been integrated into all programming as appropriate. In fact, when the Marketing Committee was determining event sponsorship allocations, they consulted the TravelClick data to determine if the event occurred during a “need period.”

The marketing and sales teams use this data to plan campaigns and outreach.

5. Launch and complete survey of visitor centers to determine usage, visitor experience, needs and opportunities. This survey was conducted by Destination Analysts during the end of 2022 and the first half of 2023. The results were delivered in August 2023.

6. Track funding models for other California DMOs and identify changes to their assessments and tax base.

Completed. SCT reviewed funding models for our destinations in our comp set including:

- i. Visit Napa Valley
- ii. Visit Santa Barbara
- iii. Visit SLO
- iv. Visit Palm Springs

The information was used to determine how SCT could structure its funding increase initiative.

#### IV. FY23-24 Update

Sonoma County Tourism began its FY23-25 strategic plan on July 1, 2023. This update showcases the team's progress towards the organization's Critical Business Objectives (CBOs) as well as the team's Key Performance Indicators (KPIs). Sections in the plan have been edited to remove some of the editorial content that lays a foundation for the KPIs, but is not material to the tracking of the KPIs.

#### Organizational Critical Business Objectives

Overarching Critical Business Objectives (CBOs) lay the foundation for all programs and create a shared vision for the organization. These are the metrics by which the success of the organization will be measured.

#### **PRIORITY 1: Drive the Economy**

- 1. Increase Revenue to Partner Businesses and the County.** To help increase revenue SCT will engage key strategies. While, depending on market conditions, these may shift slightly in year two of the plan, we anticipate these to continue throughout the plan time period (FY23-25).

- Elevate brand awareness primarily as it encompasses the key brand pillars of wine and food, sustainability, wellness and responsible travel;  
*SCT's sales and marketing programs continue to convey the Life Opens Up brand and each of the key pillars. The intent marketing campaign that began Nov. 1, 2023 and will run through April 30, 2024 provides the central platform for the consumer marketing brand awareness effort.*
- Increase inquiries to SCT's key marketing channels – SonomaCounty.com and the Sonoma County app  
*SCT's website underwent a complete transformation during 2023 and will launch in phases with the full launch in the Spring. SCT continues to track inquiries and usage of the site through the Tourism Economics Symphony platform.*
- Elevate engagement across Sonoma County's social channels;  
*SCT has an overall goal to increase engagement in its social channels by 10% year-over-year. At the end of December, we are tracking toward that goal:*
  - *Instagram: 105% of goal YTD*
  - *Twitter: 110% of goal YTD*
  - *FaceBook 100.3% of goal YTD*
- Incentivize meeting planners to choose Sonoma County;  
*\$19,000 of new incentives granted for November 2023 - April 2024 (1,963 room nights)*
- Create business-building opportunities for partner properties;  
*SCT began the More than A Stay program in November to help bolster business. This year's program includes not only traditional lodging partners, but vacation rentals (those owned/managed by members of the Vacation Rentals Committee) and experiences. The promotion has a dedicated web page to help elevate awareness More Than A Stay - Sonoma County Tourism.*

- Increase the number of Sonoma County trip offerings in international tour operator tariffs; and  
*Has not been completed*
- Include the vacation rental product as a desirable lodging option.  
*For the first time ever, SCT is including vacation rentals in its More Than a Stay promotion. This will help amplify vacation rentals in marketing efforts and driving business during need periods.*

The overall revenue and growth in key sectors such as taxes generated and employment are measured through the annual Dean Runyan Economic Impact study. The 2023 annual impact study will be released in May 2024.

2. **Balance Travel Seasonality.** Sonoma County Tourism has been charged with intent marketing during the shoulder and off-season time period (November – April) since its inception in 2005. Because of the product offerings and regional nature of current visitation, driving visitation during this period continues to be a challenge. Both the consumer marketing and destination sales teams work to compel travel during this time period.

To further encourage year-round travel and most especially mid-week and off-season travel, the development of a convention center complex would help punctuate this goal. Critical objectives for development of a convention center during the upcoming biennium include:

FY23-24:

- Identify the market potential and ideal location.
- Craft and execute a communications and outreach strategy to connect with local residents, businesses and other stakeholders.

*This work was started in earnest during this timeframe. SCT worked with HVS to develop and complete the first of a two-phase feasibility study. The study verified Sonoma County as a viable destination for a convention center and identified a few sites that would work well for the project. We initiated conversations with city officials and others to determine if the identified site might work.*

*Conversations have begun with the City of Santa Rosa, the Santa Rosa Metro Chamber and developers. Communications with the City of Rohnert Park have been conducted to inform them of the status of that location.*

3. **Create a Compelling Invitation for Hospitality Workers to Choose Sonoma County.** Along with industry and government agencies, including the Economic Development Board and the Sonoma County Hospitality Association, SCT will help spearhead programs that showcase the region to potential employees.

*The Career Technical Education (CTE) Foundation met with the Community Engagement Committee and co-hosted a webinar with SCT for our partners. We have one confirmed partner and two strong tentative partners committed for this year's program.*

*SCT is working with the EDB, and members of the hospitality industry to develop a retirement funding program for hospitality workers. This will be an innovative program that will set Sonoma County apart from other tourism-driven regions.*

*Success will be measured by an increase in the number of workers in the hospitality industry and long-term, the number able to live in Sonoma County as reported through tax roles and census data.*

## **PRIORITY 2: Create a Resilient Organization**

Resiliency is the capacity of an organization to prepare for and respond to any impact. This can be a crisis, an incident that diminishes organizational reputation or a shows a lack of forward planning especially planning that prepares the organization for potential impact. Sonoma County Tourism will work to become more resilient in the face of all potential impacts through creating a structure and approach that will help alleviate potential risks.

1. **Increase Funding to SCT.** To create a high level of organizational resiliency, Sonoma County Tourism will work to increase its funding by 30% - to \$12 million or more through long-term reliable sources of revenue. This will give the organization the foundation needed to manage ongoing programming and respond to any impacts.

*Draft of the “Affiliate Program” has been completed. Will meet with the Revenue Generation Committee on Feb. 6 to determine if it’s ready to begin selling to partners.*

*Through partnership participation in trade shows and client events, SCT has generated \$16,500 in incremental revenue, most of which occurred October – December 2023.*

Success will be achieved when SCT gains 30% or more in long-term funding.

2. **Elevate Commitment to and Programming Around Diversity, Equity, Inclusion and Accessibility (DEI+A).** To help both SCT and its county-wide partner businesses recognize the importance and need to integrate DEI+A policies, SCT will work to lay the foundation for meaningful programming internally and for partners.

*Nothing substantive has been achieved.*

Success will be the integration of a DEI program of work for the organization and a platform or other tool that partners can use to integrate their own DEI &A initiatives.

3. **Administer an Effective and Transparent Operation**

As a contributor to, and recipient of, public funds through the Transient Occupancy Tax (TOT), Sonoma County Tourism ensures its operational practices align with accounting and operational best practices. Through oversight of the Finance & Legal Committee and the Board of Directors, the budget and allocation of dollars are given careful scrutiny.

Forecasting and budgeting for FY23-25 should fall back into a more normalized cadence. The uncertainties and dramatic swings of the previous five years should now be more balanced giving SCT a better chance to budget and allocate funds in alignment with the programs outlined in this plan. To this end, SCT will continue its annual audit with a County-approved auditing firm and will report all findings to the Finance & Legal Committee, Board of Directors and the County.

*Due to the lackluster 2023, SCT worked diligently to reforecast available funds based on an ongoing lower than expected performance. Once the reforecast was determined, SCT worked as a team to reduce program budgets to ensure funds were spent on high return programs.*

*SCT is working with Piscenti & Brinker to complete the FY2022-23 financial audit. We expect this to be completed in February 2024.*

Success will be realized with accurate financial forecasting (within 10% of actual), a favorable annual audit and utilization of the program budgets to achieve the KPIs outlined in this plan.

**4. Create a Highly Engaged Board of Directors and Committees**

Sonoma County Tourism is guided by its Board of Directors and Committees, making their engagement in all aspects of the organization critically important.

Achievement of this objective will be determined through an annual board and committees survey as well as ongoing participation in meetings and events. Success will be an overall satisfaction level of 90% or higher.

**5. Ensure a Highly Satisfied, High Performing Team**

The capacity for SCT to achieve the goals outlined in this plan and be an employer of choice is dependent on a professional team that is valued and empowered. Working collaboratively across all departments, coalescing around shared goals and values and having the skills and tools required to succeed at jobs is critical for success of the organization.

*SCT continued to work on employee engagement through activities that encourage teamwork and generate some fun. The team is under pressure to bring business back to the destination – pressure it has not experienced since any have been at SCT. It's a challenging time, but the team is rising to the occasion!*

*The employee survey will be completed in March 2024.*

Success will be measured through a year-over-year increase in employee survey satisfaction scores.

**PRIORITY 3: Engage the Community**

- 1. Provide Greater Opportunities for Community Input.** Ensure ongoing opportunities for residents to provide input into Sonoma County Tourism's initiatives, including those outlined in the master plan. This will help ensure a higher level of understanding and potentially support, from residents.

Overarching success will be measured in both the number of touchpoints between SCT and residents and the satisfaction scores of residents through an annual survey.

- 2. Increase Engagement with Tourism Industry Partners.** SCT will continue to develop business building opportunities for its partners and provide both financial and intellectual resources designed to create success.

*SCT's work with the visitor centers is helping to enhance professionalism of these important visitor touchpoints and with the introduction of infrastructure grants (\$100k administered in Dec. 2023/Jan 2024), the centers should be better able to successfully serve their customers.*

*SCT hosted a meeting planner/tour operator/media event aboard the SF Giant's Yacht in December. This provided partners with greater access to these key decision makers.*

Success will be measured through increase in partner participation in SCT programs and the satisfaction scores obtained during an annual partner survey.

3. **Elevate Awareness of, and Discussions Around, Sonoma County's Culture and Heritage.**

Tourism has generally taken a Pollyanna approach to culture and heritage, framing this in a completely positive light. Sonoma County Tourism recognizes that while part of the region's history can be celebrated and held amongst its most cherished key appeals, components of history need to be addressed in a more meaningful and authentic way. As identified in the Destination Stewardship and Resiliency Master Plan, spurring conversation around all aspects of our history, will move the destination forward in a more realistic way.

During the next two years, SCT will work with organizations, history centers, learned individuals and other institutions to help surface the true history and unique culture of Sonoma County.

A part of this dialogue will be conveyed through the Neighborhoods Program. This program will connect municipalities, unique voices and untold stories to residents and visitors.

Tied to the metrics in the Destination Stewardship and Resiliency Master Plan, success will be realized when 50 authentic oral and written histories are uploaded to the website. The Neighborhoods program will be measured through the completion of six programs per fiscal year.

*The Neighborhoods program has begun. One program (Cotati) was completed during this timeframe. Two more (Guerneville, Sebastopol) are in production and expected to launch in early Spring 2024.*

**PRIORITY 4: Solidify Commitment to Destination Stewardship**

1. **Elevate the Position of Sonoma County Within the Sustainability Space.** Although Sonoma County has established itself as a leader in sustainable travel, SCT can continue to solidify this position and provide additional opportunities for its partners. The creation of the Manager, Sustainability and Climate Change Initiatives has provided SCT with greater insights into this arena and opportunities to create first-to-market solutions and opportunities for partners.

*SCT is working to complete certification by Green Destinations, a Global Sustainable Tourism Council (GSTC) recognized entity.*

Success in this area will be around how SCT is able to elevate the destination through certification, opportunities for speaking engagements and number of partners who create new or advance sustainability offerings.

2. **Enhance Partnerships with Sustainability Brands.** SCT has worked with organizations such as Leave No Trace and Kind Traveler for several years and developed foundational programming, more can be done to engage local partners and convey the programming to visitors.

As sustainability grows within the meeting sector, the opportunity to engage meeting planners with Sonoma County's commitment to sustainability is greater than ever. Helping ensure venues/hotel brands are aligned around the sustainability value will be critical for success.

Success will be in the number of new partnerships achieved and increasing the partner participation in current partnerships.

3. **Position Sonoma County as a Leader in the Climate Change Imperative.** California is working to become a global leader in mitigating climate change. With the commitment of both the winegrowing and tourism industries, Sonoma County can become a partner with the state to move climate change initiatives forward.



As this program is in its infancy, success will be realized in how SCT is able to position the destination within statewide climate change initiatives and to be seen as a thought leader in this space.

### **Team Key Performance Indicators**

The Critical Business Objectives drive the organization and provide overarching goals for key initiatives. The components of the Programming and Key Performance Indicators (KPIs) section showcase the work of the team and ladder up to the overall CBOs.

## **PRIORITY 1: Drive the Economy**

### **1. Increase Revenue to Partner Businesses and the County**

#### **Research**

All SCT programming is informed by the data derived through research. During FY23-25, SCT will continue to add research that helps inform all departments to ensure decisions are made solely based on insights gained through research. Of critical importance is ensuring partners are aware of and understand how to integrate research into their plans and tactical programming. SCT will work during the FY23-25 biennium to both gain the needed research to inform its own efforts and convey the research to partners. This will be accomplished through a multi-pronged research program.

Key performance indicators:

- Track industry performance (all components of the tourism ecosystem) to better inform SCT's marketing and sales programming. This will include:
  - Tourism Economics Dashboard – amalgamating all research into one overview – Completed. SCT receives a monthly dashboard that's uploaded to the Industry sector of the website. SCT also discusses the results through a monthly call with the Tourism Economics team.
  - Smith Travel Research (STR) weekly, monthly and custom hotel lodging performance reports – completed. Completed. Both weekly and monthly reports are received. Monthly reports are uploaded into Board Effect for the board's review.
  - AirDNA vacation rental industry monthly reports – SCT determined that Key Data reports provide a more robust tracking system as information comes directly from property owners and management companies.
  - VisaVue cardholder spending data – Current. SCT gets the quarterly VisaVue spending report. This integrated into the Tourism Economics dashboard.
  - NEAR geolocation data to amplify understanding of visitor behavior – SCT is getting NEAR data. We have integrated the 2024 marketing campaign assets and attribution into this platform.
  - TravelClick hotel booking data to understand and fill need periods – SCT is getting TravelClick reports. This is updated every two weeks and in the Dashboard under lodging Performance.
  - Media and website attribution modeling to provide visitor insights on those who saw media or website ads/campaigns and arrived in market. In the NEAR geolocation tracking platform.
- Track year-over-year economic impact through a partnership with Visit California and Dean Runyan Associates Economic Impact modeling. Obtain additional city-specific information. 2023 Economic Impact study will be contracted for both the county and city-level impact. We expect that to be delivered in early May.

- Gain annual visitation insights through the Longwoods International Travel USA® survey. In process.
- Determine marketing campaign effectiveness through the Longwoods International ROI study. We will move to a biennial ROI study. We're looking into other ROI modeling.
- Provide insights to partners via the Tourism Industry and Performance Insights (TIPI) e-newsletter allowing them to shape sales and marketing initiatives informed by research. The TIPI has been developed and distributed as scheduled.

## **Marketing**

Throughout the upcoming biennium, the Marketing and Communications team will continue its long-term strategy to create compelling and authentic messaging around the organization's key pillars. As tentpole strategic elements, the department will:

1. Move into Phase II of its Marketing-Communications strategy roadmap: *Communicate Impact and Showcase Value and Authenticity*. To further establish Sonoma County as a leading destination for responsible travelers, we will build upon our "Invite and Inform" phase by showcasing authentic stories that demonstrate Sonoma County's commitment to sustainability and highlight distinctive and compelling travel experiences.
2. Enact a "Storymining & Storylining" strategy that integrates across paid, owned, earned, and shared channels. This will identify messaging and seasonality gaps, gain input from SCT partners, showcase the distinctive stories and profiles of Sonoma County luminaries. It also will help SCT create story ideas and creative assets that highlight unique and authentic Sonoma County travel experiences.

These strategies will be supported through programming and associated key performance metrics:

- Create additional opportunities to leverage the TODAY Show project, to create incremental exposure of, and buzz for, the destination.
  - *SCT continues to be in talks with NBC on ways in which our partnership can continue to grow.*
- Move into Phase II of SCT's cannabis strategy, which will create new opportunities to message about Sonoma County's tourism-facing cannabis offerings.
  - Develop cannabis landing page with content, events and partner listings.
    - *Cannabis landing page development is underway, with debut in Spring 2024.*
    - *Cannabis partner visits have started occurring, which have resulted in story development, video creation, and other synergistic promotional opportunities.*
- Launch new website and related optimization program (content audit, SEO, paid search)
  - *New website was soft launched January 4, with continued optimization rolling out over time.*
- Continue development of the Sonoma County app to include multi-day planning, and scavenger hunts, loyalty components, amongst others.
  - *Increase app downloads by 10% Year over Year (YoY) 147% over goal YTD*
  - *Increase active users by 10% YoY 154% over goal YTD*
- Continue to implement updates and enhancements across our owned channels, that work to increase "intent to travel" actions.
  - *Increase email subscriber list by 10% YoY 98% of goal YTD*
  - *Increase social followers (IG, TT, FB) by 10% YoY across all platforms*
    - *Instagram: 105% of goal YTD*
    - *Twitter: 110% of goal YTD*

- *Facebook: 100.3% of goal YTD*
    - *In partnership with Community Engagement, increase Travel Kindly Pledge signups by 5% YoY 124% of goal YTD*
- Drive high levels of ROI on annual consumer marketing campaign that exceed \$262:\$1.
  - *The results of the latest study shows an ROI of \$188:\$1*
- In collaboration with Research, establish a baseline attribution model, leveraging our partnership with Tourism Economics and Near.
  - *Developmental work has been taking place, with a full roll out expected by Summer 2024.*

### **Public Relations**

As the key driver of the brand story, the public relations team will work with both domestic and international media outlets to curate stories that showcase the brand and depth of Sonoma County's offerings. This will be accomplished through:

- Continue to develop key messages that support SCT's key pillars. These serve as a baseline for our story ideas and are also made available to our partners to connect with and support their own messaging.
  - *Key messages continue to be developed throughout the year and are available on the Partners section of our website.*
- Using our key messages as a foundation, curate breakthrough story ideas that surface and support Sonoma County's pillars including responsible travel, destination stewardship, wellness, food/wine, and outdoor recreation.
  - *Story ideas, built from a core of our key messages, are available on the partners section of the website.*
- Maintain Barcelona Principles score of at least 7/10, within our primary story idea topics.
  - *Our YTD average score stands at 8.9*
- International: Secure earned media coverage in our targeted international markets of the UK, Germany, and Australia via the partnerships with our international offices.
  - *Coverage of the destination continues to roll in, which is shared bi-weekly with our partners via an email coverage report.*
- Secure earned media coverage in our targeted domestic markets through a coordinated effort, in partnership with our integrated agency.
  - *Coverage of the destination continues to roll in, which is shared bi-weekly with our partners via an email coverage report.*

### **Destination Sales**

As business travel continues its comeback momentum and SCT works to elevate the awareness of Sonoma County as a vibrant meeting destination, the team will continue its focus on key market segments including corporate, incentive and association meeting groups. Providing business building opportunities, offering financial incentives and identifying enhanced collaboration will lay a critical foundation for programming.

- Achieve a 10% year-over-year increase in leads distributed to the partner lodging properties. *At this time, the GBD team has distributed 444 leads, which is down 7% from last year. However, the number of rooms requested overall is up 8% YOY.*
- Achieve 12,000 SCT influenced contracted group room nights throughout Sonoma County. *GBD has influenced 40 events equating to 10,220 room nights, just 1800 room nights shy of the 23-24 annual goal.*
- Increase 1:1 meetings and connections with meeting planners and clients by 10% of previous year actuals. *We have conducted over 1100 1:1 meetings, compared to STLY at 502 1:1 meetings*

- Monitor TravelClick room night bookings to identify need periods and convey strategy for filling to the Business Development Committee. *Group remains stronger than transient, with need periods January – June, both weekday and weekend. The SCT team is tracking this data and providing updates to partners.*

### **Travel Trade**

Travel Trade is focused on generating bookings from leisure groups in both the US and international markets. International inbound travel has been challenged even post-COVID in restarting a normalized inbound volume. To ensure Sonoma County is among the first-to-market destinations, international representative firms were established during FY23-24.

The next two years will be focused on raising brand awareness and reengaging tour operators, wholesalers and travel agents to generate offers for Sonoma County. This effort does not live in a vacuum. Educating these key buyers is done not only through a sales-driven effort, but also with a robust media relations outreach. Information on SCT’s programming for the international market is contained in the above Public Relations section. Key performance metrics include:

- Generate 7 new Tour Operator programs and itineraries for Sonoma County.
- Increase product development and offerings in each primary market, UK, Germany, Australia, by 10%.
- Inspire 5,000 leisure / travel trade room nights at Sonoma County BIA or TOT contributing properties. As of November 30, 546 room night have been booked.
- Increase 1:1 meetings and connections with travel trade professionals and clients by 10% of previous year actuals. As of Nov. 30, 401 client meetings have been held.
- Host a minimum of 6 inbound FAM tours with travel agents, tour operators, and travel trade professionals.

### **Business Development**

Key components in the Destination Stewardship and Resiliency Master Plan require a heightened effort in general business development. Working with developers, permitting agencies, and organizations outside the “normal” scope of work, SCT will become more intentional about developing a robust tourism industry business infrastructure.

Business Development also will be the department that works closely with the Sonoma County Airport to assist with route development and ongoing initiatives to bring business to the airport.

Key Performance Indicators:

- Work with STS to achieve its growth strategy, helping to provide data to support the strategy. *The Business Development team was instrumental in the booking of the Crawford, Murphy, and Tilly (CMT) – Air Service Conference at the Vintners Resort & Spa, November 14 -16, 2023. The conference attracted senior level managers and route planners from Alaska Airlines, American Airlines, Southwest Airlines, Avelo Airlines, Spirit Airlines, Sun Country, and Allegiant Airlines as well as air service industry suppliers. United Airlines was invited but was unable to attend. CMT’s purpose of the conference was to showcase Sonoma County as a destination, while discussing data and trends that are impacting the air service industry. Each participating airline and some of the service providers presented on their outlook for the industry, and Jonny Westom gave a presentation on Sonoma County as a destination, which garnered good discussions and*

*questions. SCT's goal in supporting this conference was to expose Sonoma County and STS to this key group of decision makers that may have an impact on future routes into STS. SCT is in receipt of the presentations and data from each airline, and we have shared that information internally to aid in the development of future opportunities.*

- Maintain a pipeline of development projects and companies funding the projects. Provide a monthly report to the Board of Directors.
- Monitor the TravelClick data to identify need periods and convey opportunities to lodging properties through a quarterly industry e-newsletter.

## **2. Balance Travel Seasonality**

Sonoma County Tourism is charged with driving travel during the off-peak times of November – April. Not only does this balance numbers and mitigate overcrowding, it also provides protection for the region's natural resources and creates a more stable environment for the hospitality workforce. Work on this strategy will be done by all departments within SCT.

Key performance indicators:

- Execute intent marketing sales programming designed to drive off-season visitation. In alignment with SCT's mandate to create year-round demand for Sonoma County and most importantly within the November – April timeframe, SCT's marketing and sales groups will address this through various program elements, including:
  - Create marketing campaigns that reach direct flight markets, helping to drive revenue through longer stays and stays that extend beyond the weekend.
    - SCT has been in market with our "Discover Your &" consumer marketing campaign since November. Playing in our key drive and flight markets, this campaign is designed to showcase the destination in the off-peak season.
  - Work with partner venues to emphasize and incentivize meetings help between November – April and during mid-week time periods.
- Lay the foundation for development of a convention center.
  - Identify a consultant and conduct a feasibility study that lays the foundation for a convention center, including potential locations that meet the needs of the business traveler and Sonoma County community. Completed. HVS, a leader in the development of convention centers and other properties was retained by SCT to conduct the feasibility study. As of 1-24-24, the first phase of a two-phase study has been completed.
  - Identify creative funding solutions to ensure the center has the resources needed to become a highly functional and appealing facility.
  - Work with developers, city and county permitting, and other investors/partners to gain perspectives and input and to discuss feasibility of a convention center,
    - Design to properly reflect the Sonoma County brand and image.
    - Ample space to include community focused outlets as well as function space for groups, meetings, and special events.
  - Ensure the facility encapsulates the Sonoma County commitment to sustainability, such as LEED certification, solar energy, and other renewable energy solutions.
  - Ensure efficient facility ingress and egress for vehicular traffic.

- Collaborate with residents and other stakeholders to develop a crisis plan for the facility that will be available to house residents during need periods.

### 3. Create a compelling invitation for hospitality workers to choose Sonoma County

Along with industry and government agencies, including the Economic Development Board and the Sonoma County Hospitality Association, SCT will help spearhead programs that showcase the region to potential employees.

Key Performance Indicators:

FY23-24:

- Create communication pieces and strategy for distribution that showcase which job types and openings are needed throughout the industry (as specific as possible by job type). Help identify pipelines for those job types.
- Partner with the Career Technical Education (CTE) Foundation, and involve 3 hospitality partners in their internship program (\*January of 2024 for placement June 2024).
  - The CTE Foundation has met with the Community Engagement Committee and co-hosted a webinar with SCT for our partners. We have one confirmed partner and two strong tentative partners committed for this year's program.
- Partner with SCHA to increase membership through the Accredited Hospitality Professional (AHP) program. Increase SCHA membership by 20% with AHP members.
  - We are working out the details of a closer partnership with SCHA that will include discounted AHP classes for SCHA members and a closer connection to SCHA for those completing the AHP classes.
- Representation by SCT staff at community meetings around workforce, tourism, housing etc.
- Increase AHP fully accredited participants by 50%.
  - Currently at 63% of goal with 350 fully accredited participants.
- Integrate AHP into 3 high school programs.
  - 100%+ complete. Classes have been taught at Analay, Casa Grande and Maria Carrillo high schools. Classes are slated at Petaluma High School and Ridgeway for this spring.
- Create an internal job posting, match, internship, apprentice feature for partners. During creation, collaborate with local Chambers and the SBDC.

## PRIORITY 2: Create a Resilient Organization

### 1. Increase Funding to SCT

To create a high level of organizational resiliency, Sonoma County Tourism will work to increase its funding by 30% - to \$13 million or more through long-term reliable sources of revenue. This will give the organization the foundation needed to manage ongoing programming and respond to any impacts.

Key Performance Indicators:

- Forge bonds with the vacation rental industry so that the value of the partnership results in the sector becoming an investor for Sonoma County Tourism's destination marketing initiatives. Increase vacation rental offerings on SonomaCounty.com by 100% year-over-year. SCT continues to engage this community with its Vacation Rental Committee.  
*Committee members are becoming more engaged with SCT through attendance at the annual meeting and local mixers. SCT also offered inclusion in the More Than a Stay program to*

*members of the Vacation Rental Committee. This was done to identify issues that may result in this type of promotion so SCT can work through before offerings to the broader sector.*

- Create at least two shared pieces of content that highlights vacation rentals.
- Create a certification (badge) for vacation rentals that can be used to highlight property adherence to high standards.
- Identify new partnerships with non-BIA lodging properties and municipalities that result in benefits that include additional funding to SCT.

**2. Elevate Commitment to and Programming Around Diversity, Equity, Inclusion and Accessibility (DEI+A)**

To help both SCT and its county-wide partner businesses recognize the importance and need to integrate DEI+A policies, SCT will work to lay the foundation for meaningful programming internally and for partners: *SCT is working on this, but has not yet begun work in earnest.*

**3. Administer an Effective and Transparent Operation**

Taking risks is the hallmark of an innovative organization. A publicly funded organization, however, is allowed the amount of risk only commensurate with the level of trust its stakeholders have in the organization. To ensure a high level of trust by both internal and external stakeholders, SCT will increase its level of transparency and work to ensure its operational effectiveness is without reproach.

*SCT has completed its annual audit with an “unqualified result.”*

**4. Create a Highly Engaged Board of Directors and Committees**

Ensuring a highly engaged board and committees requires a high level of trust, timely communications and opportunities that excite and interest members. Helping to ensure both board and committee members are engaged in the work of the organization, SCT will work to achieve the following Key Performance Indicators:

- Provide tools for board and committees to champion Sonoma County Tourism. These include:
  - Organizational strategic plan
  - Department action plans
  - Research/economic impact figures that help convey the performance of the industry and of SCT – Included on handy stat cards for board members and others for reference.
- Ensure all have talking points salient for the time period or to specific initiatives that provide information pertinent to constituents. *SCT provided updated statistics cards for board members to have at the ready should questions arise.*
- Ensure meetings allow for ample input and discussion around critical elements that guide the organization. Taking board feedback, SCT revised the format of the board meetings to put talking points and discussion at the front of the meeting, allowing for greater discussion than when the talking points were included at the end.
- Offer opportunities for connecting with partners and other stakeholders such as topical thought leadership discussions and mixers. *SCT holds regional mixers at which board members can connect with members of the community. Board members are invited to City Council and the Coffee + Collaborative meetings with elected officials.*

**5. Ensure a Highly Satisfied, High Performing Team**

The success of this plan is dependent on a team that’s provided with the resources and support needed to rise to the aspirations of the objectives and key performance indicators outlined. This begins with ensuring SCT hires motivated, talented professionals but more importantly continues with a day-to-day environment that supports all aspects of the employee’s work life. SCT has worked hard to elevate its attention to the team, most especially through and coming out of the pandemic, but the work continues.

#### Key performance indicators:

- Year-over-year increases in employee satisfaction scores through the annual employee survey. *The 2023 survey had a solid increase in satisfaction scores from the 2021 survey. The November 2021 survey had overall employee satisfaction at 58%. In March 2023 (the next survey), the satisfaction favorability score was at 76%. SCT will conduct the 2023-24 survey in late February/early March.*
- Year-over-year increase in employees participating in professional development opportunities. Due to the budget situation as of Jan 2024, employees have been asked to refrain from professional development opportunities that require travel/conference registration. *While these are important, the funding needs to be spent on driving business – for now.*
- Turn-over-rate of two or fewer employees per year. For the time period of July 1 – Dec. 31, two employees have left the company. *One due to the position not being a good fit – an SCT-led termination, the other was due to a job opportunity at a larger organization.*
- Annual compensation survey shows SCT employees in the top 90% of California destination marketing organization salaries. SCT's employees are in the top 90% of California DMO salaries.

### **PRIORITY 3: Engage the Community**

#### **1. Provide Greater Opportunities for Community Input**

Ensure ongoing opportunities for residents to provide input into Sonoma County Tourism's initiatives, including those outlined in the master plan, to ensure a higher level of understanding and potentially support, from residents.

#### Key Performance Indicators:

##### FY23-24:

- Launch annual resident sentiment survey.
- SCT team members active on committees/boards of partners/foundations; non-tourism sector (4 key areas)  
*Claudia is on the board of Healdsburg Jazz.*
- SCT team members participate/present at one MAC meeting per jurisdiction.
- Convene 5 local town halls for stakeholders including, but not limited to, neighborhood groups, community newspapers, non-profit organizations, Chambers of Commerce, service clubs, youth sports, partners and key community event planners.
- Launch The Neighborhood Project video / content series highlighting the different towns and cities within Sonoma County. Five (5) census areas to be included in the launch, but 10 to be highlighted by June 2024.
  - *Three videos are complete (Cotati, Guerneville and Sebastopol).*

#### **2. Elevate Engagement with Tourism Industry Partners**

SCT will continue to develop business building opportunities for its partners and provide both financial and intellectual resources designed to create success.

#### Key Performance Indicators (23-24):

- Conduct an annual partner survey to assess partner sentiment toward SCT and its value. Gain an overall score of 80% Satisfied or Highly Satisfied.



- Conduct experiential assessment of major county-wide points of interest. Incorporate a partner from EACH sector and visitor centers/chambers in each municipality. Develop education trainings on key areas & highlight those needed areas in AHP continuing education.
- Continue monthly Hospitality Collaboratives in featured municipalities; toggling with mixers; 6-8 partners per event; increase attendance with AHP invitees (max 10 per collaborative).
  - *Collaboratives have been held in Petaluma and Occidental, with a collaboratives scheduled for Timber Cove, Sebastopol, Guerneville, Geyserville, and Cloverdale. Santa Rosa and Rohnert Park/Cotati will round out the year.*
- Hold two Elected Officials Coffee + Collaboratives.
  - *The first Coffee + Collaboration will be held on February 1, 2024.*
- SCT team members assigned to each chamber, visitor center; being present where relevant for at least 2 per year per municipality plus mixer attendance when available.
- Conduct a robust National Travel and Tourism Week activation  
*Planning is underway for a robust National Travel and Tourism Week that includes a Gold Resolution, Stars of the Industry event on Wednesday, May 22 at the DoubleTree by Hilton Sonoma Wine Country, a community learning event, a Tourism Cares event and resident programming that involves our various visitor centers and chambers of commerce.*

### **3. Elevate Awareness of, and Discussions Around, Sonoma County's Culture and Heritage**

Working closely with partners at arts and cultural organizations, SCT will amplify the stories, challenges and triumphs of the region's historical and cultural communities.

*Nothing substantive has been achieved.*

## **PRIORITY 4: Solidify Commitment to Destination Stewardship**

- 1. Elevate the Value of Sustainability.** Although Sonoma County has established itself as a leader in sustainable travel, SCT can continue to solidify this position and provide additional opportunities for its partners. Putting the commitment into action across the destination will be key for the upcoming time period.

Key Performance Indicators:

FY23-24:

- Develop a robust database of the sustainability initiatives being offered by partners so that they can be easily identified and amplified to journalists, meeting planners and for appropriate marketing opportunities.  
*Comprehensive surveys have been developed and are available on the Industry Sustainability page of sonomacounty.com for hospitality businesses to report on sustainability efforts within their operations. The surveys will be a significant tool for capturing information for the database.*
- Attain Green Destinations certification for Sonoma County. Through working with Green Destinations, a Global Sustainable Tourism Council (GSTC) recognized certification organization, SCT will become a certified destination within the framework outlined.  
*We are currently approximately halfway through the lengthy reporting phase of the certification process. Once the reporting phase is completed, there will be a desktop audit, followed by an in-person assessment.*

## **2. Enhance Partnerships with Sustainability Brands**

While SCT has worked with these organizations and developed foundational programming, more can be done to engage local partners and convey the programming to visitors.

Key Performance Indicators:

FY23-24:

- Hold a partner education session for lodging partners promoting the Kind Traveler platform and “Every Stay Gives Back” initiative.
  - *Kind Traveler was the focus of a breakout session at the 2023 Sonoma County Tourism Annual Meeting (Aug 2023), promoting the platform to partners.*
- Advance the number of Leave No Trace Coalition partners by 25%.
  - *26% complete.*
- Work with Regional Parks leadership to encourage/inspire greater integration of Leave No Trace Coalition messaging and visuals into Parks’ materials.
  - *Productive meetings have been held with Regional Parks to explore opportunities for greater integration of Coalition messaging and visuals into the parks and park's materials.*

## **3. Position Sonoma County as a Leader in the Climate Change Imperative**

While SCT has worked closely with sustainability partnerships, the climate change initiative is one that is broader than SCT and even than the tourism industry. But, it is a critical driver of the future well-being of the planet, so within the People, Planet and Profit sustainability triad, SCT will work to move this imperative forward.

*Nothing substantive has been achieved to date.*