



**TRAVEL
COSTA
MESA**

2023/24 ANNUAL REPORT





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PRESIDENT'S MESSAGE



THE SUCCESS AND GROWTH OF OUR ORGANIZATION ARE DIRECTLY ATTRIBUTED TO STRONG SUPPORT, INNOVATION, AND PARTNERSHIPS

On the strength of a robust travel and tourism performance from the prior year, Travel Costa Mesa (TCM) reached an unprecedented number of travel intenders. Spring merging into summer remained our partners' dominant time of year, and group business surpassed 2019 numbers.

Consistent marketing initiatives allowed TCM to build brand awareness year round. Seasonal messaging inspired travelers to "See What's Next" and explore the endless events taking place within Costa Mesa, including our "Capture Your SoCal Spring," "Sun, Fun, Yum," "Shopcation", Lunar New Year, and Valentine's Day campaigns. Creating original content on our social media channels was also wildly successful, fostering more engagement and impressions than ever before.

TCM's hotel partners continued to recover in 2023. Overall occupancy increased by 3.7%, driven by a 7.9% increase within the group segment. Revenue per available room also increased by 9% year-over-year. In California, hotel occupancy still sits below 2019 levels (67% vs. 75%), but ADR has increased by 15% since then to \$192. Domestically, occupancy reached 63% (three percentage points lower than 2019), while ADR increased 5% year-over-year to \$173 (up 17% vs. 2019).

As we propel into the next fiscal year, TCM remains focused on paid, earned, and owned marketing strategies to promote Costa Mesa as a must-visit destination in Orange County. This summer, we will release a new video



on multiple channels titled “We’ve Got Good Taste,” a vibrant campaign to increase overnight visitation that showcases the city’s exceptional dining experiences, entertainment options, and proximity to the beach. Investment into third-party data will be used to detail demographics, geographics, psychographics, and campaign attribution. International programming and outreach with Mexico and Canada will also play a role in our marketing efforts.

For the first time in five years, our organization will participate in IPW, the premier international marketplace for the U.S. Travel Association. Held this year in Los Angeles in May, the highly attended trade show brings together domestic and international journalists, as well as leisure and incentive buyers, for in-person, appointment-based meetings.

Tourism is the front door to our economy and community. The success and growth of our organization are directly attributed to strong support, innovation, and partnerships. We remain committed to promoting Costa Mesa as a desirable overnight destination for leisure and group business, utilizing actionable insights, creativity, and technology-fueling marketing initiatives. When tourism thrives, communities thrive.



Paulette Lombardi-Fries | PRESIDENT, TRAVEL COSTA MESA



IN 1995, TRAVEL COSTA MESA WAS THE SECOND TOURISM ORGANIZATION FORMED AS A NONPROFIT CORPORATION TO MARKET THE CITY OF COSTA MESA AS A DESIRABLE, LEISURE OVERNIGHT DESTINATION IN ORANGE COUNTY



MISSION STATEMENT

Travel Costa Mesa enhances and promotes the destination brand experience, further increasing visitor spending for industry and community economic viability, sustainability, and quality of life.



VISION STATEMENT

Travel Costa Mesa is the engaged destination marketing leader, supporting and selling the city’s distinct visitor brand experiences and advocating community tourism benefits.



KEY OBJECTIVE

Increase brand awareness for the city of Costa Mesa as a desirable, overnight, leisure Orange County destination.

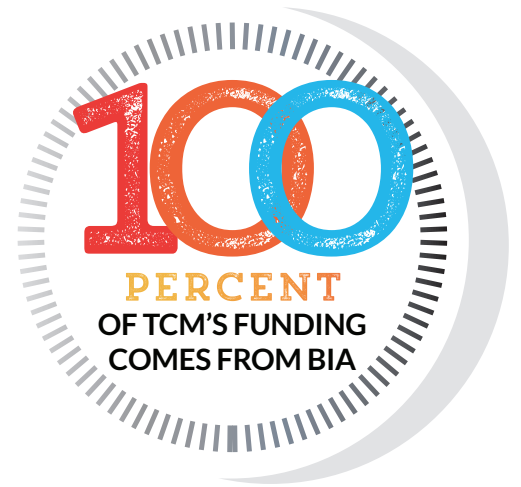


SALES OBJECTIVE

Increase brand awareness and new group room nights for the city of Costa Mesa – to make it the preferred Orange County destination ideal for small to midsize business that increases the economic benefits throughout the city.



FUNDING SOURCE



BUSINESS IMPROVEMENT ASSESSMENT (BIA)

Travel Costa Mesa is entirely funded through the City of Costa Mesa's BIA. Each of the 11 Costa Mesa partner hotels listed in this annual report collects a 3% levy from overnight hotel guests (2,375 total available rooms). All of the Transient Occupancy Tax (TOT) that the City collects goes into its general fund.

Business owners shall pay the assessment to the Costa Mesa City Finance Department every month. A

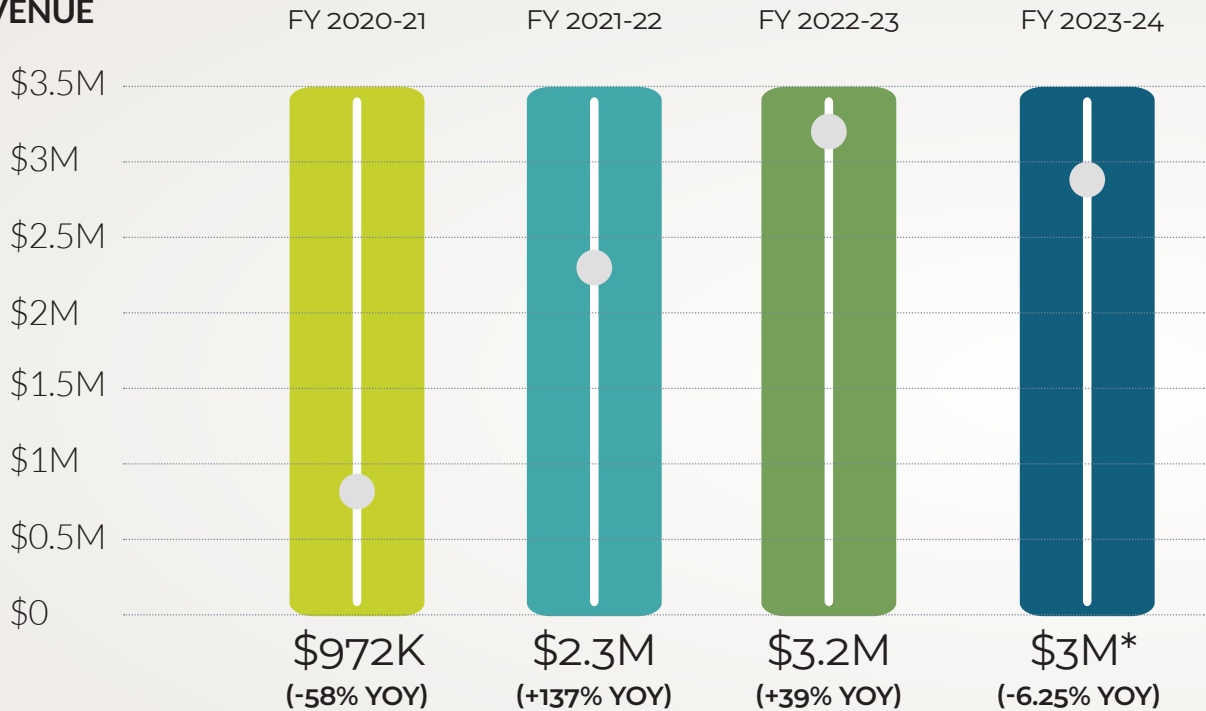
penalty and interest shall be assessed on late payments. New hotel and motel businesses that are interested in participating should contact the City and TCM. This is a voluntary program for hotel partners.

TCM forecasts BIA revenue to reach \$3M* for fiscal year (FY) 2023-24. As of February 2024, BIA funds were at \$2.2M. TCM's conservative budgeting this current fiscal year reflects the leisure market trend leveling off.

the \$3.2M BIA revenue. Any remaining BIA funds that TCM does not spend within a fiscal year are placed directly into reserves, which totaled \$3.2M at the end of June 2023. Over the next two years, these reserves are expected to be dramatically reduced as funding for hotel marketing and city sponsorships continues to be recommended.

In FY 2022-23, TCM spent \$2.6M of

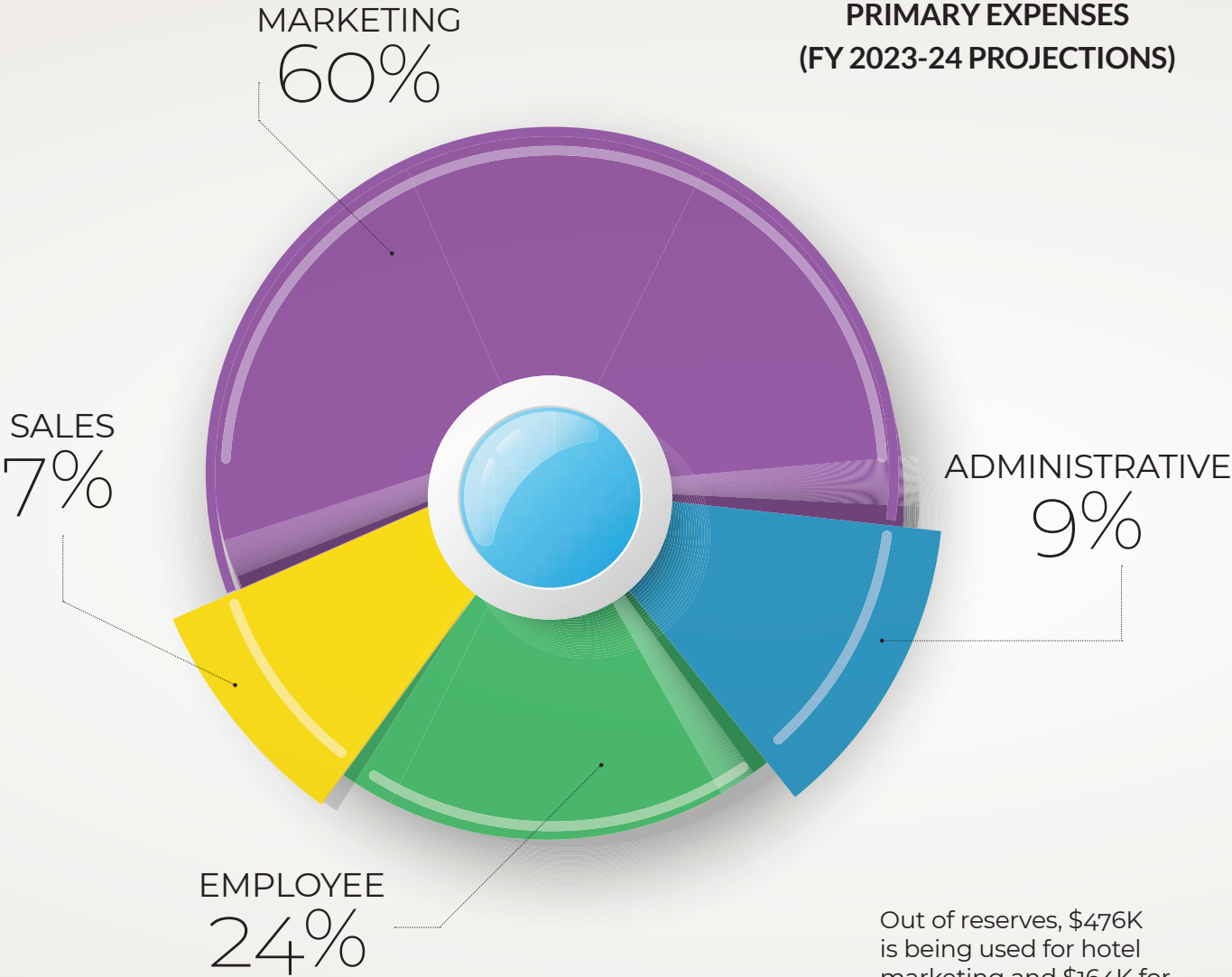
BIA REVENUE



*On June 13, 2023, TCM's board approved a \$3M budget for FY 2023-24. On August 8, 2023, the board voted for a 5% decrease in total spend (\$150,122.65).



**PRIMARY EXPENSES
(FY 2023-24 PROJECTIONS)**



Out of reserves, \$476K is being used for hotel marketing and \$164K for city sponsorships.





LODGING/ HOTEL PARTNERS

LODGING + ADDRESS	BUSINESSOWNER	PROPERTY OWNER
Avenue of the Arts Costa Mesa, A Tribute Portfolio Hotel 3350 Avenue of the Arts Costa Mesa, CA 92626	Rosanna Inc. 3350 Avenue of the Arts Costa Mesa, CA 92626	Rosanna Inc. 3350 Avenue of the Arts Costa Mesa, CA 92626
Ayres Hotel Costa Mesa 325 Bristol St. Costa Mesa, CA 92626	Newport Country Inn & Suites, Inc. 355 Bristol St., Ste. A Costa Mesa, CA 92626	Newport Country Inn & Suites, Inc. 355 Bristol St., Ste. A Costa Mesa, CA 92626
Best Western Plus Newport Mesa Inn 2642 Newport Blvd. Costa Mesa, CA 92627	James Hsuen & Shang-Pu Lee 2642 Newport Blvd. Costa Mesa, CA 92627	James Hsuen & Shang-Pu Lee 2642 Newport Blvd. Costa Mesa, CA 92627
Crowne Plaza Costa Mesa Orange County 3131 Bristol St. Costa Mesa, CA 92626	Brighton Management 20342 SW Acacia St. Newport Beach, CA 92660	Bright Bristol LLC 3131 Bristol St. Costa Mesa, CA 92626
Hilton Orange County/Costa Mesa 3050 Bristol St. Costa Mesa, CA 92626	Ashford TRS CM LLC 14185 Dallas Pkwy, Ste. 1100 Dallas, TX 75254	Remington Lodging & Hospitality LP 14185 Dallas Pkwy, Ste. 1100 Dallas, TX 75254
Holiday Inn Express & Suites Costa Mesa 2070 Newport Blvd. Costa Mesa, CA 92627	Narendra B. Patel 2070 Newport Blvd. Costa Mesa, CA 92627	Narendra B. Patel 2070 Newport Blvd. Costa Mesa, CA 92627
Costa Mesa Marriott 500 Anton Blvd. Costa Mesa, CA 92626	HEI Hotels & Resorts 101 Merritt 7 Corporate Park, 1st Fl. Norwalk, CT 06851	Starwood Capital Group 591 W. Putnam Ave. Greenwich, CT 06830
OC Hotel Costa Mesa 2430 Newport Blvd. Costa Mesa, CA 92627	SAI KSP INC. 11556 Manchester Way Porter Ranch, CA 91326	Sanjay Panchal 11556 Manchester Way Porter Ranch, CA 91326
Ramada by Wyndham Costa Mesa/Newport Beach 1680 Superior Ave. Costa Mesa, CA 92627	B.D. Inn Inc./Ramada Ltd. 1680 Superior Ave. Costa Mesa, CA 92627	B.D. Inn Inc./Ramada Ltd. 1680 Superior Ave. Costa Mesa, CA 92627
Residence Inn by Marriott Costa Mesa Newport Beach 881 Baker St. Costa Mesa, CA 92626	Marriott International 7750 Wisconsin Ave. Bethesda, MD 20814	BRE Select Hotels & Resorts 6201 15th Ave. Brooklyn, NY 11219
The Westin South Coast Plaza 686 Anton Blvd. Costa Mesa, CA 92626	Host Hotels & Resorts 6903 Rockledge Dr., Ste. 1500 Bethesda, MD 20817	Secon Properties 3315 Fairview Rd. Costa Mesa, CA 92626



Orange County Hotel Inventory Update

- Hyatt Regency, Irvine (previously The Hotel Irvine) opened in August 2023 with 516 rooms. The pool and pool bar are scheduled to open in 2024, along with a full-service restaurant and bar
- Pendry, Newport Beach (previously Fashion Island Hotel) opened in September 2023 with 295 guest rooms and a spa
- Knott's Hotel, Buena Park (previously Knott's Berry Farm Hotel) completed renovation in fall 2023 with 322 guest rooms

In the Works

- Nickelodeon Hotel & Resort, Garden Grove, a new build AAA Four Diamond property featuring 500+ rooms, retail, dining, and entertainment spaces including a resort pool
- Le Meridien by Marriott, Garden Grove, a 400+ hotel room tower
- Kimpton Boutique Hotel, Garden Grove, a 4-star hotel and one of the brand's largest with 200+ rooms

ocV!BE

The highly anticipated mixed-use community in Anaheim broke ground in 2023. Anchored by Honda Center and ARTIC Center, ocV!BE will consist of two new hotels, residential living and office spaces, indoor and outdoor amphitheaters, dining and retail spaces, a food hall, a wellness park, and a sports complex. Completion of the immersive district is expected by 2028 in time to host men's volleyball and other events during the Summer Olympics.

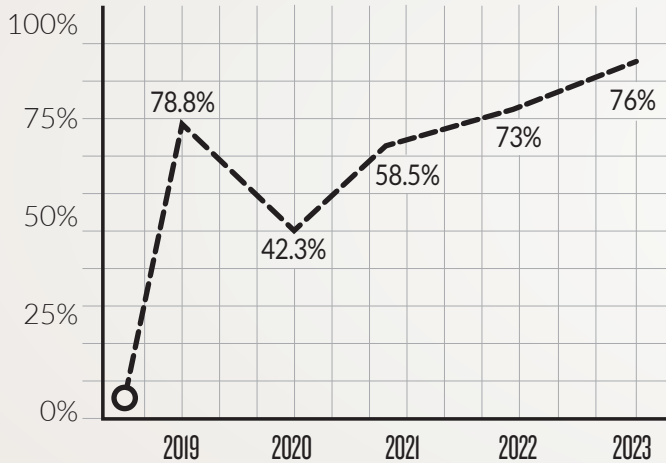




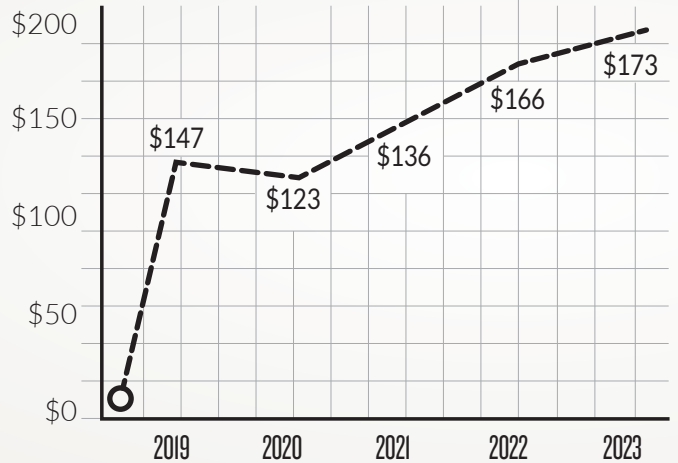
LODGING/ HOTEL PARTNERS

TCM HOTEL PARTNERS

OCCUPANCY



AVERAGE DAILY RATE (ADR)



In 2023, Orange County hotels (71.7% occupancy, \$210 ADR) outperformed hotels in California (67.1% occupancy, \$192 ADR) and the U.S. (63% occupancy, \$155 ADR)

Source: Tourism Economics for Visit California, January 2024

Hotel Performance Results

Room demand for TCM's hotel partners increased by 3.7% in calendar year 2023 compared to the prior year. However, this reflected a 3.5% decrease when matched with the 2019 benchmark. Room revenue growth increased 9% and average daily rate increased 5.1% year-over-year.

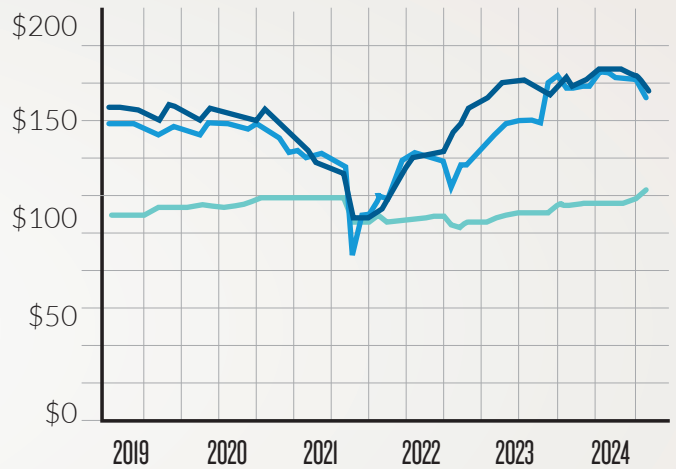
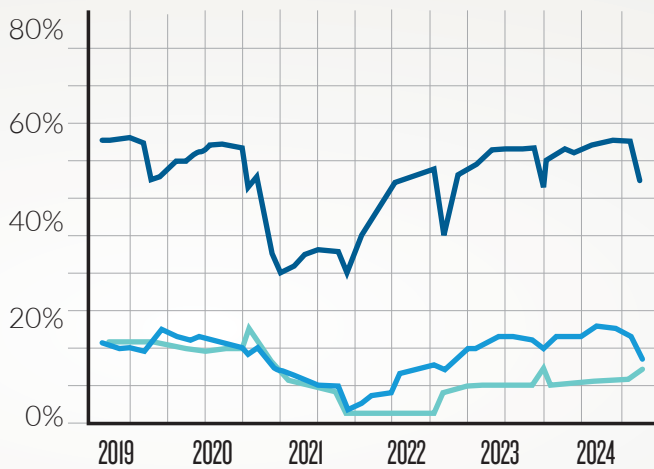
In 2024, Tourism Economics forecasts slight increases in occupancy (2.3%) and ADR (1.6%) for all Orange County hotels. As we enter a new calendar year, TCM hotel performance in January was relatively flat with 1% increases in occupancy and ADR compared to the prior year. TCM will review FY 2024-25 forecasts in late May as outreach from hotel partners is critical, along with group pace.





OCCUPANCY LONG-TERM TREND

ADR LONG-TERM TREND



■ TRANSIENT ■ GROUP ■ CONTRACT

■ TRANSIENT ■ GROUP ■ CONTRACT



TRAVEL SENTIMENT



America's excitement to travel remains elevated according to Future Partners, an independent research firm that surveyed thousands of adult U.S. travelers about their perceptions and behaviors around travel since the pandemic. The following findings, which were shared with the tourism community, represent 4,000+ surveys collected in January 2024 across four U.S. regions.



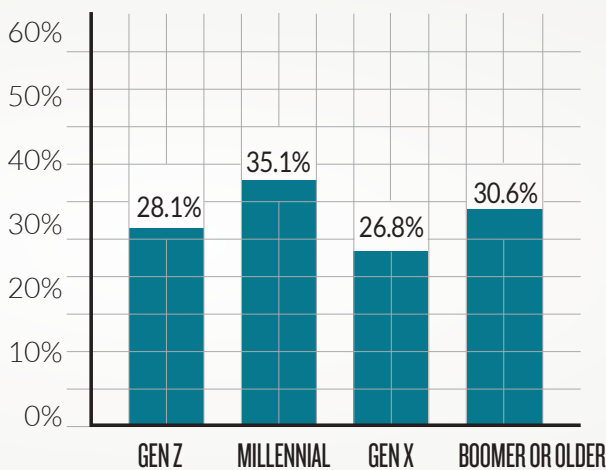
THE AVERAGE NUMBER OF LEISURE TRIPS, DEFINED AS 50 OR MORE MILES AWAY FROM HOME, IS ESTIMATED AT 3.6 WITHIN THE NEXT 12 MONTHS.



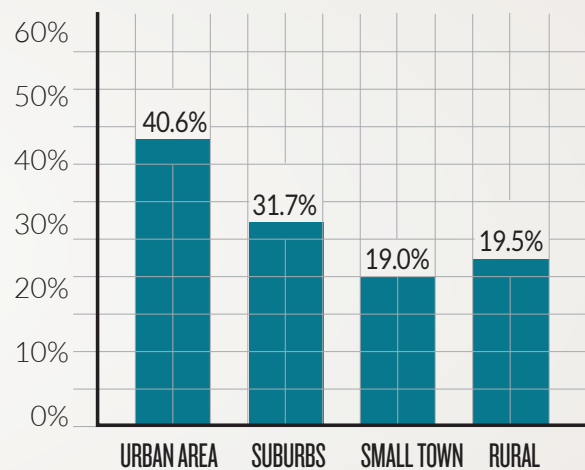
TRAVEL BUDGETS INCREASED TO \$4,506, AN **11% INCREASE** COMPARED TO THE LAST TWO YEARS.

Who is Feeling Good about Spending on Travel Right Now?

GENERATION



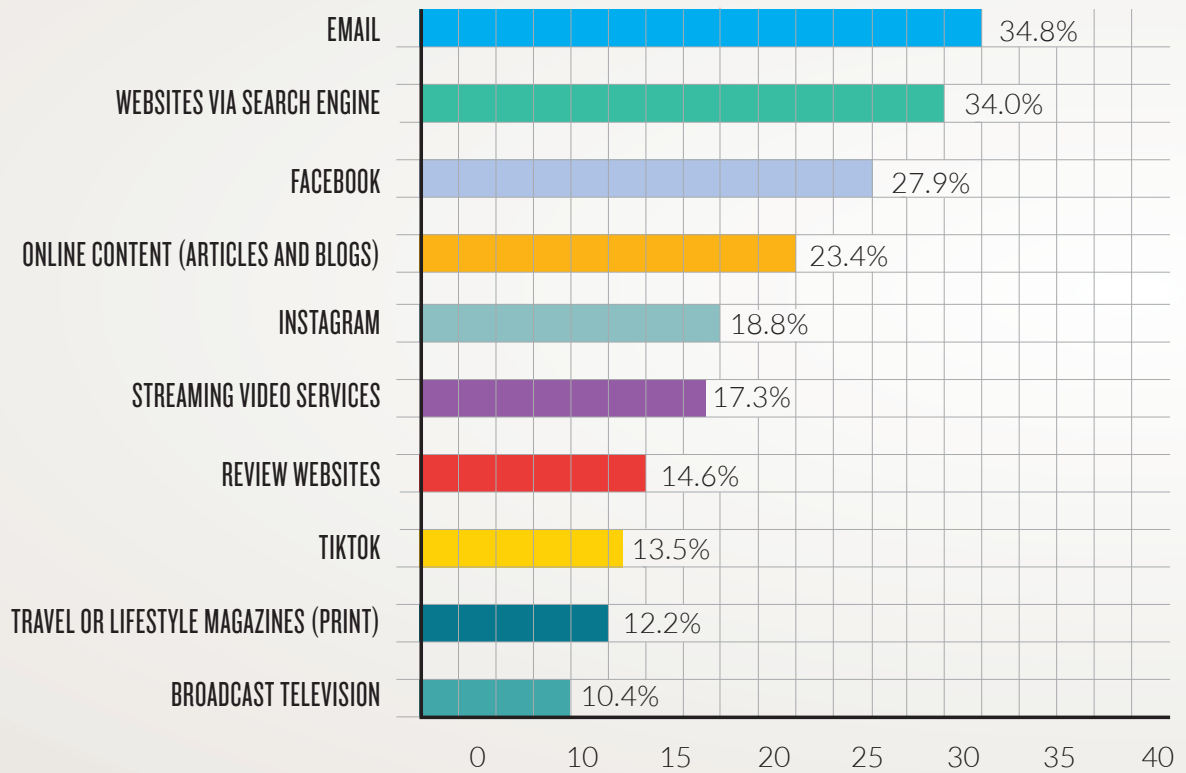
PLACE OF RESIDENCE



Source: Future Partners, "The State of American Traveler," January 2024



Most Effective Ways to Reach Travelers





U.S. TRAVEL ASSOCIATION

U.S. Travel Association represents and advocates for all components of the travel industry, promoting and facilitating travel to and within the United States. The non-profit organization pursues its unique mission by establishing travel as essential and responsible, advancing seamless and secure travel, shaping solutions to operational challenges, and building a strong business. By engaging with U.S. Travel, its members shape a thriving and sustainable travel experience.

2024 Goals

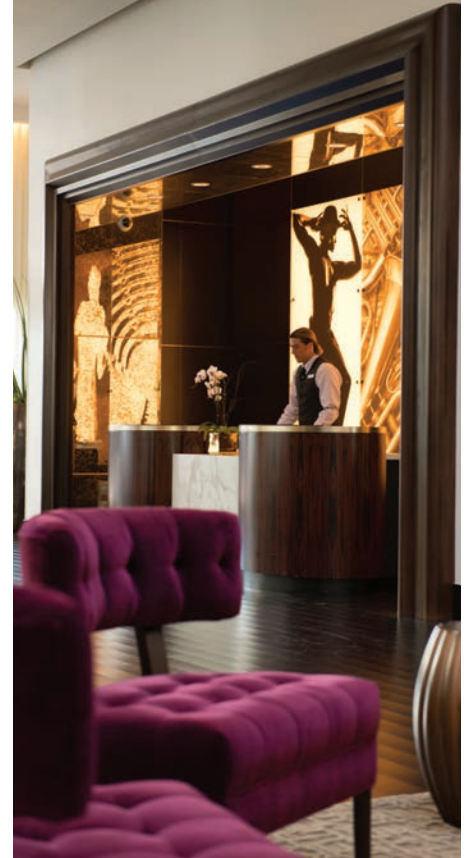
- Continue to establish travel as essential and responsible
- Improve the travel experience from Point A to Point B

- Build a best-in-class trade association with an eye towards the future
- Provide members with tangible, meaningful opportunities to learn, connect, and shape business

Forecasts

The total number of trips in 2024 is expected to reach 2019 levels. Domestic leisure travel will continue to grow within the next few years, and international arrivals are expected to exceed 2019 levels by 2025. Domestic business travel is increasing but not likely to recover until 2026.

As for overall travel-related spending, this is not forecasted to recover to 2019 levels until 2025. Domestic leisure travel spending recovered to 2019 levels in 2023, and international leisure travel spending is predicted to recover in 2025.



VOLUME	ACTUAL				FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Total # of trips	2.40 B	1.60 B	2.04 B	2.30 B	2.38 B	2.45 B	2.52 B	2.59 B	2.65 B
Domestic person-trips	2.32 B	1.58 B	2.02 B	2.25 B	2.31 B	2.37 B	2.44 B	2.50 B	2.56 B
Leisure	1.85 B	1.40 B	1.77 B	1.88 B	1.90 B	1.93 B	1.98 B	2.02 B	2.07 B
Business	463.9 M	181 M	250 M	371 M	413.3 M	442.0 M	459.7 M	473.7 M	484.7 M
Auto	2.13 B	1.50 B	1.89 B	2.08 B	2.12 B	2.18 B	2.24 B	2.29 B	2.35 B
Air	188.9 M	79 M	131 M	174 M	188.6 M	197.3 M	202.2 M	204.4 M	207.7 M
International Arrivals	79.4 M	19.2 M	22.1 M	50.9 M	66.5 M	77.9 M	85.5 M	91.3 M	94.7 M
Canada	20.7 M	4.8 M	2.5 M	14.4 M	21.0 M	22.1 M	23.2 M	24.4 M	25.2 M
Mexico	18.3 M	6.8 M	10.4 M	12.5 M	14.6 M	18.3 M	20.3 M	21.6 M	22.3 M
Overseas	40.4 M	7.6 M	9.2 M	24.0 M	31.0 M	37.4 M	42.0 M	45.2 M	47.2 M





VOLUME YOY% CHANGE	ACTUAL			FORECAST				
	2020	2021	2022	2023	2024	2025	2026	2027
Total # of trips	-33.2%	27.6%	12.7%	3.1%	3.2%	2.9%	2.6%	2.6%
Domestic person-trips	-31.8%	27.8%	11.4%	2.5%	2.8%	2.7%	2.4%	2.5%
Leisure	-24.5%	26.5%	6.2%	0.7%	1.9%	2.4%	2.3%	2.5%
Business	-60.9%	37.6%	48.6%	11.4%	7.0%	4.0%	3.0%	2.3%
Auto	-29.4%	25.7%	10.0%	2.0%	2.7%	2.7%	2.5%	2.6%
Air	-58.4%	67.0%	32.7%	8.3%	4.6%	2.5%	1.1%	1.6%
International Arrivals	-75.8%	15.0%	130.2%	30.8%	17.0%	9.8%	6.8%	3.7%
Canada	-76.8%	-47.4%	468.7%	46.1%	5.3%	4.8%	5.4%	3.2%
Mexico	-62.9%	52.7%	20.6%	16.1%	26.0%	10.6%	6.7%	2.9%
Overseas	-81.2%	20.8%	161.1%	29.3%	20.7%	12.4%	7.6%	4.4%

SPENDING (ADJUSTED FOR INFLATION)*	ACTUAL				FORECAST				
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Total Travel Spending	\$1.173 T	\$0.722 T	\$0.909 T	\$1.016 T	\$1.074 T	\$1.129 T	\$1.173 T	\$1.201 T	\$1.221 T
Leisure	\$866.8 B	\$621.8 B	\$787.0 B	\$798.1 B	\$826.2 B	\$863.9 B	\$896.9 B	\$920.5 B	\$938.6 B
Business	\$305.8 B	\$100.5 B	\$122.4 B	\$218.4 B	\$247.8 B	\$265.5 B	\$276.3 B	\$280.8 B	\$282.7 B
Domestic	\$991.8 B	\$681.4 B	\$868.3 B	\$918.3 B	\$943.1 B	\$975.6 B	\$999.6 B	\$1,010.6 B	\$1,020.7 B
Leisure	\$722.7 B	\$588.8 B	\$752.9 B	\$717.6 B	\$720.4 B	\$738.7 B	\$752.2 B	\$759.5 B	\$767.8 B
Business	\$269.5 B	\$92.9 B	\$115.4 B	\$200.7 B	\$222.6 B	\$236.8 B	\$247.4 B	\$251.2 B	\$252.8 B
Transient	\$156.5 B	\$63.0 B	\$81.4 B	\$122.1 B	\$131.6 B	\$138.9 B	\$145.2 B	\$147.7 B	\$148.9 B
Group	\$113.0 B	\$29.9 B	\$34.1 B	\$78.6 B	\$91.1 B	\$98.0 B	\$102.2 B	\$103.5 B	\$103.9 B
International**	\$180.5 B	\$40.9 B	\$41.1 B	\$98.1 B	\$130.9 B	\$153.9 B	\$173.6 B	\$190.7 B	\$200.7 B
Leisure	\$144.1 B	\$33.0 B	\$34.1 B	\$80.4 B	\$105.8 B	\$125.2 B	\$144.7 B	\$161.1 B	\$170.8 B
Business	\$36.4 B	\$7.9 B	\$6.9 B	\$17.7 B	\$25.1 B	\$28.7 B	\$28.9 B	\$29.6 B	\$29.8 B
Transient	\$21.9 B	\$5.0 B	\$4.6 B	\$12.4 B	\$16.0 B	\$17.6 B	\$17.5 B	\$18.1 B	\$18.1 B
Group	\$14.5 B	\$2.9 B	\$2.4 B	\$5.3 B	\$9.2 B	\$11.1 B	\$11.3 B	\$11.5 B	\$11.7 B

Source: Tourism Economics and U.S. Travel Association

*All spending data is cited in "real" 2019 \$, deflated based on the Travel Price Index

**Includes general travel spending and passenger fares (does not include education/health/worker spending)

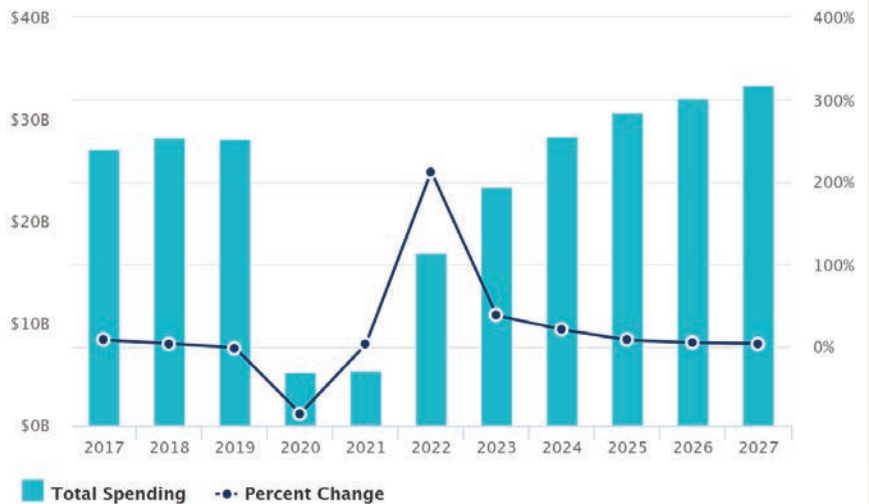


VISIT CALIFORNIA

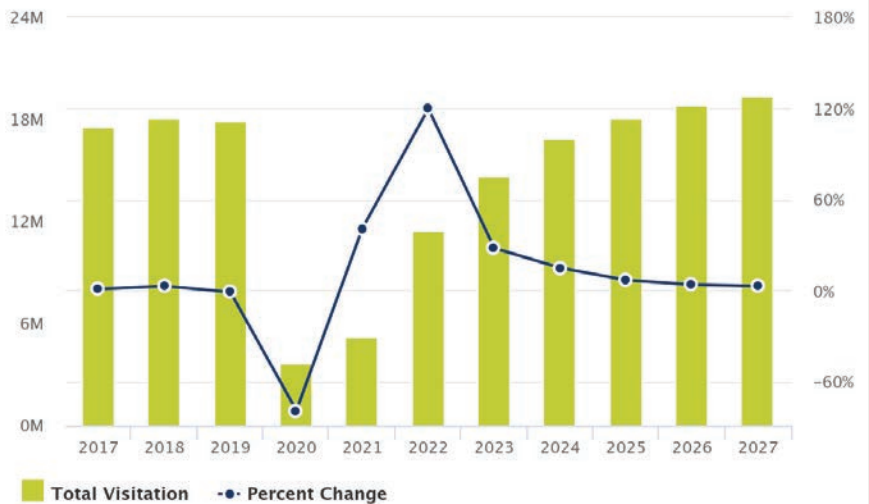
The mission of Visit California is to develop and maintain marketing programs for the state's travel industry. The nonprofit organization spends its self-imposed assessment funds to keep California top of mind as a premier travel destination and drive visitation both domestically and internationally. All efforts are measured on behalf of the industry against its principles, which include:

- Do what the industry can't do for itself: deliver value to and collaborate with tourism-related businesses
- Build awareness and preference for the California brand to stimulate travel
- Use key metrics and ROI to inform the strategic direction of the program of work
- Reflect the diversity and inclusivity of the state throughout the organization, partner agencies, and program of work
- Employ destination stewardship principles to guarantee California's travel and tourism sustainability

INTERNATIONAL TRAVEL SPENDING



INTERNATIONAL TRAVEL VISITATION



Source: Tourism Economics



Recovery for California Continues (as of January 2024)

Hotel Occupancy:

67% in 2023 vs. 75% in 2019 (89% recovery); forecast +3% in 2024

Average Daily Rate:

\$192 in 2023 vs. \$168 in 2019; forecast +2.6% in 2024

Leisure Person-Trips:

99% of 2019 levels

Total Visits:

278M in 2023 (+8% YOY); forecast +5% in 2024

International Visits:

14.7M in 2023 (82% of 2019 levels); forecast +15% in 2024

Total Spending:

all-time high \$155B in 2023 vs. \$144.9B in 2019

Domestic Spending:

112% of 2019 levels

International Spending:

84% of 2019 levels

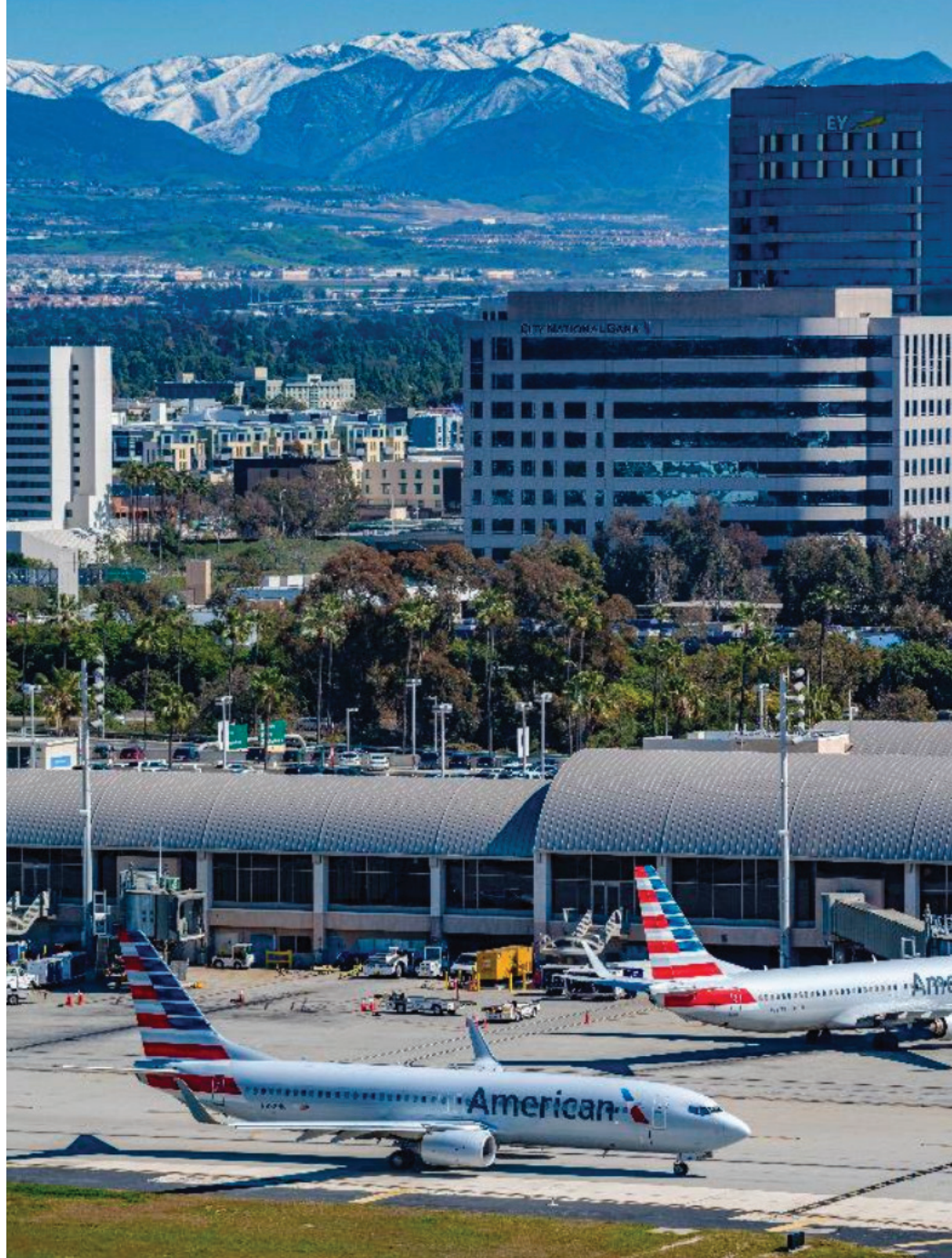


California Airports

From January to October 2023, airport traffic increased by 7% for the top nine California airports year-over-year but was still 7% less than 2019 levels. Total passenger traffic reached 176.7 million with 81.6% domestic and 18.4% international. Los Angeles International Airport (LAX) and San Francisco International Airport (SFO) had the highest levels of traffic, representing more than 10.9 million passengers.

John Wayne Airport, Orange County (SNA) serviced 11.7 million total passengers in 2023, a 3% increase from the prior year. Las Vegas, Phoenix, Denver, Seattle, and Dallas-Fort Worth were some of the top destinations. Project improvements included a new baggage handling system, elevators, escalators, lighting, electric charging stations, and signage. New retail and dining concessions covering 37,000 square feet will open in 2024.

Electric Vertical Take-Off and Landing (eVTOL) aircrafts, designed to take off and land vertically using electric power, will be coming soon to SNA. The world's first public demonstration of these vehicles occurred in July 2023 by Wisk Aero in Oshkosh, Wisconsin. In September 2023, United Airlines announced it had committed to a \$15 million investment in Eve Air Mobility, including the purchase of 200 eVTOL aircrafts to be delivered by 2026. Electric air taxis are expected to revolutionize the commuter experience in cities worldwide.



Photos: John Wayne Airport, Wisk Aero





MARKETING

Travel Costa Mesa employs a multifaceted marketing approach centered around cultivating its brands. Touted as the City of the Arts®, Costa Mesa positions itself as the premiere destination for arts, culture, and culinary experiences in Orange County. By showcasing engaging content focused on artistic creation, dining, and shopping, the city aims to ignite interest in both leisure and business travel. Adopting an “always-on” approach, TCM strategically meets travelers where they are at. TCM continues to bolster brand awareness and engagement and drive incremental demand by highlighting the destination’s unique appeal.

Key Initiatives in FY 2023-24

Build Deep Storytelling

Extend Website Content

Data Focused Marketing

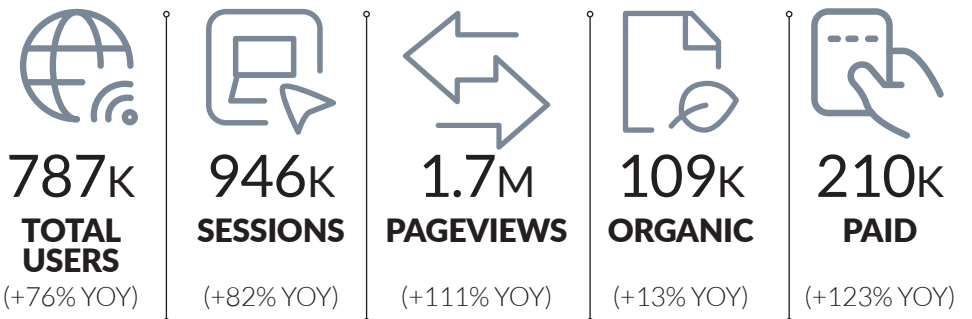
Maximize Partnerships

PR Communication and Outreach



travelcostamesa.com

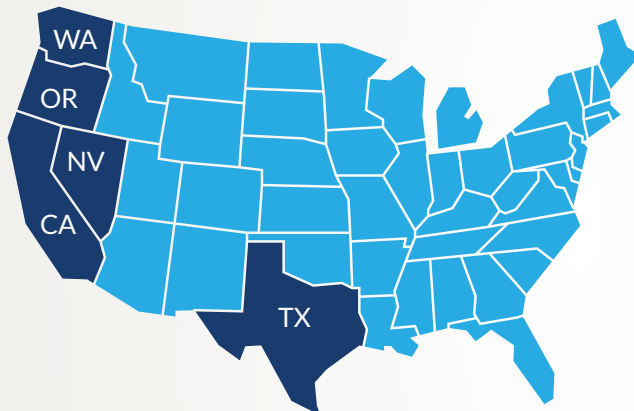
Search engine optimization (SEO) and search engine marketing (SEM) play a critical role in optimizing our organic and paid reach to a qualified audience. Strategic keyword optimization enhances our website’s visibility, ensuring Costa Mesa stands out in relevant search results. Coupled with targeted display advertising, our SEM efforts further boost brand awareness and attract qualified traffic. This synergy between SEO and SEM not only elevates brand awareness but also drives traffic to our website, ultimately contributing to the sustained growth and success of Travel Costa Mesa in the digital landscape.



Website Traffic Drivers

28.77%	Display Ads
17.30%	Paid Search
13.87%	Organic Search
9.39%	Referral
5.42%	Direct
2.52%	Social
0.04%	Email
22.69%	Other

(Google Analytics 4 stopped tracking display in Oct 2023)



Top Website Visitors By State

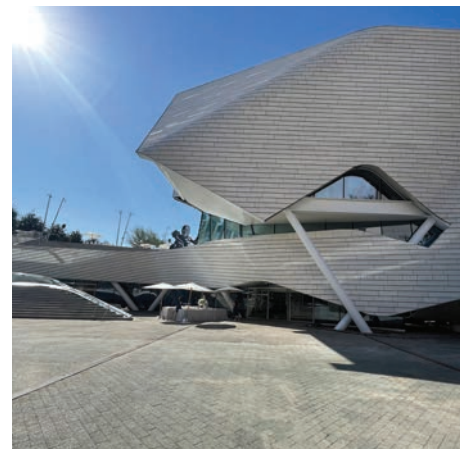
41.38%	California
3.94%	Washington
3.34%	Texas
2.75%	Oregon
2.44%	Nevada

By City (outside of OC)

17.51%	Los Angeles
3.26%	San Diego
1.44%	New York
0.86%	Las Vegas
0.72%	Dallas

By Country

95.62%	USA
2.44%	Canada
1.61%	Mexico
0.93%	China
0.67%	UK





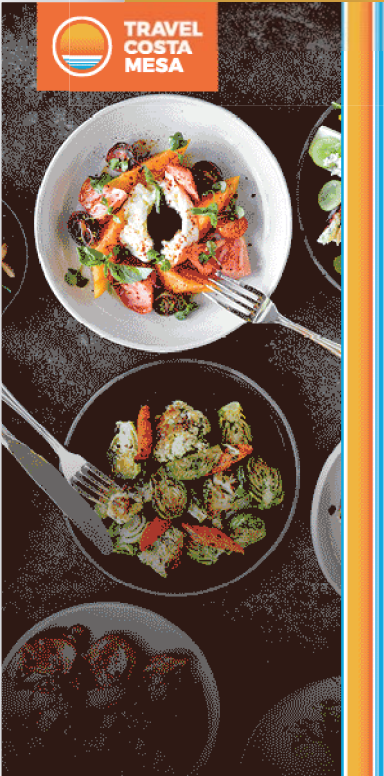
MARKETING



“Always On” TripAdvisor Campaign

In 2023, TCM re-initiated a digital ad campaign with TripAdvisor that strategically targeted competitive markets within Orange County, yielding substantial results.

- 5.1M+ Offsite Impressions
- 967K Onsite Impressions
- 11.65% Clickthrough Rate (CTR)
- \$590K Total Economic Impact (Ad-Exposed Travelers)
- 750+ Room Nights



“Always On” Meta Campaign

This social campaign on Meta platforms was a new approach for TCM. We employed targeted social media ads, focusing primarily on Facebook and Instagram to reach a qualified audience of travel enthusiasts, foodies/dining enthusiasts, cultural history and heritage aficionados, and those interested in performing arts.

- 4.1M+ Total Impressions
- 0.82% CTR

“Always On” Content Marketing

Utilizing paid content marketing helps TCM effectively reach our target audience, ensuring our brand message reaches the right demographic and keeps Costa Mesa top of mind to travelers in a competitive online ecosystem. Our highest performing piece of content driving traffic to our site was “Sip, Savor, and Celebrate the Best of Fall in Costa Mesa”, driving 8K+ visits to the story. As of February 2024, content marketing generated 59K+ visits.

Sip, Savor, and Celebrate the Best of Fall in Costa Mesa

Posted on October 4, 2023 | 5:21pm | Travel Costa Mesa

As the air turns crisper and the sunsets start to show their vibrant hues, Costa Mesa awakens with a unique energy that evokes the essence of fall. With countless exciting events, mouthwatering culinary experiences, and Instagram-worthy spots, this season in Costa Mesa is not one to be missed. Whether you're a local or planning a visit, here's your ultimate guide to celebrating fall in style.

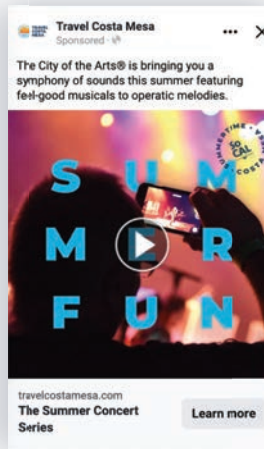
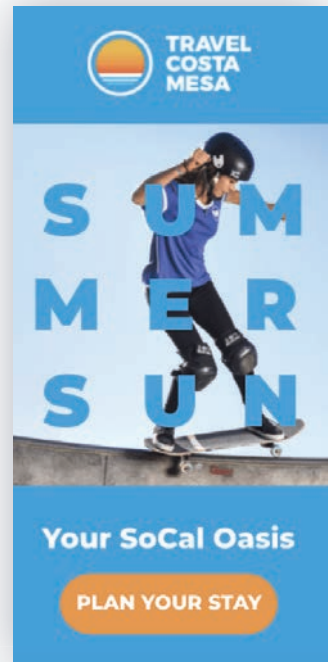
Sip Your Way into Fall at Coffee Dose and Portola Coffee



“Sun, Fun, and Yum” Summer Campaign

This summer campaign showcased Costa Mesa’s vibrancy and targeted the key feeder markets of Los Angeles, Inland Empire, and San Diego. Through a mix of programmatic ads, Meta platforms, and targeted emails to a qualified audience, the campaign achieved robust outcomes.

- 12.2M+ Total Impressions
- 144K+ Total Sessions
- 59.62% Video Completion Rate (VCR)
- 50% Email Open Rate
- 14.75% Email CTR
- 2.54% Campaign CTR

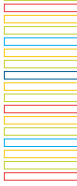


Tactical Expedia Campaign

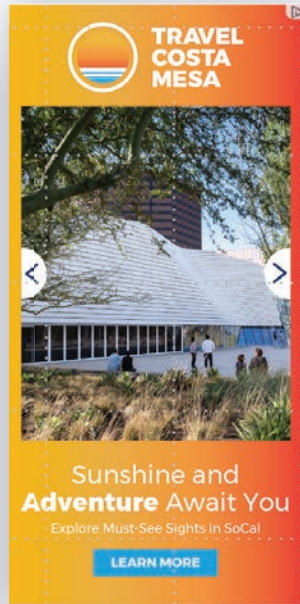
(Calendar Year 2023, Q4)

Our Expedia and Visit California Road Trips campaign marked a successful venture for Travel Costa Mesa. In a first-time approach, we established a hotel co-op with four of our properties, maximizing spend efficiency and broadening our campaign’s reach.

- 2.6M Total Impressions
- 0.08% CTR
- 2.6K Room Nights
- 7:3 Return on Ad Spend (ROAS)



MARKETING



Attribution Epsilon Campaign (Oct 2023 - Jan 2024)

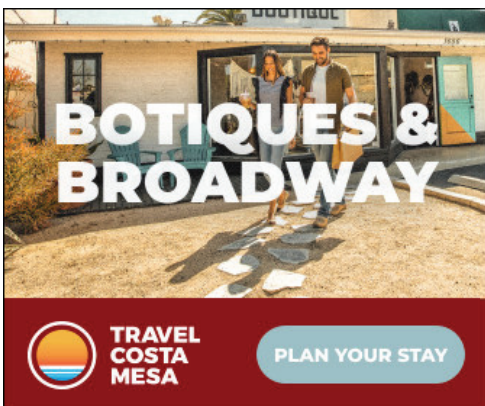
Epsilon is a digital marketing platform that allows companies to track and measure transaction behavior during or after a campaign at the merchant level utilizing its exclusive CORE Transact product. Data is collected after a person sees TCM's ads, whether they visit Costa Mesa, and how and where money is spent. This gives TCM the ability to directly measure marketing investment. The first campaign with Epsilon was a tremendous success, including:

750K	Unique Individuals Reached
30K	Total Visitors
\$6.9M	Total Visitor Spend
139:1	ROAS

"Shopcation" Winter Holiday Campaign

The "Shopcation" campaign highlighted Costa Mesa's diverse winter offerings, including shopping, dining, hotels, and performing arts. Leveraging programmatic display and video ads on Meta, the campaign achieved remarkable success, featuring:

3M+	Total Impressions
2.3M+	Impressions on Adara
0.04%	CTR on Adara
1.1M+	Impressions on Meta
9.37%	Video CTR on Meta
37K+	Unique Visitors to Landing Page



2024 Lunar New Year: Embrace the Year of the Dragon in Costa Mesa

Posted on February 5, 2024 | 5:28pm | Travel Costa Mesa



Lunar New Year is nearly here, and Costa Mesa is one of the best places to spend it. From dining to unique experiences, the city is brimming with ways to join in the festivities and welcome in the Year of the Dragon.

About Lunar New Year

Lunar New Year is a celebration of the arrival of spring and the beginning of the new year on the lunisolar calendar. It is one of the most important holidays in China, and it is also widely celebrated by other cultures.

Lunar New Year Campaign

Costa Mesa continued to highlight the plentiful Lunar New Year events in the city, particularly at South Coast Plaza, Segerstrom Center for the Arts, and the annual Tet Festival at OC Fair & Event Center. Various strategies such as social media, blog, newsletter, and content marketing extended the reach of Lunar New Year celebrations.

14 Date Ideas for Valentine's (or Galentine's) Day

Posted on January 31, 2024 | 5:43pm | Travel Costa Mesa



There's nothing wrong with a box of chocolates and a quiet evening staying in on Valentine's Day. But with the sheer number of things to do in Costa Mesa, why not make it a day or night out on the town. Now, choosing from among the spectrum of activities is a different issue, which is why we put together a curated list of our top 14 date ideas for Valentine's (or Galentine's) Day in Costa Mesa.

All of these options are great whether you are out with your partner or a group of friends. Whomever you plan to spend Valentine's (or Galentine's) day with, you can count on making memories.

Valentine's Day Campaign

TCM capitalized on the wide breadth of options in the city to celebrate Valentine's Day. New content for the website was created supported by "14 Date Ideas in Costa Mesa" reels and a paid social media campaign.



"Shop Small" Campaign

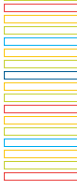
Given that Costa Mesa boasts many independently owned small businesses across the city, TCM activated a "Shop Small" campaign for Small Business Saturday, featuring twelve businesses, seven reels, and one giveaway.

86.2K	Total Views
56K	Total Impressions
2.5K	Total Engagements
1.7K	Total Likes

12 Businesses Highlighted:

- Seed People Market
- Pürre Boutique
- Hola Adios Coffee Shop
- Fleur De Lys
- Landers
- Work In Progress
- Rococo
- Hadley and Ren Design Co.
- Neat*
- Inspired Art Wine*
- SISU*
- Mellowist Plant Shop*

*Interviewed

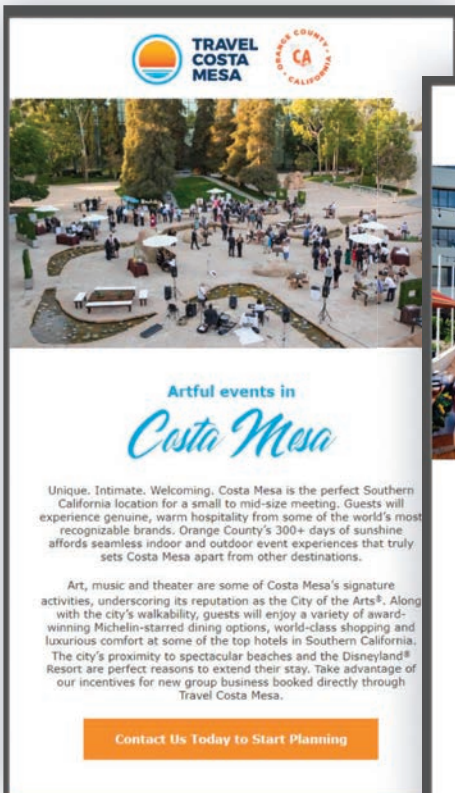


MARKETING

Other Media Partners

TCM forged a partnership with *Locale Magazine*, an innovative omni-channel marketing company based locally with key audiences in Los Angeles, Orange County, and San Diego. Through a monthly cadence, the campaign highlights what to see, do, and where to stay in Costa Mesa with authentic local voices.

3M+	Total Impressions
1,500+	New Email Sign-ups
5	Editorial Features on Costa Mesa



Sales Marketing Support

Assisting with the group sales efforts, TCM conducted a series of targeted emails with *Meetings Today* magazine, reaching professionals and decision-makers interested in group sales opportunities. TCM produced six emails featuring three distinct creatives.

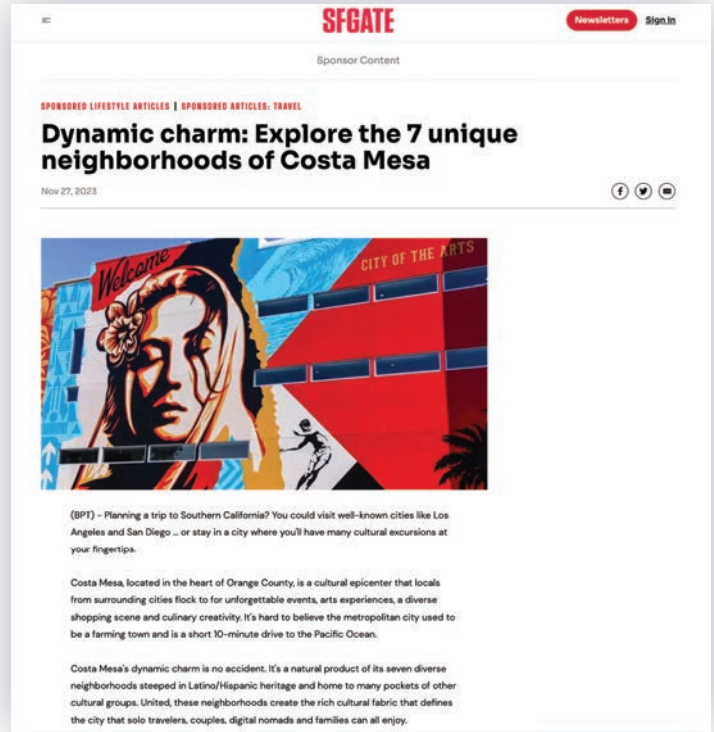
189.9M	Total Impressions
700	Qualified Leads



MAT Release

To keep Costa Mesa top of mind, a MAT (Media Alert to the Trade) was created. This strategic communication tool is used to disseminate news and information to journalists, editors, and media outlets for distribution. The release resulted in significant placements and ad value in the *LA Times*, *SF Gate*, and *Houston Chronicle*, among others.

131M+ Impressions
1K+ Placements
\$377K Ad Value
63:1 ROI



Networking Events

IMM North America is the leading networking event in the travel industry, offering a unique platform for travel brands and media professionals to connect through curated one-on-one meetings. TCM met with 24 freelance journalists and influencers such as *Alula Mexico*, *OUTtv*, *CBS News*, *LA Times*, *Black Travel Alliance*, and more. This event plays a crucial role in amplifying the visibility of Costa Mesa across North America.



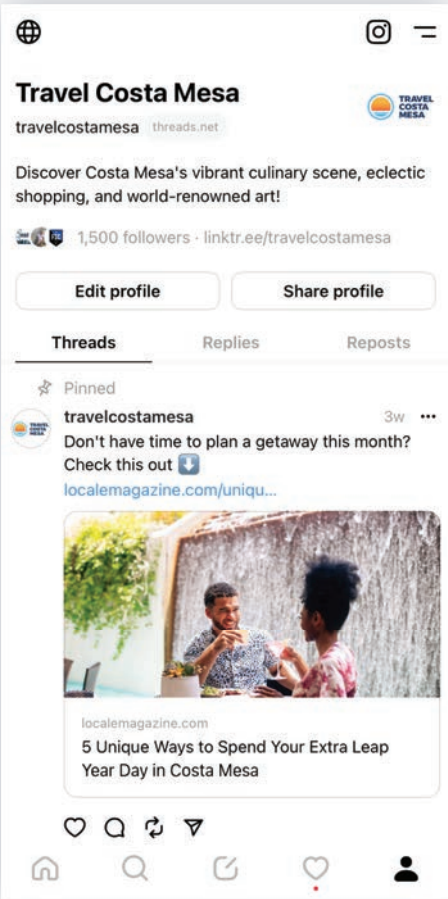
FAM Trips

Familiarization (FAM) trips are strategic initiatives designed to provide journalists a firsthand experience of Costa Mesa's offerings. Curated trips for media outlets such as *Eater LA* and *L.A. Taco* familiarized participants with the city's unique experiences spanning dining and performing arts, helping generate an authentic voice and ultimately drive visitation of potential travelers.





MARKETING



Follower Counts (2022 vs. 2023)

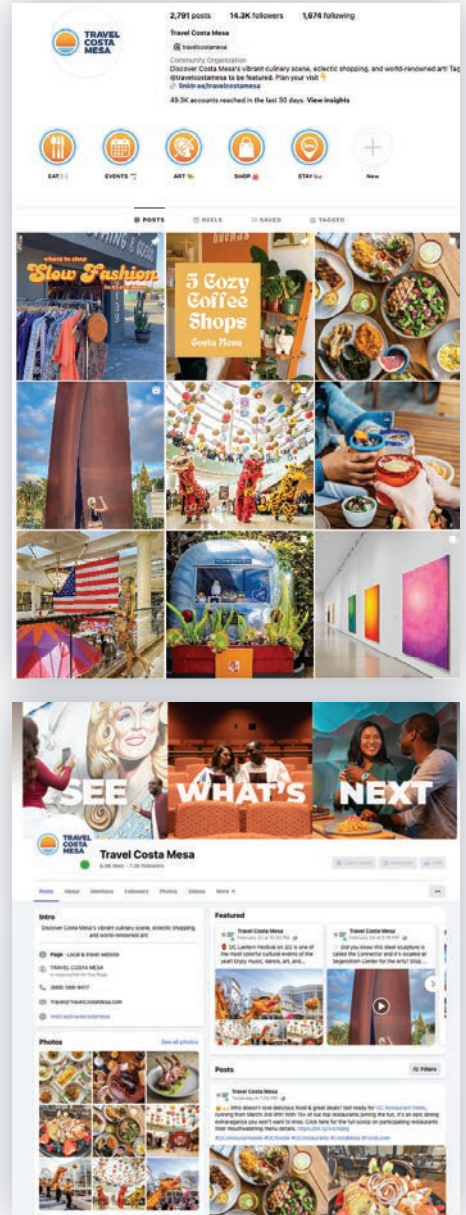
14,379
Instagram
(+47.9% YOY)

7,341
facebook
(+13.2% YOY)

1,901
LinkedIn
(+16.5% / +269 since July 2023)

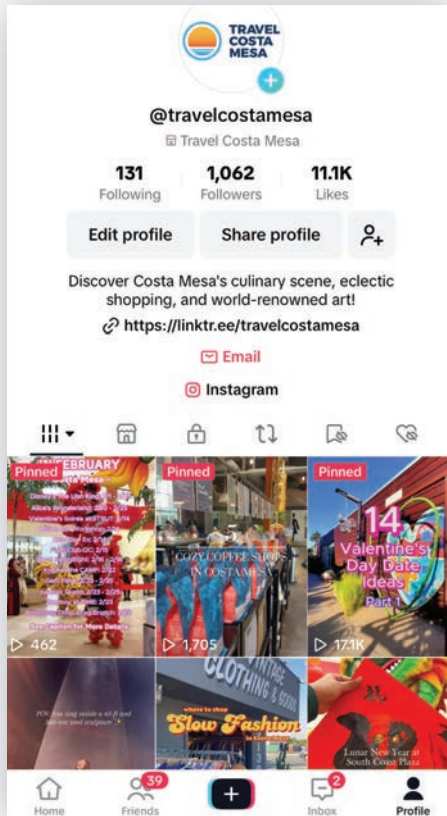
1,500
Threads
(opened Sept 2023)

1,062
TikTok
(+67.5% YOY)



Social Media

TCM fully embraced the trend of short-form content on social media, recognizing its power to increase brand awareness while making it easier for users to engage with the content. Using techniques like voiceovers and overlay text in reels enhanced the impact of storytelling, ensuring messages resonated with the organization's growing audience. Users increasingly turned to social media not just for chatting with friends, but also for finding recommendations and information. This led to deeper community engagement with more local businesses reaching out to collaborate and an increase in users tagging @travelcostamesa in their posts.



88%
of consumers say it's important for influencers to be authentic and genuinely care about their interests. Entertainment is the key to awareness."



77%
of travelers use social media in the early stages of trip planning."





TCM TOP 5 PERFORMING REELS		VEIEWS	LIKES	ENGAGEMENTS
1.	Mercado González Sneak Peek	415.7K*	10.3K	28.4
2.	14 Valentine's Day Date Ideas	67.4K	434	692
3.	Costa Mesa Kitchens Feature	53K	1K	2.8K
4.	SISU Shop Small Interview	37.9K	302	507
5.	Mercado González Grand Opening	27.9K	925	1.9K

*489K in total as of January 2024

LOCALE TOP 5 PERFORMING REELS		VEIEWS	LIKES	ENGAGEMENTS
1.	Under the Radar Bars in Costa Mesa	451.5K	12.4K	36.8K
2.	17 Reasons 17th St is the Coolest Street in CM	390.2K	9.2K	26K
3.	PIONEER in Costa Mesa	263.8K	6.2K	19K
4.	Outdoor Dining in Costa Mesa	115.3K	2.8K	7.9K
5.	36 Hour Vacay in Costa Mesa	89.9K	1.4K	3.2K



GROUP SALES

Planner optimism is beginning to moderate, budgets are increasing, and the near-term pipeline for new business is staying strong. For the first time post-Covid, “more optimistic” doesn’t describe most planners, according to the Northstar/Cvent Meetings Industry PULSE Survey taken December 2023.

Nevertheless, 70% of planners report they’re booking and/or sourcing new events right now. Also, according to the PULSE Survey, many planners still lament lost relationships with their hotel and venue partners, which is affecting nearly half of all planners. This is an opportunity for our Destination Sales Executive (DSE) to meet with these planners and confidently assure them they are eagerly available and poised to assist with future business.

While budgets are increasing, some are less than expected compared to what planners asked for back in August 2023. Most planners are looking at budget increases between 5-9%, which aligns with what TCM has seen/is seeing in Cvent, a third-party event planner platform.

In late 2023, the California DMO Alliance reported a decrease in lead production from Cvent, which included TCM. However, some increases in leads generated from Cvent and other sources were felt in late-February 2024. Most of this new business is smaller corporate groups and some long-term association opportunities.

CHANGE YOY '22-'23 vs '23-'24

- **FY Q1&2 YOY**
- **Average group booked 124 room nights vs 135 last FY**

Sales Activity July-Dec. 2023 vs July-Dec. 2022	
ROOM NIGHTS BOOKED	LEADS GENERATED
7,559/6,649 +13%	216/177 +22%
Closure Rate 28%/28% Flat	
GROUPS BOOKED	
61/49 +24%	

Moving Forward

TCM has always found success in attending industry tradeshows. Careful selection with targeted results is key. In 2023 and 2024, the DSE plans on attending six shows targeted towards small- to mid-sized group businesses (10 to 300 room nights on peak).

For every show attended, a pre-mailer goes out to attendees introducing them to Costa Mesa and what it offers their potential groups. Additionally, an incentive may be offered in the hopes that they select us over a competing destination. One-on-one appointments are scheduled, and follow-ups are sent based on the needs of each particular group.

In October 2022, the DSE conducted FAM tours of the Orange County Museum of Art. Tailing on this success, two more mini-FAMs around the musicals *Mean Girls* and *Chicago* were completed in 2023 with two more scheduled in 2024. This is a great opportunity for potential groups and meeting planners to be immersed in Costa Mesa, experiencing the arts, fine dining, shopping, and accessibility to a variety of establishments within and around Orange County. These visits are critical as nearby competition in surrounding destinations is high.

From July to December 2023, TCM generated more than 216 leads that resulted in booking 7,559 room nights. TCM also booked 61 meetings and events in FY 2022-23, compared to 49 in FY 2022-23. Generating room nights not only brings in revenue for our hotel partners, it also brings ancillary revenue to other segments, including restaurants, shopping, transportation, attractions, and more. Every booked lead in Costa Mesa is an opportunity for businesses to benefit from it.



Memberships

- California DMO Alliance
- California Society of Association Executives (CalSAE)
- HelmsBriscoe
- Hospitality Performance Network (HPN)
- Orange County Sports Commission (OCSC)

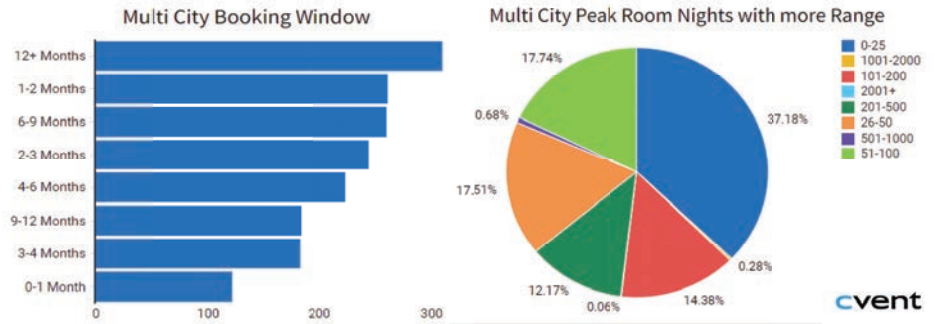


Orange County Sports Commission (OCSC)

TCM, along with Visit Huntington Beach, Visit Anaheim, Travel Santa Ana, Mission Viejo, OC V!be, OC Fair & Event Center, Anaheim Transportation Network, and John Wayne Airport, look forward to continuing to work with OCSC to promote fields and facilities within Orange County that encourage booking group hotel room nights. In 2023, OCSC produced 22 leads for Costa Mesa, representing 691 room nights for the city. Availability and restrictions continue to be an opportunity to secure fields and venues in the city.



MULTI CITY BOOKING WINDOW



Target Markets for Group Sales

As calendar year 2024 begins, TCM is seeing larger, convention-type inquiries – some as far away as 2030. On the flip side, group leads 1-2 months out continue to be requested. This is ideal for Costa Mesa, given our hotels' limited meeting spaces. According to Cvent reports, the booking window will increase to 12+ months.





GROUP SALES



TCM's Focus on Business Segments

Association (State/Regional/National): Associations depend on annual meeting dues for their survival. Without these meetings, associations will either not survive or need a new revenue stream to stay viable. Although these groups tend to be larger in size and more rate-conscious, this is still great midweek or weekend business. In fiscal year 2023/24, TCM will continue its membership with CalSAE and attend its largest show of the year, Seasonal Spectacular. Additionally, we'll go to Destination West and Smart Meetings to meet with association meeting planners and/or intermediaries who book this business segment. Personal visits to Sacramento are also planned for the current fiscal year.

Corporate: Along with the many opportunities for corporate groups to meet, there are also opportunities in this sector for other types of travel, such as internal team meetings, on-site visits, and monitoring/meeting/working with local customers. TCM understands the importance of being visible among our local corporations for this type of travel. In August 2024, the organization will attend the corporate track for Connect Marketplace in Milwaukee, which in previous years has been fruitful generating leads.

Sports: The sports market is highly competitive in Orange County. TCM will continue to work with OCSC, local colleges, and universities for out-of-the-area visiting teams and other departmental events.

SMERFE (Social, Military, Educational, Religious, Fraternal, and Ethnic). These speciality groups are typically more price sensitive, and some can be larger in nature. They often meet on the weekends and/or are date-flexible and may use the OC Fair & Event Center. TCM will continue to work with off-site venues for housing their social clientele.



TRAVEL COSTA MESA LEADERSHIP



EXECUTIVE COMMITTEE

Ronnie Dalgado*	CHAIRPERSON GM/VP OF OPERATIONS, Holiday Inn Express & Suites Costa Mesa
Susan O'Brien Moore	VICE PRESIDENT GENERAL MANAGER, Ayres Hotel Costa Mesa
Sue Cooke	TREASURER GENERAL MANAGER, Residence Inn Costa Mesa Newport Beach
Paul Sanford**	SECRETARY ASSET MANAGER & CEO, Avenue of the Arts, A Tribute Portfolio Hotel

DIRECTORS

Naj Ekhlas	GENERAL MANAGER, Best Western Plus Newport Mesa Inn
Howard Haberman	GENERAL MANAGER, Crowne Plaza Costa Mesa Orange County
Benito Benitez	GENERAL MANAGER, Hilton Orange County/Costa Mesa
Nimisha Solanki	GENERAL MANAGER, OC Hotel Costa Mesa
Hugo Barba	GENERAL MANAGER, Costa Mesa Marriott
Albert Gosch	GENERAL MANAGER, Ramada by Wyndham Costa Mesa/Newport Beach
Mike Hall†	GENERAL MANAGER, The Westin South Coast Plaza
John Stephens	MAYOR, City of Costa Mesa
Lori Ann Farrell Harrison	CITY MANAGER, City of Costa Mesa

ADVISORS

Brian Chuan	SENIOR DIRECTOR, TOURISM MARKETING, South Coast Plaza
David Haithcock	PRESIDENT & CEO, Costa Mesa Chamber of Commerce
Michele Richards††	CEO, OC Fair & Event Center

STAFF

Paulette Lombardi-Fries	PRESIDENT
Anne-Marie Schiefer	VICE PRESIDENT OF MARKETING
Debbie Megna	DESTINATION SALES EXECUTIVE
Jessica Placentia	OPERATIONS MANAGER
Jasmine Garcia	SOCIAL MEDIA & CONTENT MANAGER

*Through Mar 2023 // **Through Dec 2023 // †Retired Feb 2024 // ††Joined Dec 2023



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