



**TRAVEL  
COSTA  
MESA**

# **2024-2025 ANNUAL REPORT**





**TRAVEL  
COSTA  
MESA**

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# PRESIDENT'S MESSAGE



Tourism wields a remarkable influence, breathing life into a city's economy and sparking transformative change. It brings job opportunities in different areas, like hospitality and retail, while helping local businesses thrive by boosting the demand for their products and services.

Tourism Economics was hired to evaluate our industry's progress this fiscal year. In 2023, tourism contributed a total economic impact of \$1.1 billion to the city of Costa Mesa. Visitors spent an impressive \$883 million, marking a 10% increase over 2019. The results are remarkable as Travel Costa Mesa (TCM) continues to enhance brand awareness and reach among guests visiting the City of the Arts®.

Transient room night stays increased for both the weekday and weekend segments for calendar year 2024 for Costa Mesa. Both the transient and group segments have exceeded the results from 2019. The overall revenue per available room saw a modest uptick compared to 2023.

Business travel within the United States grew more than 5% in 2024 compared to the year prior, according to Tourism Economics. Corporate travel is gaining momentum as trade-shows, in-person meetings, and employee connections are expected to increase travel spending this year. Occupancy in the United States remained flat year over year, and average daily rate increased 1.7%.

Visitor spending reached a record high for California, totaling \$156 billion. The state of California's results for overall hotel occupancy for 2024 are relatedly flat year-over-year, with the average daily rate slightly decreasing year-over-year by 0.9%. Group room nights increased approximately 1% compared to the prior year.

Navigating tools that monitor, analyze, and provide targeted insights for destination strategy, marketing, and sales have allowed TCM to measure results from marketing and sales efforts efficiently. A survey conducted this fiscal year for TCM aimed to understand current audience segments and potential new ones, including travel motivations, behaviors, and preferences, to refine future market strategies.

Key campaigns throughout the year included "We've Got Good Taste," which highlights summer activities supported by a new video and photoshoot for display ads, connected TV and social outreach. The fall and winter "Cation" campaign targeted shopping, good vibes, and savory Eatcation® themes from September through December. Notable performance measures of the campaigns include growth in overnight stays as well as a longer length of stay compared to the previous year.

Video content remains a top priority as social media videos continues to dominate. Ninety percent of consumers, regardless of age, use social media more than television to follow trends and cultural moments. The continued supremacy of social media videos emphasizes the importance of making video content a central focus.

A combined spring and summer ad campaign will launch in the second half of this fiscal year and continue through the first quarter of the new fiscal year. "Endless Sensations to Immerse Yourself In" will capture the sights, smells, and tastes when visiting the City of the Arts®.

In June, TCM will participate again in IPW, the premier international marketplace for the U.S. Travel Association, which will be held in Chicago. Participants engage in focused, in-person meetings organized through a structured appointment system, fostering meaningful connections and promoting collaborative opportunities within the industry.

Targeted group experiences are crucial; impactful content and venue selection are key for hotels to set the desired vibe and grow interest in attendance. TCM will harness both established and new relationships with meeting professionals to highlight our city's unique offerings and vibrant amenities, showcasing it in a way that stands out against competing cities. By emphasizing our stunning venues, rich culture, and exceptional hospitality, we aim to present our city as the premier destination for events and gatherings. Attendance at tradeshow and events will be a cornerstone of establishing these planner relationships.

As we look ahead, the strategic initiatives of TCM and the ongoing growth of tourism will play a crucial role in shaping the future of our city. By prioritizing effective marketing strategies and enhancing visitor experiences, we aim to attract more visitors and enhance Costa Mesa's reputation as a top destination. With the continued support of our local businesses and community partners, we are dedicated to highlighting the City of the Arts® unique charm and fostering sustainable growth. Together, we can further enhance the positive impact of tourism, ensuring that Costa Mesa remains a favored choice for visitors.



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

TCM 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 fully funded through the Business Improvement Assessment (BIA), which is collected by the 11 Costa Mesa partner hotels listed in this annual report. Each hotel collects a 3% levy from overnight guests (2,375 total available rooms). All of the Transient Occupancy Tax (TOT) collected by the City of Costa Mesa is directed to its general fund.

Business owners within the BIA program must submit their assessments to the Costa Mesa City Finance Department monthly. New hotels and motels interested in participating in the BIA should contact both the City of Costa Mesa and TCM. This is a voluntary program for hotel partners.

## Fiscal Year 2024-2025 Forecast

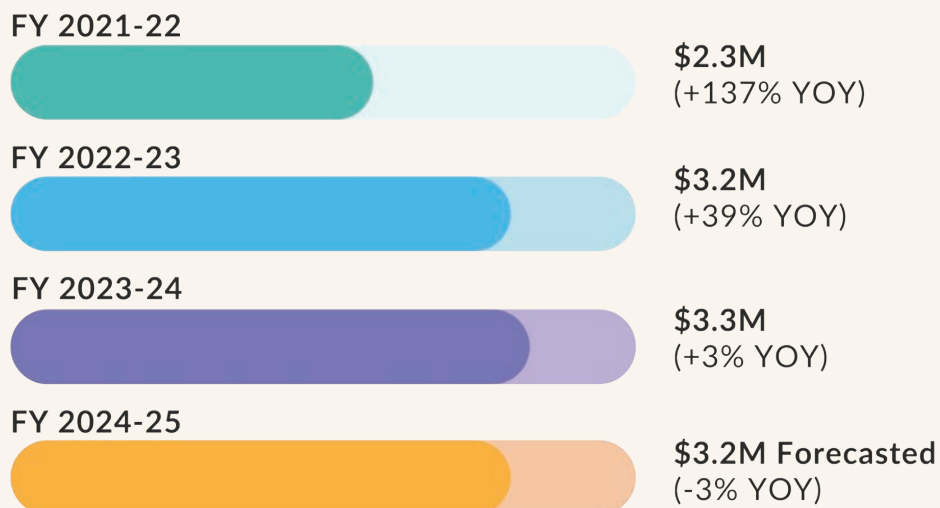
For the current fiscal year, TCM is forecasting BIA revenue to reach \$3.2M. As of February 2025, BIA funds have accumulated to \$2.2M. TCM's conservative budgeting reflects the leisure market trend stabilizing as well as two hotel partners' plans to renovate have been postponed.

### Allocation of Overages in BIA

Any overage in the BIA that TCM receives is directed into TCM's board-approved reserve policy, which will maintain at least six months of operating costs. This ensures that surplus funds are prudently managed and can be utilized for future programming, unforeseen expenses, or strategic initiatives that benefit the organization.

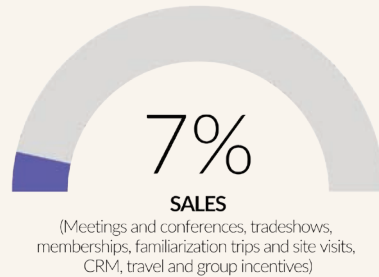


## BIA REVENUE (PAST FOUR FISCAL YEARS)



## PRIMARY EXPENSES

(FY 2024-25 PROJECTIONS)



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



# LODGING & TCM HOTEL PARTNERS

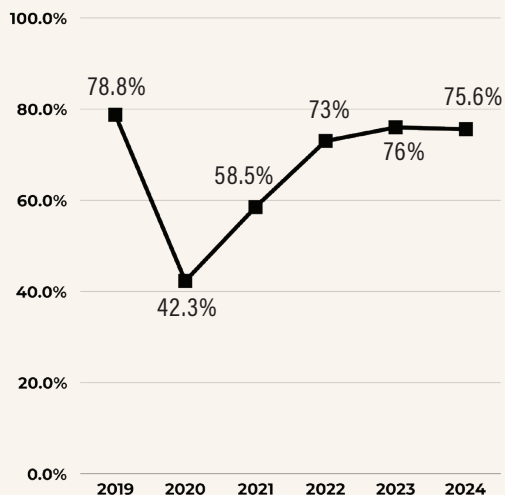
LODGING + ADDRESS	BUSINESS OWNER	PROPERTY OWNER
<b>Avenue of the Arts Hotel Costa Mesa, A Tribute Portfolio Hotel</b> 3350 Avenue of the Arts Costa Mesa, CA 92626	Rosanna Inc. 3350 Avenue of the Arts Costa Mesa, CA 92626	Rosanna Inc. 3350 Avenue of the Arts Costa Mesa, CA 92626
<b>Ayres Hotel Costa Mesa</b> 325 Bristol St. Costa Mesa, CA 92626	Newport Country Inn & Suites, Inc. 355 Bristol St., Suite A Costa Mesa, CA 92626	Newport Country Inn & Suites, Inc. 355 Bristol St., Suite A Costa Mesa, CA 92626
<b>Best Western Plus Newport Mesa Inn</b> 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
<b>Crown Plaza</b> 3131 Bristol St. Costa Mesa, CA 92626	Bright Bristol Street, LLC 3131 Bristol St. Costa Mesa, CA 92626	Bright Bristol Street, LLC 3131 Bristol St. Costa Mesa, CA 92626
<b>Hilton Orange County/Costa Mesa</b> 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
<b>Hampton by Hilton Costa Mesa Newport Beach</b> 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
<b>Costa Mesa Marriott</b> 500 Anton Blvd. Costa Mesa, CA 92626	Starwood Capital Group 591 West Putnam Ave. Greenwich, CT 06830	HEI Hotels & Resorts 101 Merritt 7 Corporate Park, 1st Fl. Norwalk, CT 06851
<b>OC Hotel Costa Mesa</b> 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
<b>Ramada by Wyndham Costa Mesa/Newport Beach</b> 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
<b>Residence Inn by Marriott Costa Mesa Newport Beach</b> 881 Baker St. Costa Mesa, CA 92626	Marriott International 10400 Fernwood Rd. Bethesda, MD 20817	Legacy Strata 11301 W. Olympic Blvd. #121-467 West Los Angeles, CA 90064
<b>The Westin South Coast Plaza</b> 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



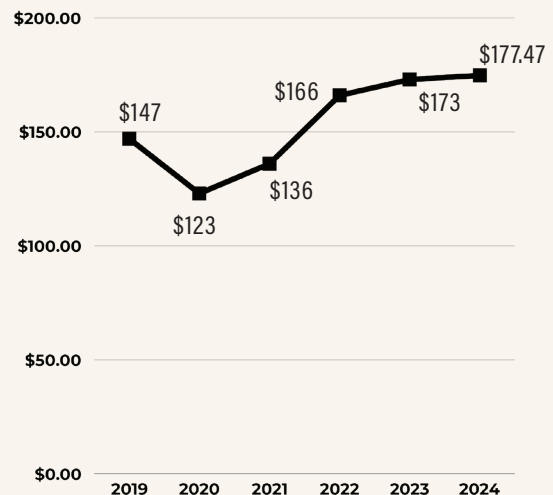
## Hotel Partner Results

Transient occupancy for TCM hotel partners increased by 1.7% in calendar year 2024 compared to 2023. Compared to the 2019 benchmark, transient occupancy grew 1.9%. Room revenue growth rose slightly to 0.3% in 2024 compared to 2023. Increase in average daily rate grew 1% year over year. Key metrics reflect the following:

TCM PARTNERS  
OCCUPANCY



TCM PARTNERS  
AVERAGE DAILY RATE (ADR)



In 2024, Orange County hotels (71.6% occupancy, \$208.21 ADR) outperformed hotels in California (67% occupancy, \$188.52 ADR) and the U.S. (63% occupancy, \$158.67 ADR)

Source: Visit California & STR

## Orange County New Hotels, Renovations & Special Projects

In 2025, a new La Quinta Inns & Suites is set to open in the Orange County Northwest/Fullerton submarket, while construction has already begun on the 144-room Wyndham Grand Bolsa Row Hotel in Westminster.

Irvine's SpringHill Suites and Residence Inn Costa Mesa Newport Beach are both undergoing renovations in 2025, and the Sonesta Simply Suites in Santa Ana is also scheduled for an upgrade. OCVIBE is a 100-acre, master-planned mixed-use community/live entertainment project in Anaheim and construction is underway. It will be a modern urban village built around sports and entertainment.

Moving forward into upcoming years, final planning and proposed new hotel pipelines are more active. Several large hotels in the final planning phases are in the Disneyland submarket. These include a 500-room Nickelodeon-themed hotel and resort, a 400-room Le Meridien, and a 371-room Kimpton Garden Grove Anaheim. More hotel development could occur as Disneyland Forward plans continue.

# U.S. TRAVEL ASSOCIATION

The U.S. Travel Association is a national non-profit organization representing all travel industry sectors. As the industry's unified voice, it focuses on the key issues that matter most to its members. Opportunities and challenges in the industry are identified, along with strategies to establish travel as essential for driving economic growth. As a member of this organization, TCM has access to reporting tools, educational opportunities, networking events, and other travel-related resources.

At the forefront, U.S. Travel's long-term goals remain the same: establishing travel as essential and responsible; improving the travel experience;

providing members with opportunities to learn, connect, and shape business; and being the best-in-class trade association. For 2025, priorities include creating a collaborative relationship with the new administration and Congressional leaders, empowering the industry to communicate a compelling message, and increasing engagement amongst members.



## MISSION

*Increase travel to and within the United States, and in doing so, fuel our nation's economy and future growth*

## Forecasts

In 2024, total number of trips reached 2019 levels. The total number of trips in 2025 is expected to increase by 2.6% compared to 2024 as indicated by U.S. Travel Association's winter travel forecast. Business travel is forecasted to increase 4% while leisure is expected to increase 2%.

Corporate travel is gaining momentum as tradeshows, in-person meetings, and employee connections are expected to increase travel spending this year. However, business travel is expected to take another year to recover to 2019 levels.

## U.S. Travel Forecasts

VOLUME	ACTUAL					FORECASTS				
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Total # of Trips</b>	<b>2.40 B</b>	<b>1.60 B</b>	<b>2.04 B</b>	<b>2.30 B</b>	<b>2.37 B</b>	<b>2.43 B</b>	<b>2.50 B</b>	<b>2.56 B</b>	<b>2.62 B</b>	<b>2.68 B</b>
<b>Domestic Person-Trips</b>	<b>2.32 B</b>	<b>1.58 B</b>	<b>2.02 B</b>	<b>2.25 B</b>	<b>2.31 B</b>	<b>2.36 B</b>	<b>2.42 B</b>	<b>2.47 B</b>	<b>2.53 B</b>	<b>2.58 B</b>
Leisure	1.85 B	1.40 B	1.77 B	1.88 B	1.89 B	1.92 B	1.96 B	2.01 B	2.05 B	2.09 B
Business	463.9 M	181.3 M	249.5 M	370.9 M	413.1 M	436.0 M	454.5 M	467.4 M	478.7 M	488.3 M
Auto	2.13 B	1.50 B	1.88 B	2.08 B	2.12 B	2.16 B	2.21 B	2.26 B	2.31 B	2.36 B
Air	188.9 M	78.6 M	140.4 M	174.6 M	190.7 M	200.2 M	205.8 M	210.6 M	215.1 M	219.2 M
<b>International Arrivals</b>	<b>79.4 M</b>	<b>19.2 M</b>	<b>22.1 M</b>	<b>50.8 M</b>	<b>66.5 M</b>	<b>72.4 M</b>	<b>78.8 M</b>	<b>85.8 M</b>	<b>91.2 M</b>	<b>95.0 M</b>
Canada	20.7 M	4.8 M	2.5 M	14.4 M	20.5 M	20.4 M	21.5 M	22.8 M	24.0 M	24.8 M
Mexico	18.3 M	6.8 M	10.4 M	12.4 M	14.5 M	17.1 M	18.6 M	20.3 M	21.2 M	21.7 M
Overseas	40.4 M	7.6 M	9.2 M	24.0 M	31.5 M	35.0 M	38.6 M	42.8 M	46.0 M	48.5 M

VOLUME (YOY % CHANGE)					FORECASTS				
	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Total # of Trips</b>	<b>33.2%</b>	<b>27.6%</b>	<b>12.7%</b>	<b>3.1%</b>	<b>2.4%</b>	<b>2.6%</b>	<b>2.4%</b>	<b>2.2%</b>	<b>2.2%</b>
<b>Domestic Person-Trips</b>	<b>-31.8%</b>	<b>27.8%</b>	<b>11.4%</b>	<b>2.5%</b>	<b>2.2%</b>	<b>2.4%</b>	<b>2.3%</b>	<b>2.1%</b>	<b>2.1%</b>
Leisure	-24.5%	26.5%	6.2%	0.7%	1.5%	2.0%	2.2%	2.2%	2.1%
Business	-60.9%	37.6%	48.6%	11.4%	5.5%	4.2%	2.8%	2.4%	2.0%
Auto	-29.4%	25.1%	10.5%	1.9%	2.0%	2.4%	2.3%	2.3%	2.1%
Air	-58.4%	78.6%	24.3%	9.2%	5.0%	2.8%	2.3%	2.1%	1.9%
<b>International Arrivals</b>	<b>-75.8%</b>	<b>15.0%</b>	<b>129.7%</b>	<b>30.9%</b>	<b>8.9%</b>	<b>8.8%</b>	<b>8.9%</b>	<b>6.3%</b>	<b>4.1%</b>
Canada	-76.8%	-47.4%	468.7%	42.6%	-0.6%	5.6%	5.7%	5.5%	3.3%
Mexico	-62.9%	52.7%	19.6%	16.6%	-17.7%	9.1%	8.8%	4.7%	2.4%
Overseas	-81.2%	20.8%	161.1%	31.4%	11.2%	10.5%	10.7%	7.5%	5.4%

In 2025, overall travel-related spending is expected to increase by nearly 4% compared to 2024, with leisure travel spending anticipated to remain similar, also increasing by approximately 4%.



SPENDING	ACTUAL					FORECASTS				
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Total Travel Spending</b>	<b>\$1.402 T</b>	<b>\$0.864 T</b>	<b>\$1.087 T</b>	<b>\$1.087 T</b>	<b>\$1,274 T</b>	<b>\$1,301 T</b>	<b>\$1,351 T</b>	<b>\$1,399 T</b>	<b>\$1,434 T</b>	<b>\$1,461 T</b>
<b>Leisure</b>	<b>\$1.037 T</b>	<b>\$0.743 T</b>	<b>\$0.937 T</b>	<b>\$0.937 T</b>	<b>\$0.982 T</b>	<b>\$0.987 T</b>	<b>\$1.036 T</b>	<b>\$1.074 T</b>	<b>\$1.102 T</b>	<b>\$1.123 T</b>
<b>Business</b>	<b>\$365.7 B</b>	<b>\$120.6 B</b>	<b>\$150.5 B</b>	<b>\$264.5 B</b>	<b>\$292.1 B</b>	<b>\$303.7 B</b>	<b>\$315.9 B</b>	<b>\$324.7 B</b>	<b>\$332.0 B</b>	<b>\$337.9 B</b>
<b>Domestic</b>	\$1.187 T	\$0.815 T	\$1.038 T	\$1.094 T	\$1.114 T	\$1.122 T	\$1.151 T	\$1.176 T	\$1.199 T	\$1.220 T
Leisure	\$864.3 B	\$703.8 B	\$896.0 B	\$851.5 B	\$852.8 B	\$851.6 B	\$870.3 B	\$888.4 B	\$905.3 B	\$920.7 B
Business	\$322.2 B	\$111.1 B	\$142.2 B	\$242.6 B	\$261.4 B	\$270.4 B	\$260.4 B	\$287.8 B	\$294.0 B	\$299.3 B
Transient	\$187.1 B	\$75.4 B	\$98.0 B	\$147.7 B	\$155.9 B	\$160.4 B	\$166.1 B	\$170.3 B	\$173.9 B	\$177.0 B
Group	\$135.1 B	\$35.8 B	\$44.1 B	\$94.9 B	\$105.5 B	\$110.0 B	\$114.3 B	\$117.5 B	\$120.2 B	\$122.3 B
<b>International*</b>	<b>\$215.9 B</b>	<b>\$48.9 B</b>	<b>\$49.2 B</b>	<b>\$121.4 B</b>	<b>\$160.1 B</b>	<b>\$178.5 B</b>	<b>\$200.8 B</b>	<b>\$222.7 B</b>	<b>\$234.9 B</b>	<b>\$240.8 B</b>
Leisure	\$172.4 B	\$39.4 B	\$40.9 B	\$99.5 B	\$129.4 B	\$145.3 B	\$165.3 B	\$185.9 B	\$197.0 B	\$202.3 B
Business	\$43.5 B	\$9.5 B	\$8.3 B	\$21.9 B	\$30.7 B	\$33.3 B	-\$35.5 B	\$36.9 B	\$37.9 B	\$38.6 B
Transient	\$26.1 B	\$6.0 B	\$5.5 B	\$15.3 B	\$19.5 B	\$20.4 B	\$21.7 B	\$22.4 B	\$23.1 B	\$23.4 B
Group	\$17.3 B	\$3.5 B	\$2.8 B	\$6.6 B	\$11.2 B	\$12.8 B	\$13.8 B	\$14.4 B	\$14.8 B	\$15.1 B

SPENDING YOY % CHANGE	ACTUAL				FORECASTS				
	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Total Travel Spending</b>	<b>-38.4%</b>	<b>25.9%</b>	<b>11.8%</b>	<b>4.8%</b>	<b>2.1%</b>	<b>3.9%</b>	<b>3.5%</b>	<b>2.5%</b>	<b>1.9%</b>
<b>Leisure</b>	<b>-28.3%</b>	<b>-26.1%</b>	<b>1.9%</b>	<b>3.3%</b>	<b>1.5%</b>	<b>3.9%</b>	<b>3.7%</b>	<b>2.6%</b>	<b>1.9%</b>
<b>Business</b>	<b>-67.0%</b>	<b>24.8%</b>	<b>75.8%</b>	<b>10.5%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>2.8%</b>	<b>2.2%</b>	<b>1.8%</b>
<b>Domestic</b>	<b>-31.3%</b>	<b>27.4%</b>	<b>5.4%</b>	<b>1.8%</b>	<b>0.7%</b>	<b>2.6%</b>	<b>2.2%</b>	<b>2.0%</b>	<b>1.7%</b>
Leisure	-18.6%	27.3%	-5.0%	1.8%	0.7%	2.6%	2.2%	2.0%	1.7%
Business	-65.5%	27.9%	70.7%	7.7%	3.5%	3.7%	2.7%	2.2%	1.8%
Transient	-59.7%	30.1%	50.6%	5.6%	2.9%	3.5%	2.9%	2.1%	1.8%
Group	-73.5%	-23.4%	115.1%	11.2%	4.3%	3.9%	2.8%	2.3%	1.9%
<b>International*</b>	<b>-77.3%</b>	<b>0.6%</b>	<b>148.7%</b>	<b>31.8%</b>	<b>11.5%</b>	<b>12.5%</b>	<b>10.9%</b>	<b>5.5%</b>	<b>2.5%</b>
Leisure	-71.1%	3.7%	143.4%	30.0%	12.3%	13.8%	12.4%	6.0%	2.7%
Business	-78.2%	-12.4%	163.2%	40.4%	8.2%	6.7%	3.8%	2.9%	1.6%
Transient	-77.1%	-8.6%	179.0%	27.8%	4.5%	6.3%	3.4%	2.8%	1.5%
Group	-79.8%	-18.8%	132.9%	69.5%	14.6%	7.5%	4.3%	3.1%	1.7%

\*Spending dated is cited in "real" 2023 \$, adjustments based on Travel Price Index.  
Sources: Tourism Economics and U.S. Travel Association.



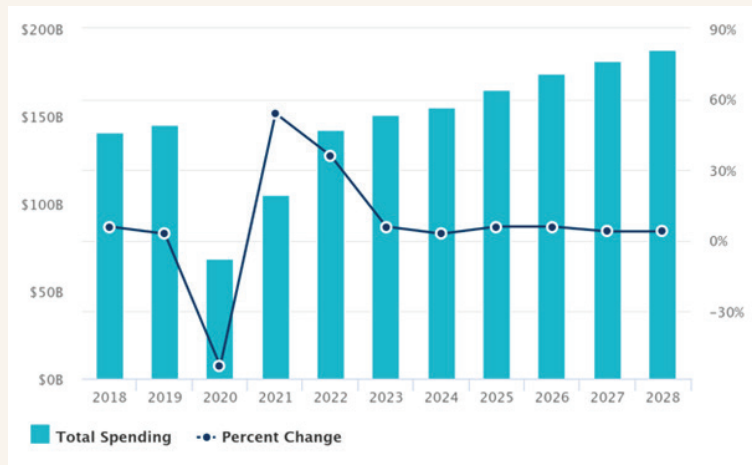
# VISIT CALIFORNIA

As the Golden State enters 2025, total domestic visitor spending is forecasted to grow by 3% compared to 2024. Total visitor spending for 2024 is expected to grow more than 3% to \$156B compared to the prior year. Domestic spending for 2024 is expected to be at just under \$130B, similar to 2023. As the demand for leisure travel stabilizes for the state, outbound travel is predicted to increase in 2024 and in 2025.

Overall visitation to California is expected to reach 2019 levels in 2026. Visitation to the state is forecasted to increase to just over 270M in 2024, which is a 2% increase compared to the prior year. International travel spending is expected to recover in 2025 as well as spending.

Key international markets for California include Canada, Mexico, India, and Australia. The Chinese are projected to spend \$2.5 billion in 2024, reaching 94% of their spending levels from 2019, making this market one of the most significant overseas.

## TOTAL ANNUAL TRAVEL SPENDING & VISITATION



Source: Tourism Economics, Feb 2025



## California Airports

California airport throughput (the number of passengers screened under expedited and standard screenings) grew 3.5% to 112.8 million in 2024 compared to 2023. Passenger traffic from domestic flights was down 1%, with international visitation growing 9% year-over-year.

Airports include:

- Los Angeles (LAX)
- Burbank (BUR)
- Long Beach (LGB)
- Oakland (OAK)
- Ontario (ONT)
- Orange County (SNA)
- Sacramento (SMF)
- San Diego (SAN)
- San Francisco (SFO)
- San Jose (SJC)

**2024**  
**California Airport**  
**Throughput**  
**112.8 million**  
**+3.5% YOY**



Airports with the largest percentage of growth include Los Angeles, San Francisco, San Diego, Sacramento and Ontario.

John Wayne Airport, Orange County (SNA) experienced a decrease in overall total passengers in 2024 compared to 2023. Total passengers decreased 5.6% to 11M in 2024 compared to 11.7M the previous year.





# TOURISM ECONOMICS



Travel Costa Mesa commissioned Tourism Economics in Fiscal Year 2024-2025 to conduct a study on the impacts of tourism, specifically in Costa Mesa. This report presents the key findings for 2023 compared to the previous four years. The organization can highlight the travel sector's critical role by monitoring the industry's success and the effects of visitor spending.



**\$883M**  
VISITOR SPENDING



**\$1.1B**  
TOTAL  
ECONOMIC IMPACT



**8,421**  
TOTAL JOBS



**\$50.2M**  
STATE AND LOCAL  
TAXES



A visitor is defined as those who stayed overnight or traveled 50+ miles to Costa Mesa.

In 2023, visitors spent \$883 million, resulting in a total economic impact of tourism of \$1.1 billion in Costa Mesa. More than 8,400 jobs and \$50M in state and local taxes were generated.

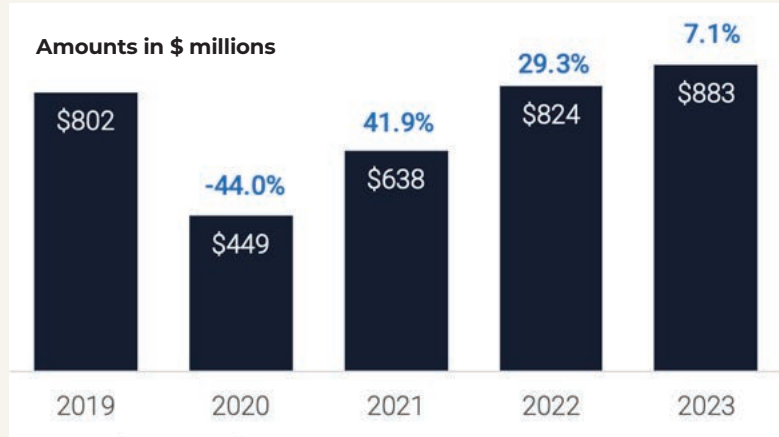
Visitors to Costa Mesa totaled 7.6M in 2023, a 5.9% increase from 2022. Overnight visitation grew 3.7% and day visitation grew more than 6% in 2023. Similar to California and the U.S., overall visitation to Costa Mesa hasn't reached 2019 levels.

Overall visitor spending in 2023 was \$883M, up more than 7% compared to the prior year, and surpassed 2019 revenue of \$802M.

Food and beverage visitor spending in 2023 reached \$307M, retail revenues reached \$270M, and lodging revenues were at \$180M. Recreation and entertainment revenue amounted to \$80M, while transportation revenue was \$46M. All segments of spending have recovered post-pandemic.



## COSTA MESA VISITOR SPENDING



	2019	2020	2021	2022	2023	2023 Growth	% of 2019
<b>Total visitor spending</b>	<b>\$801.7</b>	<b>\$449.3</b>	<b>\$637.7</b>	<b>\$824.4</b>	<b>\$883.2</b>	<b>7.1%</b>	<b>110.2%</b>
Food & beverage	\$267.7	\$165.7	\$233.3	\$287.3	\$307.1	6.9%	114.7%
Retail	\$260.6	\$148.3	\$203.3	\$252.9	\$270.0	6.8%	103.6%
Lodging*	\$162.6	\$73.2	\$109.8	\$165.1	\$179.7	8.8%	110.5%
Recreation	\$72.8	\$41.9	\$58.8	\$73.4	\$80.5	9.7%	110.5%
Transportation	\$38.1	\$20.1	\$32.5	\$45.7	\$46.0	0.6%	120.7%

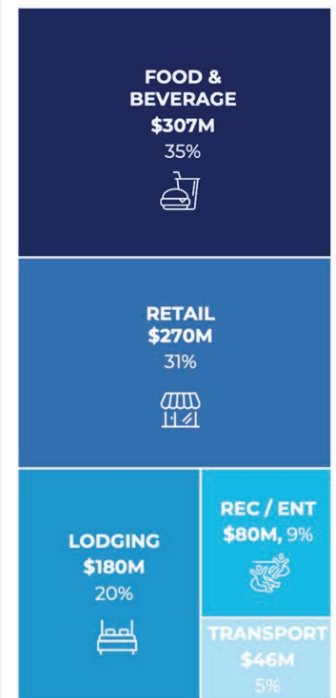
2023 % change and % recovered relative to 2019

Lodging spending is calculated as an industry and includes short-term rentals and the value of second homes.

Source: Tourism Economics

**\$883 MILLION**

Visitor Spending in 2023





Fiscal year 2024-25 was a remarkable one for Travel Costa Mesa, marked by significant growth in engagement, reach, awareness, and overall exposure for the city. These efforts translated into increased visitation, with travelers staying longer and contributing to a thriving hospitality industry and a stronger local economy. By strategically aligning marketing efforts with traveler behaviors and industry trends, TCM reinforced its position as a premier destination in Southern California, offering a dynamic mix of arts, culture, dining, and entertainment.

A key focus of the year's strategy was leveraging the power of storytelling to highlight Costa Mesa's unique offerings. TCM showcased the city's vibrant culinary scene, world-class shopping, and rich arts experiences through engaging digital content, influencer collaborations, and strategic PR outreach. Partnerships with local businesses, tourism stakeholders, and our state marketing organization helped amplify these efforts, creating authentic narratives resonating with first-time and repeat visitors. Additionally, a renewed emphasis on community outreach strengthened relationships with local businesses, ensuring alignment in promoting Costa Mesa as a welcoming and must-visit destination.

By integrating owned, earned, and paid media strategies, TCM ensured consistency in messaging while refining campaigns based on real-time performance insights. This comprehensive approach strengthened the city's presence among target audiences—such as active travelers, food enthusiasts, and high-income Millennial and Gen X visitors—and delivered measurable results that supported local businesses, hotels, and tourism partners.

**Key Initiatives in FY 2024-25**

- Storytelling Content
- Cultivate Partnerships
- Focus on PR and Community Outreach
- Increase Fly Market Visitation



**travelcostamesa.com**

As the digital landscape continues to evolve, search engine optimization (SEO) and search engine marketing (SEM) remain essential in ensuring TCM reaches a highly qualified audience. By optimizing keywords and refining our paid search efforts, we enhance our website's visibility, ensuring Costa Mesa stands out in relevant travel-related searches. Targeted display advertising further amplifies brand awareness, driving engaged visitors to the site.

Through SEO, SEM, and ongoing adaptation to AI-driven search innovations, TCM continues to attract engaged visitors to our website—connecting them with compelling travel inspiration, local businesses, and resources to plan their stay. This strategic approach ensures Costa Mesa remains a top destination in a rapidly changing digital environment.

911k	1.1M	109k	124k
TOTAL	ENGAGED	ORGANIC	PAID
USERS	SESSIONS	SEARCH	SEARCH
(+41% YOY)	(+37% YOY)	(+13% YOY)	(+5% YOY)

*This report contains data from Feb. 2024 to Feb. 2025*



### Website Traffic Drivers

44.1%	Display Ads
13.17%	Referral
13.14%	Paid Search
9.66%	Organic Search
6.7%	Direct
5.6%	Paid Social
3.5%	Paid Other (SEM, Native, Tripadvisor, etc.)

### Top 10 Landing Page Rankings

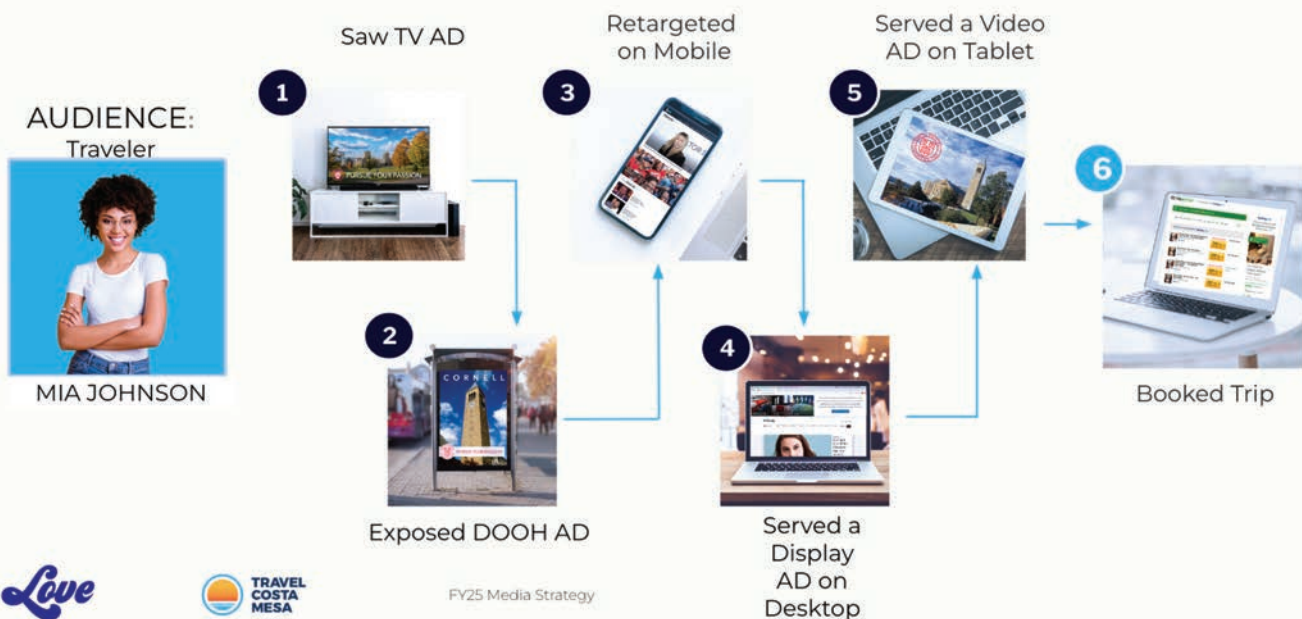
1. Plan-your-visit
2. Whats-next Home Page
3. Home Page
4. Cationtime
5. Oc-fair-costa-mesa
6. We-ve-got-good-taste-drive
7. Stay/costa-mesa-hotels
8. Hotels-specials
9. We-ve-got-good-taste-fly
10. Eatcation®

### Top Website Visitors By State

California	34%
Texas	7%
Florida	3%
Arizona	3%
New York	2.9%

### By City

L.A.	11%
New York	2%
Dallas	2%
San Jose	2%
San Diego	1.9%



# MARKETING

## We've Got Good Taste

TCM's "We've Got Good Taste" paid campaign was a dynamic, multi-channel marketing initiative that showcased the city's vibrant culinary, arts, and shopping scenes. Centered around the idea that Costa Mesa is a destination for those who appreciate quality experiences, the campaign leveraged compelling storytelling to engage high-value travelers in drive and key fly markets.

Additionally, a new Costa Mesa destination video debuted, capturing the city's essence through its renowned dining, entertainment, and shopping attractions. This video was the foundation for a robust digital strategy that included programmatic advertising, Connected TV (CTV) placements, targeted social media ads, and influencer collaborations.

By integrating engaging content across multiple platforms, "We've Got Good Taste" reached travelers at various stages of their journey—building awareness, inspiring trip planning, and ultimately driving visitation.

### Social

- 1.2M Impressions
- 0.98% CTR (0.90% benchmark)
- 982k Reach

### Programmatic

- 1.5M unique individuals reached
- 102k total visitors

### Visitation

- +1.3 day visitation over same time period in 2023
- +17.5% visitation from cities 500+ miles away over the same time period in 2023

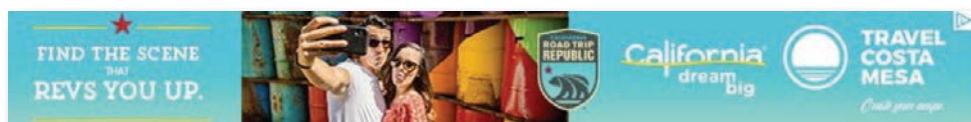


## Visit California & Tripadvisor Co-op Campaign

As part of its ongoing efforts to expand awareness and drive economic impact, TCM partnered with Visit California and Tripadvisor on a strategic co-op campaign aimed at reaching high-intent travelers. Leveraging Tripadvisor's extensive audience data, the campaign targeted qualified consumers both onsite and across external digital platforms, ensuring Costa Mesa remained top of mind for travelers actively researching and planning their trips.

The campaign successfully attracted engaged visitors by combining targeted ad placements with Tripadvisor's robust travel insights, driving measurable results for the destination. The impact was significant, generating an impressive \$1.59 million in economic impact from users exposed to the campaign's advertisements. This collaboration strengthened Costa Mesa's presence among key traveler segments.

- 2.9M+ onsite TA impressions with 0.08% CTR
- 5.1M+ impression and 411k+ clicks from offsite ROVE ads with an impressive 7.99% CTR
- \$1.59M in economic impact



## 'Cation Time

TCM's "'Cation Time"' campaign invited travelers to take a well-deserved getaway in Costa Mesa. Designed to inspire extended stays and increase visitation, the campaign leveraged a multi-platform approach to reach key fly and drive markets, positioning Costa Mesa as the ideal destination for a relaxing and experience-filled Southern California vacation.

"'Cation Time"' delivered a cohesive and compelling message across multiple digital touchpoints, reaching travelers actively searching for their next trip. Digital Out of Home (DOOH) placements boldly captured travelers' attention on key roadside billboards and in major airports within Phoenix and Dallas. These high-impact visuals were reinforced with strategic programmatic advertising on leading Online Travel Agencies (OTAs) Priceline and Expedia, and targeted social media promotions.

To further enhance engagement, the campaign incorporated influencer and content creator partnerships, generating authentic storytelling that resonated with key target audiences.

- 24.6M Impressions
- 0.13% Post Impression Rate (0.10% benchmark)
- 3,417 Booked Room Nights

### Digital Out of Home

- Drove a 70% Visitation Lift
- Resulted in nearly 2k actual visits to Costa Mesa

### Visitation

- +2.8% overnight visitors YOY
- Half day increase to length of stay
- +5.4% visitation from cities 500+ miles away



## Tripadvisor Branded Hub

To further position Costa Mesa as a premier travel destination, TCM launched a dedicated Tripadvisor Branded Hub campaign, designed to inspire travelers with curated trip itineraries and targeted outreach. This campaign featured a custom Tripadvisor landing page showcasing three distinct Costa Mesa itineraries, offering tailored recommendations for visitors seeking culinary adventures, arts and culture, and shopping getaways.



### Onsite

- 1.6M Impressions
- 2,386 Clicks
- 0.15% CTR (0.10% benchmark)

### Offsite - Connect

- 1.3M Impressions
- 44K+ Clicks
- 1.80% CTR

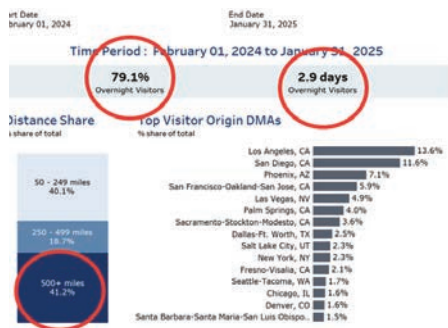
### Offsite - ROVE

- 2.1M Impressions
- 87K Clicks
- 4.13% CTR

### Email

- 2.3M sends
- 40.20% Open Rate
- 0.92% CTR

# RESEARCH



## Visitor Insights and Location Tracking Data

Understanding traveler behavior is essential to measuring the impact of Travel Costa Mesa's marketing efforts. Through advanced location data tracking, TCM monitors visitor trends, providing valuable insights into where travelers are coming from, how long they stay, and how visitation patterns evolve.

This past year, the data revealed impressive YOY growth, highlighting the effectiveness of targeted marketing strategies:

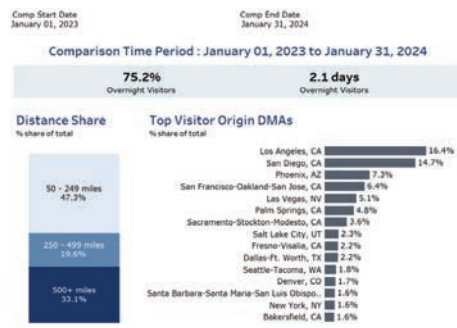
- +3.9% in overnight visitors
- 2.9 day length of stay (+0.8%)
- +8.1% visitors from 500+ mile

These results reinforced the success of expanded fly-market outreach and demonstrated a positive shift toward more extended visits that drive more significant economic impact for the city.



## Understanding Our Audience

To better understand visitor motivations and preferences, TCM partnered with LOVE Communications to conduct a



comprehensive audience study. The research included quantitative and qualitative insights, helping shape future marketing strategies.

Key findings revealed that Costa Mesa's strongest visitor interests included beach close access, a walkable city, culinary experiences, and the county fair, all ranking above neutral on the interest scale. Additionally, the city attracts mainstream and off-the-beaten-path travelers, with 42% of respondents equally open to well-known and hidden-gem destinations.



Seasonal travel trends showed spring and summer as peak interest times, with July being the most popular self-reported month for a trip. The study also found that escaping everyday stress, creating memories, and spending time with loved ones were the primary motivations for choosing Costa Mesa.

Social proof plays a significant role in awareness, as friends and family (50%) and social media (36%) were the top ways people discovered Costa Mesa. Comparatively, San Diego, Laguna Beach, and Newport Beach were rated as top travel destinations, positioning

Costa Mesa as a desirable alternative with unique offerings.

Focus groups further reinforced that Costa Mesa is seen as a centrally located, affordable, and culturally rich destination, though transportation and walkability improvements could enhance its appeal. While OC visitors primarily view the city as a shopping and dining hub, there is potential to attract extended-stay travelers by emphasizing resort-like experiences and curated events.



## Audience Segments

### 1. The Luxury Traveler

- High-income individuals willing to pay for premium experiences
- Prefer upscale lodging and luxury travel options

### 2. The Cultural Experiences Traveler

- Enjoys trying new things and immersing in different cultures
- Spends more time planning trips to maximize cultural experiences

### 3. The Urban Budget Traveler

- Prefers urban destinations and well-known travel spots
- Budget-conscious, seeking affordable travel options

### 4. The Routinized Traveler

- Most frequent repeat travelers
- Favor structured plans but spend less time on trip planning
- Prefer familiar experiences over exploring new ones

*\*All audiences shared an interest in specific activities, with going to the beach and shopping being the most popular.*

# PUBLIC RELATIONS



## Earned Press Coverage

Travel Costa Mesa generated 195 articles with 54 unique stories. These stories covered food, attractions, hotel news, and seasonal events around Costa Mesa, with headlines like, "California's best-kept cultural secrets" from *The Sacramento Bee* and "Must-sees in the Golden State" from Canadian *CTV News*. Media and journalists wrote about Costa Mesa very favorably, with 95% of the coverage having a positive sentiment.

Media coverage included television segments on both domestic and international stations. Coverage extended into Canada via broadcast television, radio, and digital media. Print media was included in the coverage, with stories like "Orange County Businesses Mobilize Relief Efforts for Wildfire Victims" from *Orange County Business Journal* appearing both digitally and in print. Stories such as "Southern California Road Trip" from *This is TASTE* were told via audio podcast.

**213**  
articles  
**55**  
unique articles  
**571,330,000**  
media impressions (est.)



## Familiarization (FAM) Trips

TCM hosted six FAMs with writers, freelancers, and other media to see and experience the city firsthand. Barry Choi, Canadian finance and travel expert, spoke about his stay in Costa Mesa in news segments in Calgary, Vancouver, and Windsor/Ontario in Canada. Rachel Belkin, a Texas-based writer and consultant, wrote several articles about her stay in Costa Mesa, resulting in coverage titled "15 Affordable Vacations to Treat Yourself After Treating Everyone Else" appearing on *MSN.com* and *ProBethGlobe.com*.



## Influencer Event

Each year, Emily Kaufman, also known as The Travel Mom, curates an unforgettable weekend of fun, connection, and travel inspiration for journalists and sponsors at Beach Bash Weekend in Fort Lauderdale, Florida. The event features a packed itinerary filled with exciting activities, themed events, and engaging brand experiences.

TCM proudly sponsored a special morning activation during the weekend. The curated coffee experience featured a custom coffee cart that served lattes and cold brews from Costa Mesa's beloved MoonGoat. This unique touch provided attendees with a refreshing and energizing start to the day while showcasing the vibrant, local flavors of Costa Mesa to influential journalists and travel personalities.

# PUBLIC RELATIONS

## Taking the Story to the Media

Travel Costa Mesa attended the annual International Media Marketplace (IMM) in New York. Through one-on-one appointments with 17 media representatives, TCM pitched stories directly to the writers and editors who create the news, such as *AFAR*, *Conde Nast Traveler*, *Essence*, *US News & World Report*, *AAA Magazines*, and *Times Media Group*. TCM also attended Visit California's Fall Media Reception at the new Intuit Dome in Inglewood, where it met and pitched Costa Mesa to media representatives from companies such as *Los Angeles Times*, *SFGate*, *Orange County Register*, *C Magazine*, and *KTLA*.



## In Partnership with Visit California

In addition to attending the Fall Media Reception, Visit California invited TCM to present at their headquarters in Sacramento, California. TCM brought a taste of Costa Mesa with them, sampling chips and salsa from Northgate Mercado, chocolate from El Moro, and cold brew from MoonGoat Coffee.

Visit California promoted Costa Mesa through their earned media channels throughout the year, publishing nine articles that mention Costa Mesa, totaling almost 5,000,000 impressions. Costa Mesa also received a full page of coverage in Visit California's annual *California Visitor Guide*, printed and distributed to more than 70,000 in-state residents.

## Digital Refresh

TCM refreshed several media and communications-focused website pages to create a more accessible browsing experience, remove outdated information, update search engine optimization, and share a more premium look and feel. On Press Room, Eatcation®, and Awards & Recognition pages, TCM removed defunct links, added photos, and designed a mobile-friendly user experience. New press coverage, awards, and accolades were inputted, better celebrating Costa Mesa's impressive dining, hospitality, and hotels.

## Trending Topics

TCM attended specialized conferences throughout the year to stay informed on the latest public relations trends, like the Public Relations Society of America's Icon and the Destinations International (DI) Marketing and Communications Summit. Persistent messaging from industry leaders covered insights on the emergence of AI-driven content and the benefits of AI and its incendiary potential to introduce false narratives.

Repeatedly, the importance of authenticity and candid, personal experience was highlighted, and TCM kept this in mind with all media outreach, leading to stronger relationships with local and national reporters. TCM was ahead of the curve with strong collaboration between PR and social media, recognizing that stories are often told social and digital first, then in traditional media second.



## Ongoing Communication

TCM sent an email newsletter each month to potential visitors. These monthly newsletters highlight seasonal dining, limited-time events, and arts attractions. From May 1, 2024, to February 21, 2025, TCM sent out 10 newsletters. July and May had the highest click rate at 6%. January and October had the highest open rate at 28.5%.

TCM also reinstated their partner newsletter, a quarterly publication to local businesses, board members, city council, and community stakeholders. As of February 25, 2025, one newsletter has been sent, with a 62% open rate.



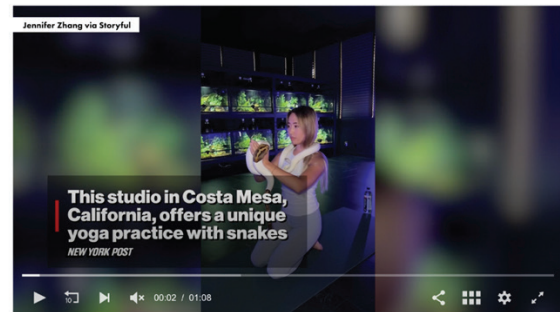
WEIRD BUT TRUE

### Snake yoga is here to make you squirm — and maybe conquer an overwhelming fear

By Brooke Steinberg

Published Oct. 8, 2024, 4:20 p.m. ET

8 Comments



## Destination Training

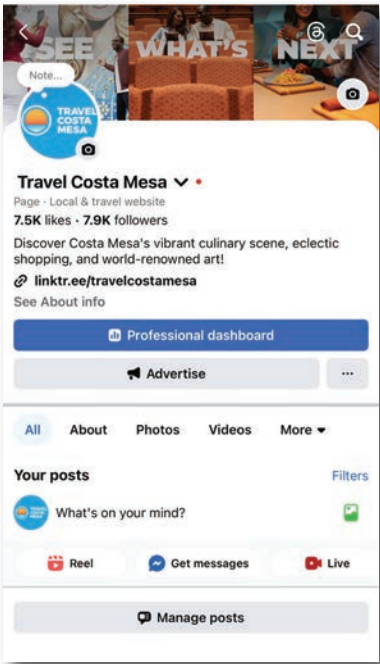
TCM led two destination workshops for employees at The Westin South Coast Plaza and The Hilton Orange County/Costa Mesa, aiming to empower the front desk, sales team, events personnel, and bell desk to become even better ambassadors for the city. TCM led an interactive presentation designed to increase staff expertise in shopping, dining, and attractions so that staff can carry that knowledge to their guests. Attendees at The Westin went on a backstage tour of Segerstrom Center for the Arts, while Hilton employees met with a representative from Orange County Museum of Art.

The travel and tourism industry benchmark for newsletter open rate is 20.2%, as calculated by Campaign Monitor by Marigold. As the metrics above demonstrate, TCM consistently outperforms the industry benchmark with email marketing. Along with creating original content for the newsletters, TCM audited, updated, and simplified the sign-up flow for both the monthly and partner newsletters with high-performing visuals and UX copy.

*Impressions are calculated via Similarweb UVM*

# SOCIAL MEDIA

## Follower Counts (2023 vs. 2024)



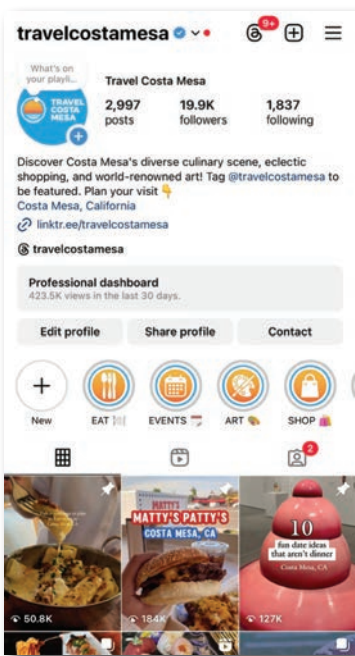
**19,334**  
Instagram  
(+34.5%)

**7,970**  
Facebook  
(+8.6%)

**1,776**  
TikTok  
(+67.2%)

**2,301**  
LinkedIn  
(+21%)

## Engagement Stats (2023 vs. 2024)



**3,313,873**  
Instagram  
(+22,946%)

**68,120**  
Facebook  
(+827%)

**459,466**  
TikTok  
(+43,164%)

**4,670**  
LinkedIn  
(+175.8%)

**3,844,760**  
Across all platforms  
(+5,079%)

## Growing Social Media Presence

Social media has evolved into a powerful search engine tool with users turning to platforms like Instagram, TikTok, and Facebook to discover destinations, experiences, and recommendations. To boost Costa Mesa's searchability, TCM applied SEO best practices by strategically using keywords in hashtags, voiceovers, captions, and text overlays across social media content. This approach made it easier for audiences to find and engage with the content, resulting in more than 3 million views across all channels. Searchable itineraries and roundups were also created to guide users through the best spots and experiences in the city. In doing so, TCM highlighted more than 200 restaurants, shops, entertainment venues, and hotels, bringing greater awareness to the city as a must-visit destination.



## LinkedIn Growth & Highlights

**39,748**  
Impressions  
(+38.7% YOY)

**5,247**  
Engagements  
(+46.5% YOY)

**3,504**  
Link Clicks  
(+47.8% YOY)

**13.2%**  
Engagement Rate  
(5.7% YOY)

## Insights on Paid Social

TCM used a mix of stylized and native ads to boost engagement and connect with diverse audiences. The stylized ads featured high-quality imagery and creative elements to reinforce the brand's identity, while the native ads blended into users' feeds for a more casual, authentic feel. This balanced approach allowed TCM to capture the interest of visual users and those who respond better to authentic organic content, ensuring broader appeal and a cohesive presence across platforms.

*Total numbers are for anything TCM ran from May 2024 to February 2025. Although the budget was nearly 100% lower this year, and one would expect the other metrics to be lower by a similar amount, the campaigns performed better due to improved cost efficiency.*

SOCIAL MEDIA STATS	MAY 2024 - FEB 2025
Spend	\$29,481.42
Impressions	7,476,001
Reach	1,277,997
Link Clicks	77,853
CTR (link)	1.04%
CPC (link)	\$0.38
CPM	\$3.94
Engagements	412,353
Engagements (non-video)	80,917
Conversions	11
CTR (all)	1.33%
CPC (all)	\$0.30



## In-House Campaigns

TCM partnered with content creators from diverse industries, interests, and cultural backgrounds to showcase Costa Mesa as an inclusive destination. In doing so, the organization created authentic, relatable content and increased its visibility to new audiences.

## Influencer Campaign Collabs

**Total Views:** 86,055  
**Total Engagements:** 3,129  
**Total Reach:** 55,994

## Best of 2024

TCM launched the "Best of Costa Mesa" campaign, spotlighting the top food, shopping, and experiences across the city's seven diverse neighborhoods. From hidden culinary gems to must-visit luxury boutiques and one-of-a-kind experiences, the campaign inspired visitors to explore a dynamic destination.

**Total Views:** 70,687  
**Total Engagements:** 4,413  
**Total Reach:** 52,518  
**Giveaway Entries:** 350  
**Business Highlighted:** 21+  
**Blog Clicks:** 3,830

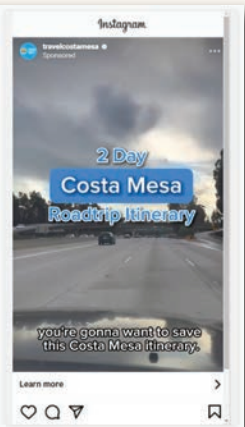
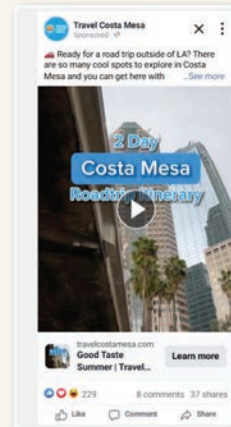


# SOCIAL MEDIA

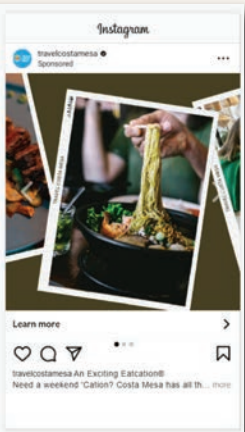
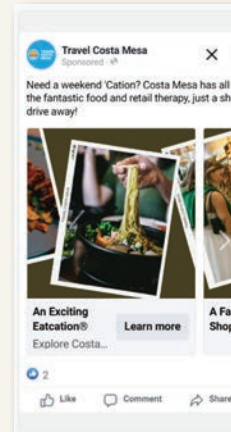
TOP 5 PERFORMING REELS	VIEWS	ACCOUNTS REACHED	ENGAGEMENTS
\$5 Taste of Fair	1M	607.3k	88.2k
Countdown to OC Fair	633.6k	431.2k	77.4k
The Westin Pickleball Courts	242.8k	155.6k	18.8k
Matty's Patty's	181.9k	156.9k	15.2k
LA to CM Road Trip Itinerary	142.3k	214.2k	7.9k



TOP 5 NATIVE ADS	LANDING PAGE VIEWS
Summer 2024 Social Post ("Road Trip") 2024-06-20	6,186
Summer 2024 Social Post ("OC Fair") 2024-07-26	2,732
Fly 'Cation Unmod Carousel 2	1,929
Fly 'Cation Unmod Social 2024-11-13	1,525
Summer 2024 Social Post ("Escape Heat") 2024-07-31	795



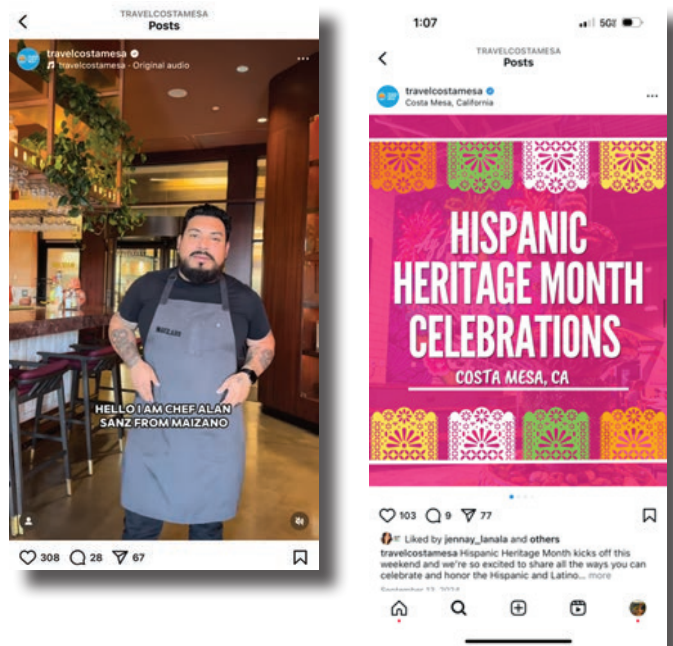
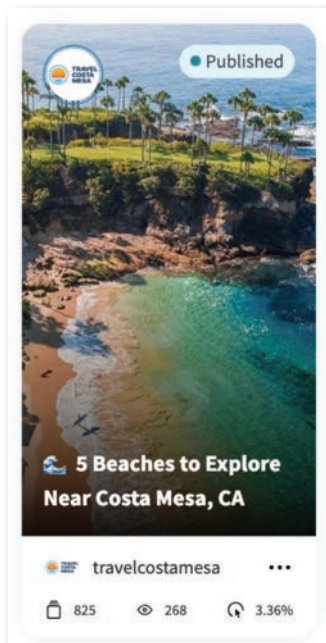
TOP 5 STYLIZED ADS	LANDING PAGE VIEWS
Summer 2024 Carousel 1	3,001
Drive 'Cation Carousel 1	2,518
Fly Cation Carousel 2	1,919
Summer 2024 Carousel 2	1,527
Summer 2024 Drive Carousel 2	1,383



## Hispanic Heritage Month

During Hispanic Heritage Month, TCM celebrated the city's rich cultural experiences by interviewing Hispanic creators who shape its community. The campaign showcased Costa Mesa as a destination where art, food, and traditions thrive, inviting visitors to be a part of the stories, flavors, and creativity that make the city a cultural hub.

**Total Views:** 24,504  
**Total Engagements:** 1,191  
**Total Reach:** 15,967  
**Blog Clicks:** 6,750



## Visit California x CrowdRiff Travel Stories

Travel Stories is a partnership between Visit California and CrowdRiff that highlights California's destinations through creator-driven digital web stories. This content, featuring images, videos, and text, can appear on Google Search and is often featured on Visit California's website.

**Number of Stories:** 28

**Best Performing Topics:**

1. Free Things to Do in CM
2. Snake Yoga
3. Beaches Near CM

## Content Marketing

**Total Number of Page Visits:** 928,177

**Top 5 Best Performing Blog - Number of Sessions**

1. The Ultimate Summer Destination for SoCal Travelers - 122,343
2. Eating Well in the New Year in Costa Mesa - 8,853
3. Best Places to Dance in Costa Mesa - 8,845
4. Our Best Tips and Tricks for The OC Fair - 8,623
5. Road Trip Ready Cruise from Los Angeles to Costa Mesa - 7,580





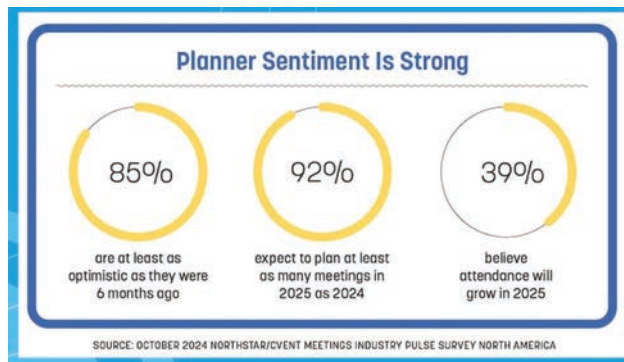
# GROUP SALES

Meetings and event spending are expected to increase in 2025, with a sharp focus on personalized experiences and sustainability, while AI will play a significant role in driving industry growth. According to AMEX GBT, 74% of meeting professionals are optimistic about the industry's health, and 66% anticipate a budget increase this year.

Meetings are expected to increase in number with a more extensive attendee base. Notably, planners intend to allocate these increased budgets to enhance onsite experiences, making events more memorable and engaging for attendees. Face-to-face interaction remains essential in the meetings and events sector, with industry leaders reaffirming the value of in-person connections over hybrid formats. While hybrid events carry cost concerns, most professionals agree that technology can't replace the benefits of meeting in person for relationship building and collaboration.

Despite labor costs due to efficiency measures like self-check-in kiosks, limited housekeeping, and mobile apps, the sharp increase in average daily rate (ADR) from last year has started to level out. Planners are hopeful that these rates have reached their peak and will stabilize moving forward. *Forbes Media* reports that meeting planners indicate that onsite and are experience is a top priority and that budget increases would be allocated to this.

The city of Costa Mesa offers planners a walkable location for their attendees, rich with arts and culture, an abundance of restaurants and is centrally located in



the county. These are staples that TCM will continue to promote. Sustainability has evolved beyond a mere trend—it's now a fundamental priority for meeting planners. According to Meetings and Events, planners focus on minimizing waste, sourcing food and beverages locally, and creating positive experiences to the local economy and community.

## Moving Forward

TCM initially utilized a temporary agency sales manager to handle Cvent (sourcing system) and independent leads following the Destination Sales Executive's (DSE) departure in April 2024. This arrangement remained in place until the new DSE was hired in late October 2024. Since their arrival, industry tradeshows have been attended, with the DSE participating in three events from December to February 2025. These tradeshows have primarily targeted small- to mid-sized group businesses, typically ranging from 10 to 300 room nights at peak.

The DSE is scheduled to attend eight additional shows for the remainder of the fiscal year. These shows will provide opportunities to connect with new meeting planners, promote Costa Mesa as a prime meeting destination, and secure requests for proposals (RFPs).

Cvent reports TCM received 7.4% less RFPs in 2024 than 2023 but an increase of 30% more room nights awarded when TCM was copied on the lead. TCM also increased its response rate in 2024 to 5.1% by responding to the event planner within 12 hours of receiving the RFP.

The DSE plays a critical part in driving revenue and contributing to the city's overall economic impact. Business travelers tend to spend more than the average leisure visitor, often due to expense budgets, influencing their choice of accommodations and the amount they are willing to pay. Meetings bring immediate business to the city and attract future visitors, potentially generating ongoing tourism. This enhances the city's exposure and improves its image as a desirable destination for business and leisure. The "arrive early, stay late" trend contributes to and directly benefits Costa Mesa's local economy.



## Memberships

- California DMO Alliance
- California Society of Association Executives (CalSAE)
- Cvent
- HelmsBriscoe
- Hospitality Performance Network (HPN)



HELMSBRISCOE



## IPW 2024

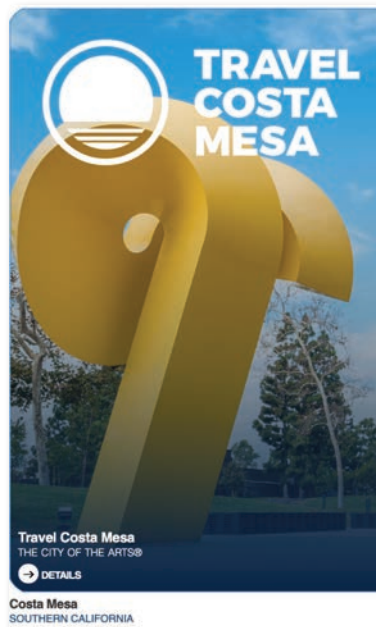
Each year, U.S. Travel Association's IPW tradeshow visits various cities across the U.S. to promote global relationships and strengthen connections. This premier inbound travel tradeshow connects travel buyers and media with America's top travel exhibitors face-to-face. TCM participated in IPW 2024 in Los Angeles, where the team conducted professional story pitches through meetings with journalists and met with leisure and incentive buyers. This approach allowed TCM to effectively communicate its narratives and foster valuable relationships within the industry. TCM plans on taking part in IPW 2025 in Chicago.



## Orange County Sports Commission (OCSC)

TCM's partnership with OCSC continues as the search for sports groups continues. Its goal is to enhance OC communities' economic, social, and cultural vitality through sports. Members include OC Fair & Event Center, Anaheim Ducks, Mission Viejo, OCVIBE, Visit Huntington Beach, ATN, John Wayne Airport, Orange County, and Visit Anaheim.

In 2024, OCSC reported 10 leads were sent to TCM and nine bookings. Venue availability and restrictions remain challenging in securing fields and venues within the city.



## Visit California Meetings

*CaliforniaMeetings.com*, a dedicated meetings-focused website integrated with Visit California's platform, reported that 2024 group room occupancy for California increased 0.3% and the average daily rate increased 0.9% compared to 2023. Orange County group room occupancy increased 5.3% and 1.5% in average daily rate for 2024 compared to 2023.

TCM maintains a prominent listing on the site, providing meeting planners with valuable information about what Costa Mesa offers as a meeting destination. Additionally, the listing includes direct contact details for the DSE, facilitating seamless communication and further support for meeting planning.



# GROUP SALES

*In the second half of the fiscal year, TCM will continue to pursue mid-sized meetings in the markets that have produced well in the area. These markets will continue to be the focus:*



## Association (State/Regional/National)

Associations heavily depend on annual meeting dues for financial stability. Without these events, associations may face significant challenges and need to explore alternative revenue sources to stay afloat. While these organizations tend to be larger and more budget-conscious, they still present valuable business opportunities, especially mid-week or weekends.

In the FY 2024-2025, TCM will maintain its membership with CalSAE and continue its involvement in their flagship event, Seasonal Spectacular. This provides opportunities to connect with association meeting planners and intermediaries who specialize in organizing such events. TCM also plans to schedule an appointment visit in Sacramento to strengthen relationships with this key segment and build valuable business connections.

## Corporate

This sector presents a wealth of opportunities for meetings, ranging from internal team sessions and training to client engagements and local business events. To fully capitalize on this growing demand, it is crucial to maintain a strong presence with national, state, and regional corporations. TCM also plans to participate in prominent shows like Smart Meetings and HelmsBriscoe. Fortune 500 firms have led the charge of travel budget increases and many businesses have emphasized in-person conferences as an efficient way to build connections that were once made in-office. With overall occupancy rates steadily recovering, the resurgence of in-person events is expected to fuel continued demand through 2025.

TCM will actively seek and pursue new business opportunities by attending conferences, conducting sales calls, and participating in tradeshows to expand our network of meeting-producing companies. Additionally, TCM will invite key planners from this market to participate in a Familiarization (FAM) site tours, ensuring Costa Mesa remains top of mind when they are sourcing venues and destinations for future events.

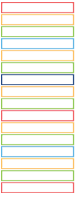
## Sports

The sports market offers significant potential for hotel room blocks across one or more of the city's hotels, driven by national and regional tournaments for all age groups. TCM will continue prioritizing partnerships with the Orange County Sports Commission (OCSC), local colleges and universities, sports complex venues, and the City of Costa Mesa to drive sales and further capitalize on this market opportunity.

## SMERFE (Social, Military, Educational, Religious, Fraternal and Ethnic) / Specialty

Given their budget constraints, these markets are price-sensitive but offer great potential for filling hotel room blocks during peak times, such as weekends. Their event and meeting dates tend to be more flexible compared to other markets. The Orange County Fair & Event Center hosts events year-round, making it a key partner for TCM, and this collaboration will continue to be a strategic focus.

# TRAVEL COSTA MESA LEADERSHIP



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Susan O'Brien Moore	VICE PRESIDENT, GENERAL MANAGER, Ayres Hotel Costa Mesa
Sue Cooke	TREASURER, GENERAL MANAGER, Residence Inn by Marriott
Lori Ann Farrell Harrison	SECRETARY, CITY MANAGER, City of Costa Mesa

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Jeannie Blue	GENERAL MANAGER, VP OF OPERATIONS, Hampton By Hilton Costa Mesa Newport Beach (formerly Holiday Inn Express)
Benito Benitez	GENERAL MANAGER, Hilton
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Hugo Barba	GENERAL MANAGER, Marriott
OPEN	GENERAL MANAGER, Ramada
John Stephens	MAYOR, City of Costa Mesa

## ADVISORS

Brian Chuan	SENIOR DIRECTOR OF INTERNATIONAL & DOMESTIC MARKETS, South Coast Plaza
David Haithcock	PRESIDENT & CEO, Costa Mesa Chamber of Commerce
Michele Richards	CEO, OC Fair & Event Center

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