

Attachment A

# TEAM SAN JOSE

CEDC Update

September 27<sup>th</sup>, 2021

# Agenda

- FY 20-21 Performance Measures
- FY 20-21 Dashboard Metrics
- FY 21-22 Performance Goals
- FY 21-22 Sales Strategy and Tactics
- Marketing & Communications – FY 20-21 Results and FY 21-22 Strategy
  - COVID Recovery Approach via Paid Media Strategy
  - Paid Media
  - Owned Media
  - Earned Media

# **FY 20-21 Performance Results**

**Team San Jose**  
**Convention Center and Facility**  
**Performance Results**  
**FY 2020-21 Year-End (Preliminary Unaudited)**

	<u>YTD Actual</u>	<u>Goal</u>	<u>Variance</u>	<u>% Goal Achieved</u>
Estimated Direct Visitor Spending	\$ -	\$ 28,707,785	\$ (28,707,785)	0%
Future Hotel Room Nights Booked (Citywide)	82,953	119,821	(36,868)	69%
Theater Occupancy	0%	77%	-77%	0%
Gross Operating Revenue	\$ 4,883,050	\$ 29,979,365	\$ (25,096,315)	16%
Gross Operating Results	\$ (536,601)	\$ 1,025,126	\$ (1,561,727)	0%
Customer Satisfaction	NA	95%	NA	0%
Response Rate	NA			

# **FY 20-21 Dashboard Metrics**

# Dashboard Metrics

## HOTEL INFO

	FYTD	FYTD YOY
Occupancy	39.15%	-31.99%
Average Daily Rate	\$ 102.91	-43.37%
Revenue Per Avail Room	\$ 40.29	-61.48%

## WEBSITE UNIQUE VISITORS

	sanjose.org
FYTD	488,534
FYTD YOT	-51.5%

## TOTAL NEWSLETTER SUBSCRIBERS

76,686

## SOCIAL MEDIA

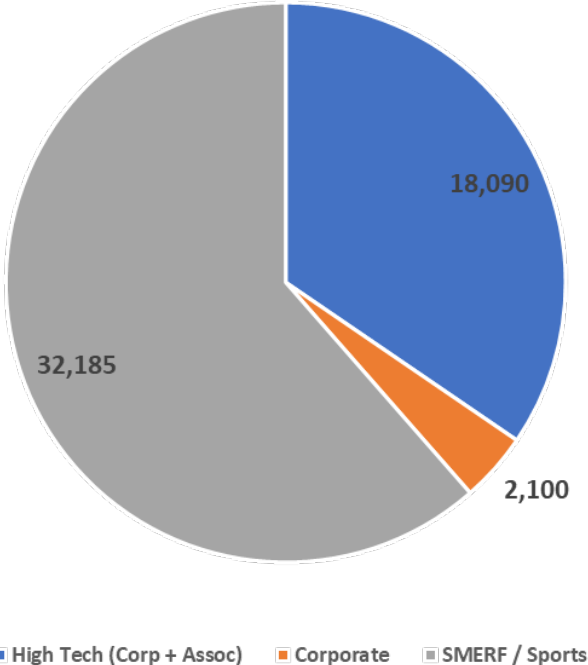
Facebook Likes	29,321
Instagram Followers	13,168
Twitter Followers	8,570
Pinterest Followers	566
YouTube Subscribers	426
LinkedIn Followers	2,645

# Sales Dashboard

Future Citywides Booked		FYTD	%FYOY
Count		20	122.2%
Rooms		52,375	17.6%

Lead Generation		FYTD	%FYOY
Event Leads Entered		336	-65.1%
Room Night Leads Entered		469,610	-56.0%

Market Segmentation of Future Citywide Room Nights Booked



# **FY 21-22 Performance Goals**



## Non-Financial Performance Measure Assumptions

**Hotel Room Nights:** Utilized a gap analysis of future bookings by year to target amounts of rooms we want for each year. However, there remains a lot of uncertainty even as guidelines have been issued. Several large tech clients are either canceling or waiting to confirm events in Q3 & Q4. Increased subsidy of CCF by CVB funds will also affect financial support of sales efforts.

**Estimated Visitor Spend:** Convention Center events resumed in August. Resurgence of Delta variant and necessary mitigations (vaccination and mask mandates) will potentially impact attendance for events. Unknown what lingering effects COVID will have on attendee and conference organizer behavior in planning and attending large scale events. Adjusted estimates to account for uncertainty by quarter.

**Theater Occupancy:** Steady demand building through the year with the potential in three of the theaters to return to normal event volume by end of the fiscal year. San Jose Civic has lots of uncertainty with impacts of construction beginning this year.

**Customer Satisfaction:** Customer Satisfaction is the one area where we are holding our performance targets flat as we will continue to deliver excellent service regardless of event volume or size.

**Team San Jose  
Convention Center and Facility  
Performance Goals  
Fiscal Year 2021-22**

	<u>FY 2021-22 Goal</u>	<u>FY 2020-21 Actual</u>	<u>FY 2018-19 Actual</u>	<u>% Variance to Last FY Actual</u>	<u>% Variance to FY 2018-19 Actual</u>
Estimated Direct Visitor Spending	\$ 26,897,118	\$ -	\$ 138,773,814	NA	-81%
Future Hotel Room Nights Booked (Citywide)	100,000	82,953	177,039	21%	-44%
Theater Occupancy	65%	0%	97%	NA	-33%
Gross Operating Revenue	\$ 22,779,508	\$ 4,883,050	\$ 63,077,292	367%	-64%
Gross Operating Results	\$ 25,357	\$ (536,601)	\$ 14,183,201	105%	-100%
Customer Satisfaction	95%	NA	98%	NA	-3%

# **FY 21-22 Sales Strategy and Tactics**

# Overarching Sales Strategies

- Primary focus on proactive sales for 24-month window (2022 – 2023)
- Focus both on convention center opportunities and direct in-house bookings for hotels, with growing occupancy as our top priority
- Ramp up sales staffing to ensure timely engagement with customers as travel reopens
- Utilizing T&E funding for highest return on lead generation and customer engagement events, providing maximum flexibility

# TEAM SAN JOSE

CEDC Update for  
Marketing & Communications



# RECOVERY APPROACH

# DATA LED APPROACH

To gauge the best time to start the paid campaign (to drive revenue to hotels and businesses as quickly as possible), we monitored the following:

## MACRO ISSUES MONITORED

- ❑ FEDERAL POLICIES
- ❑ STATE REGULATIONS
- ❑ CITY/PORT RESTRICTIONS
- ❑ NON-ESSENTIAL BUSINESS CLOSURES
- ❑ F&B/LODGING/ATTRACTION CLOSINGS
- ❑ SIZE LIMITS FOR GATHERINGS
- ❑ HEALTH SYSTEMS
- ❑ TESTING CAPACITY, DRUG THERAPY, VACCINE
- ❑ DECLINING INFECTION RATES

## MICRO DATA MONITORED

- ❑ CONSUMER SENTIMENT
- ❑ SOCIAL LISTENING
- ❑ SEARCH TRENDING
- ❑ SURVEY DATA
- ❑ FUTURE FORECASTING IN MEDIA
- ❑ COMPETITOR MONITORING
- ❑ PLANNING & BOOKING WINDOW
- ❑ CANCELLATION & RESERVATION DATA

# WE ALSO MONITORED THIS DATA WEEKLY

## SEARCH DEMAND

- ☐ Hotel + Flight
- ☐ Broad & Future Terms + 'Near Me' Terms
- ☐ Track YOY
- ☐ Watch Last 30 Days

## BOOKING DEMAND

- ☐ Trending by Market
- ☐ Future Stays
- ☐ Volume by Traveler Type

## BOOKING WINDOW

- ☐ Changes by Market
- ☐ Booking & Planning Window Lengthens



# FINAL DETERMINATIONS TO RESUME PAID MEDIA CAMPAIGN

## MACRO ISSUES

- ❑ STRICT STAY AT HOME ORDERS LIFTED
- ❑ REGIONAL TRAVEL REGULATIONS ARE DEFINED
- ❑ BUSINESSES ARE OPEN, RESTRICTED
- ❑ FLAT OR DECLINING INFECTION RATES FOR TWO WEEKS

## MICRO DATA

- ❑ SOCIAL SENTIMENT BY BRAND vs BROAD
- ❑ SEARCH DEMAND BY BRAND vs BROAD
- ❑ WEB METRICS BY BRAND
- ❑ TRAVEL SENTIMENT DATA POSITIVE
- ❑ CANCELLATIONS HAVE FLATTENED OR DECREASED
- ❑ BOOKING DEMAND IS RETURNING
- ❑ PLANNING & BOOKING WINDOW IS PICKING UP

**PAID MEDIA:**

*Objectives, Strategy & Tactics*

***RESUMED LAST WEEK IN MARCH 2021***

# Pivoted to All-Leisure Campaign

## Objective

Build awareness of San Jose as a unique Bay Area destination, encouraging leisure drive travelers and repeat visitors to safely stay in San Jose and explore its natural beauty, local businesses and cultural experiences- all to drive incremental revenue to San Jose hotels, businesses and cultural organizations.

## Strategy

Given the current state of meetings and business travel and the uncertainty that remains due to the global pandemic, our paid media strategy pivoted to focus on reaching leisure travelers, targeting in-state markets. Paid media tactics were aligned with evolving leisure traveler consumption habits to ensure San Jose is top of mind as people began to travel again. By working with local artists on campaign creative and promoting community assets and events, the destination is truly and uniquely positioned.

## Tactics

- Engaged in-destination partners (hotels and cultural events and groups) to cross-promote.
- Focused on media vendors that can deliver hotel bookings and trackable revenue (i.e Expedia).
- Targeted in-state travelers who have shown a digital intent to travel.
- Partnered with Visit California for key co-op opportunities.
- Featured local artists creative and curated itineraries that showcase the cultural fabric of San Jose.

# **Paid Media Campaign Artists and Sample Local Businesses Featured**

Fernando Amaro  
Rayos Magos  
Quynh-Mai Nguyen  
Tamiko Rast  
Omar Rodriguez  
Demone Carter - Curator

- Sierra Vista Open Space Preserve
- Shuei-Do Manju Shop
- Mexican Heritage Plaza
- San Jose Museum of Art
- Winchester Mystery House
- Falafel's Drive-In
- Lake Cunningham Regional Skate Park
- Park Station Hashery
- Grandview Restaurant
- Milohas Pastries
- City Diner
- Mount Umunhum
- Little Saigon
- The Creek Eatery
- Adega
- Bel Bacio Imported Italian Coffee
- Popular Bakery
- Brigadoon Park
- The Viet Museum in History Park, Kelley Park
- Bertucelli's La Villa Delicatessen
- San Pedro Square Market
- Duc Houg Gourmet Vietnamese Sandwiches & Eateries (4 locations)
- César Chávez Family Home
- Berryessa Night Market

# First Quarter Paid Media Campaign Results:

- Paid Media resumed when Santa Clara County Health Department permitted hotels to open for leisure travelers late in March 2021.
- The first full quarter of the campaign ran through June and is currently active while we continue to monitor indicators.
- During the first three months, 21% of the annual budget for paid media was spent and produced:
  - 1,700,000 San Jose searches
  - 10,008 bookings
  - **\$4,047,507 in direct, incremental revenue to San Jose hotels**
  - **\$14.05 returned for every \$1 spent on advertising (ROAS)** as measured by ADARA Impact.\* \*\*

\*Adara Impact uses cookies in our ads to track from ad view through hotel purchase, however, it can only track approximately 60% of San Jose hotel rooms so actual impact is very likely greater than numbers presented.

\*\*The campaign was paused May 26 - June 11 due to the VTA tragedy. (Campaigns ramp up the longer they follow and add potential purchasers. A shut down interrupts that growth cycle.) Pre-shut-down numbers were up to \$20 returned (ROAS) on every dollar spent.

# Local Promotional Partners

MOSAIC America (formerly Sangam Arts)

Eastside Magazine

San Jose Downtown Association

District 3 Downtown Recovery Task Force Communications Subcommittee

City of San Jose Mayor's Office and Office of Economic Development

San Jose Taiko

School of Visual Philosophy

San Jose Jazz

Sacred Heart Community Service

San Jose State University

Plus, many more individual artists, businesses, sports teams, attraction and cultural partners

**OWNED MEDIA:**

*Website, Email & Social*

## Website

- Traffic to sanjose.org is up 17% Jan-June compared to the same period in 2020. This is attributed to the pause in paid media from March onward in 2020. Still, organic search is up 21% YOY, indicated a greater level of awareness with our audiences for San Jose's unique offerings.
- 90% of visitors to the "Things to Do" page are new users, while 91% of visitors to the "San Jose Love" page are new users. These visitors are mostly entering the site via organic search and paid media (intent tactics), indicating a mix of users that are familiar and interested in the destination, and eager to learn more.



Great to see you again!

As we welcome all visitors back safely and responsibly, capacity and distancing restrictions will be lifted for most businesses and activities.

SAFELY REOPENING  
CALIFORNIA

Don't forget your mask – face coverings are still required on public transportation and certain businesses and events.

We can't wait to see you again in local shops, museums, and restaurants. Stay safe, take care and have your best day in San Jose.

Please email [marketing@sanjose.org](mailto:marketing@sanjose.org) to submit any business updates.



## #SANJOSELOVE STORIES

See San Jose through the eyes of our artists. Each champions the power of creative expression and San Jose pride through their work. We are honored to collaborate with Curator Demone Carter to present different San Jose neighborhoods, experiences and the rich culture they portray to inspire your own #SanJoseLove story. More artists and how they find inspiration in the heart of Silicon Valley coming soon!



Angie Chua  
Artist



Demone Carter  
Curator, Future Arts Now



Quynh-Mai Nguyen  
Artist

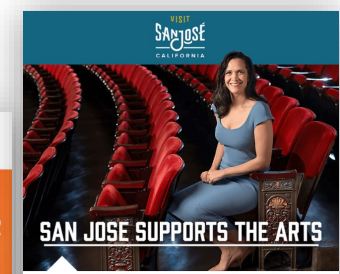
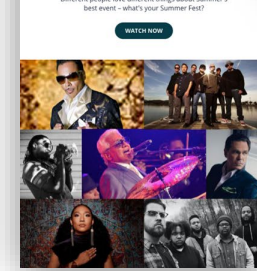
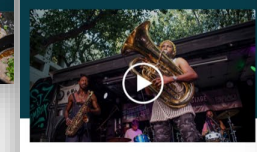
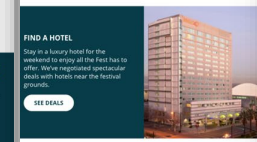
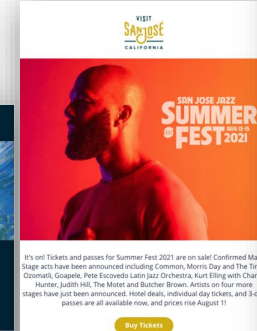
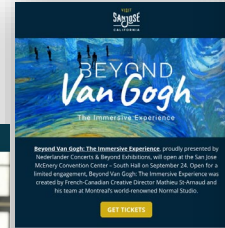


Omar Rodriguez  
Artist

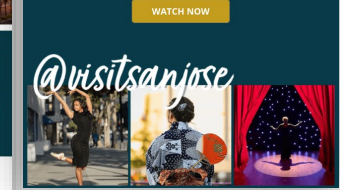


# Email

- Deployed **17 campaigns** to almost **700k email subscribers**
- **Developed campaign content** in support of events, local artists, and businesses:
  - Creative Ambassador Email Series
  - Black history
  - Hunger at Home with Chef's Market
  - Eastside Magazine
  - Illuminations
  - Safely Social with businesses on The Alameda
  - New Works Jazzfest
  - Meetings October Sales Offer
  - Meetings Opening Announcement
  - Jazzfest
  - Van Gogh Experience
  - Mubadala
  - San Jose Opera
- **Grew database**
  - Increased email database by adding 3,481 subscribers from Jan - July 2021
  - Total database **76,686**



San Jose celebrates connecting communities and cultures with the arts. This year, **Opera San Jose** transformed how we patron the arts. Auctions, pop-up concerts, and online viewings are just some of the ways Opera San Jose continues to share **#SanJoseLove**.



## Organic Social Media

Themes featured on our Instagram, Facebook, Twitter, LinkedIn and Pinterest accounts included:

- Lunar New Year celebrations in San Jose
- Black History Month & support black-owned restaurants
- History of social justice in San Jose
- San Jose Love GIF collection promotion
- Advocacy for state reopening guidelines
- Reopening of San Jose economy & events
- Appreciation to San Jose's creative community



- San Jose GIFs were created and deployed in February, with 12 GIFs and stickers uploaded.
  - 1.4M sticker views through June
  - Pho sticker was the most viewed at 411K views
- Followers increased 1.5% across all social channels January through June, with the largest jump attributed to Instagram at 12% growth on the platform.
- Engagement rates remained consistent from January - June, indicated that the posting cadence is less a factor for our social followers than the content.
- Pinterest and Twitter continued to garner strong growth and engagement metrics, showing an opportunity for further growth and content expansion on those platforms.



## Social Media Sample Posts



TRAVELPULSE.COM

**Celebrate AAPI Heritage Month by Visiting These US Communities**



**Visit San Jose** @visitsanjose · Feb 10

Black History Month is the minimum. Celebrate the African American community all year long by making your dollars count.

[#BlackHistoryMonth](#) [#sanjoselove](#) [#ishoplocalsj](#)



# **EARNED MEDIA:** *Public Relations*

## PR Highlights

- Placed 46 stories in national and local publications and outlets.
  - Reach 46,500,000 unique views**
  - Ad Value \$1,170,000**
- Major themes included economy and business reopening activations, economic impact of travel and tourism, and community interest stories promoting local artists and neighborhood businesses.



*Celebrate AAPI Heritage Month by Visiting These  
US Communities*

*Reach 368K | Ad Value \$693*



*'Silicon' reveals surprise guest to ABC7  
ahead of SJ return  
Broadcast + Online*

*Reach 1.5M | Ad Value \$70K*

## **The Mercury News**

*The Newspaper of Silicon Valley*

*San Jose tourism spending dropped by more  
than \$1 billion in 2020. Why it'll take years to  
rebound*

*Reach 2M | Ad Value \$3.8K*



*Demand to Rebook Weddings and Events  
Broadcast + Online*

*Reach 1.9M | Ad Value \$527K*



*So You Think You Know Silicon Valley?*

*Reach 558K | Ad Value \$1K*

**Thank you.**