

Highway 1 Road Trip Marketing Plan

2023-24 STAYING ON COURSE



EXECUTIVE SUMMARY

During the 2022-2023 fiscal year, the San Luis Obispo County Tourism Business Improvement District, now known as Highway 1 Road Trip, navigated the rapidly changing travel landscape as we rebounded from the pandemic. As challenges continue, we look to increase consumer awareness and intent to visit our stretch of Highway 1. Utilizing the resources of our focused and flexible team, we anticipate another successful year of continuing to fine tune our initiatives. Executing these will help the organization to become even more effective in the coming year in promoting memorable visitor experiences while being stewards for thriving, welcoming, and cohesive communities.

SYNOPSIS OF FY 2022-23

As travel continued its return, consumers were looking for new, authentic, and memorable experiences that enable self-fulfillment. Post COVID, travelers were looking for an opportunity to be surrounded by nature, immersed in a region's authentic culture. In the last year, Highway 1 has responded to this demand by marketing elevated nature-based offerings, including a focus on hidden secrets, wildlife, and beaches.

In 2022 we pivoted the brand from Highway 1 Discovery Route to Highway 1 Road Trip to be more in line with how Visit SLO CAL was describing the experience. It also helps us to own the overarching awareness of the iconic road trip – meaning there's no better way to experience Highway 1 than our stretch in San Luis Obispo County. Our Highway 1 Road Trip offers a bit of everything — from Hearst Castle, with its inspiring collections and iconic architecture, to miles of picture-perfect beaches, small town main streets lined with cafes, and world class wineries to enjoy. Highway 1 in SLO CAL has everything. And visitors with a keen interest in sustainability, conservation, and responsible tourism can experience our diverse ecosystem of protected wildlife and marine life which includes whales, elephant seals, and Monarch butterflies – to name a few.



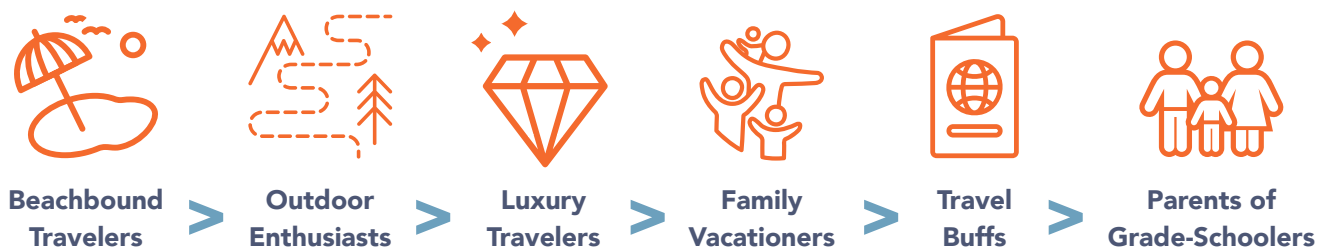
Not being able to travel reminded us all how important it is — for connecting with friends and family, for relaxing, for exploring new places and cultures. As travel reopened, people were eager to make up for lost time. Though many resumed some regular travel, the desire to travel continued to increase. In early 2023, Expedia research reported that nearly half (46%) of people say travel is more important to them now than it was pre-pandemic. And they're putting their money where their mouth is: while 31% say their travel budget will be the same as it was last year, 43% are increasing their budget for the coming year. The amount people travel is also increasing: 79% say they plan to take a leisure trip in the next year, up from 76% just a few months prior, with the average person saying they plan to take two leisure trips. Tourism Economics is predicting a four percent increase in countywide hotel revenue for 2023, mainly driven by a return in international travel.

KEY ACCOMPLISHMENTS

During the past few years, H1RT has implemented a continuous improvement process to plan, deploy, measure, adjust, optimize, test, and measure again. The team has diligently integrated all of the tactics to broadcast consistent messaging on all of our owned, earned, and paid channels.

Our overall messaging has been attribute focused, communicating what you can see/do here. Typically, the fall campaigns have told of hidden secrets/points of interest, winter points to the season of coastal discovery/wildlife, and beaches being the message for spring. And we've deployed accompanying maps to provide additional information to potential visitors and grow a stronger, more engaged database.

The website now receives an average of **75,000 visitors per month** with the majority from Los Angeles and the San Francisco Bay Area. We have a nice distribution of age groups with the most in the 35-54 range and it slightly skews female (52.5%). The top driver of clicks from our SEM efforts are homeowners. The next largest audiences in terms of driving clicks, from largest to smaller:



In 2022/23, marketing results were strong as we continued to deploy, refine, and test. The team created 24 new authority pages on the website which helps the website visibility for specific search behavior. We improved metrics on our **three main key performance indicators, engagement, time on site, and map downloads**. Growth in video with partners such as Facebook Video, CTV and display video exploded our engagements and drove CPE (cost per engagement) down. Paid media contributed the highest percentage of all site visitors ever to the website. And search engine marketing, paid social media and email worked the hardest to drive the highest CTR (click thru rate) and 1+ minute users, with SEM and Social driving the bulk of Map downloads/emails sign-ups.

paid media



The **database grew by more than 30,000 contacts** over the past year to **over 100,000** by offering potential visitors various maps to help them plan their stay. Both open rate and click thru rate have continued to rise, indicative of higher quality audience cultivation coupled with weeding out the older lists that were no longer active. Continuing with these types of programs will prove valuable as first party data becomes a stronger part of the overall strategy. Integration of Content Strategy across all Disciplines

Efforts continue to drive more visitors, more efficiently. During the first half of the year, 31% more users visited the website compared to the same period two years ago at a **decreasing cost per new visitor which is now**

\$1.14. Meanwhile, more than 50 percent of all new paid media visitors converted to 1+ Minute users which is the highest conversion to date and **map downloads were just \$1.28 cost per lead.**

Optimizations in our paid search program drove over **200,000 clicks** at just **49 cents per click.** The average session duration of this traffic was almost identical to 2021 at 1 minute 18 seconds, which is strong when 80% of this traffic is coming in via mobile devices. The desirability of central coast destinations makes it possible to bid on specific Keywords (e.g. "things to do in slo") and much more general ones (e.g. "scenic road trip") and have success with both approaches. As we focus even more on actions taken online, we'll be able to leverage the website and video content to bring in an even more-qualified set of audiences over time.

Our engagement on organic social media continues to expand, with Facebook engagements up more than 30 percent over prior year and video views up nearly 60 percent over prior year as we shifted our focus on video to a first-person perspective. Instagram and Pinterest also both show increases in impressions, total audience, and total engagements year over year.



ROAD TRIPS

20 'Secret' Spots Along California's Pacific Coast Highway

By Mimi Slawoff

We hosted ten key journalists in the first half of the fiscal year and attended two media missions. Travel writers showed high interest in our area and named many of our communities and beaches to top 10 lists for best places to travel. We are anticipating we will publish 80 articles and mentions in the 22-23 fiscal year. The award-winning Travel For Good program continues to grow and change and is now a cornerstone of Visit SLO CAL's overall sustainability strategy moving forward.

The organization continues to seek opportunities to collaborate with Visit SLO CAL and has also developed numerous cooperative programs with the local fund areas to expand their unique messages, including co-funding opportunities in search engine marketing, paid social, and content, along with providing thousands of video and photographic assets.

As we look to 2023-24, we will launch with an updated strategic plan and continue to improve existing programs and look for new opportunities. We look forward to continued and smart growth in visitation for Highway 1 communities in the coming year.

1M WEBSITE SESSIONS

H1DR reached a record with more than **1M sessions** and **838K new users**. Sessions were up 44% for the 21/22 when compared to 20/21 data.

2M EMAIL RECIPIENTS

Sent to **2 million** recipients with nearly **half a million opens** and an Improved CTR.

17.7M SEO IMPRESSIONS

Organic Search is the leading acquisition channel at 28% of total traffic. **Impressions** reached more than **17.7 million**, up 236% Y/Y with page views reaching more than 483k, up 78% Y/Y.

50.1M PAID MEDIA IMPRESSIONS

With **higher quality visitors**, 1 out of every 5 of these users, or 20%, went on to spend 1+ Minute on the site - that's 3x as many 1+ minute users from paid media than we did 2 years ago.

10.7M SEM IMPRESSIONS

10.7 million Impressions with nearly half a million clicks.

23M SOCIAL MEDIA IMPRESSIONS

Instagram and Facebook combined had nearly **23 million Impressions**, **1 million engagements**, and **1.5 million video views**.

1,000,000 +
in nearly ALL of our disciplines.

THE ROAD AHEAD



Highway 1 Road Trip has outlined three organizational objectives in the 23-27 strategic plan, including key indicators and strategies:

OBJECTIVE 1 – ACCELERATE STRATEGIC PARTNERSHIPS

Strategies

- Foster a deeper integration with Visit SLO CAL planning and programs to ensure Highway 1 voice and visibility.
- Develop deeper connections with DMOs and attractions in all Highway 1 communities to collaboratively grow awareness of Highway 1 in SLO CAL.
- Bolster CBID/LFA strategic connections through expansion of LFA imperatives and increasing opportunities to connect and collaborate.
- Explore strategic partnerships with external businesses and organizations to increase awareness of our stretch of Highway 1.

OBJECTIVE 2 – EXPAND EDUCATION AND COMMUNITY CONNECTION

Strategies

- Identify and elevate best practices and LFA community engagement and share to all LFAs
- Engage CBID Board members in attending LFA Board meetings and institute regular connection between board chairs
- Support integration of Visit SLO CAL programs into our communities
- Multiply opportunities for LFA communities to work together and cross-promote
- Engage Highway 1's broad constituency to educate, inform, gather feedback, and demonstrate value

OBJECTIVE 3 – DRIVE MEASURABLE RESULTS

Strategies

- Leverage new brand to maximize awareness and to improve shoulder and off-season visitation
- Partner with Visit SLO CAL programs to drive visitation within our communities
- Continue to invest in development and sharing of high-value digital assets
- Investigate opportunities to leverage the Highway 1 asset as a sustainable and inclusive road trip experience

The approved 23 – 27 strategic plan is included in the Addendum.

DESTINATION PARTNERS

Highway 1 Road Trip partners with organizations on a larger level through Visit SLO CAL to impact programs through Visit California and Brand USA to showcase the coastal communities to a larger audience. Key to Highway 1 Road Trip's main focus is the specific partnership with Visit SLO CAL, other area destinations like Morro Bay and Paso Robles, and specifically with the local fund areas of Ragged Point, San Simeon, Cambria, Cayucos, Los Osos/Baywood, Avila Beach, Edna Valley/AG Valley, and Oceano/Nipomo.



LOOKING AHEAD TO 2023-24 - TOURISM TRENDS

As we look to the future, travel demand is strong, however, market shifts, tech advancements and changing attitudes are changing the landscape. Following are three top tourism predictions for the future, gleaned from various travel industry sources: Each of them offers opportunities for a Highway 1 Road Trip.



Bleisure travel will continue to rise.

While Millennials have already taken over a large portion the workforce, Gen Z has begun infiltrating and their numbers will only continue to grow. With the shift in demographics, business leisure travel is on the rise. Even before the pandemic, 90% of Millennials tacked on entertainment activities to their business trips. Now, employees are taking advantage of flexible corporate travel policies and utilizing their resources, like self-service apps and programs, to optimize their stay.

H1RT Opportunity

As a popular leisure getaway, H1RT will work to partner with Visit SLO CAL to capitalize on this trend through targeted pitching and content development that positions the coast as a great option to extend a stay.



Sustainability will influence travel decisions.

Recently, green initiatives have become a hot topic. It's reported that seven in ten consumers have actually avoided certain tourism spots because they were skeptical of their sustainable practices. This includes climate, environment and even culture. Travelers in 2024 are expected to closely consider climate warnings when it comes to their travel choices as well as the impact their travel may have on native cultures.

H1RT Opportunity

With a foundation of experience and information, H1RT has a seat at the table in partnership discussions with Visit SLO CAL as they develop their strategy. More directly H1RT has an opportunity to further communicate "best traveler practices" integrating ways for our visitors to leave a smaller footprint. This can be executed throughout the website, and in communications such as social media and email. Other opportunities to partner with Visit SLO CAL initiatives include focusing on electric vehicle road trips by collaborating on content development and communication.



Travelers will prefer unique, authentic experiences.

Experiential tourism is hot right now. Travelers want once-in-a-lifetime adventures. They want to get on the same level as the locals. That's why many travelers prefer non-traditional accommodations, so they can explore their destination with a different lens. Travelers also have a desire to disappear into a pre-digital era with many visitors saying they intend to carve out travel experiences that remind them of simpler times

H1RT Opportunity

It's as if the communities along Highway 1 in SLO CAL were purpose-built for these desires. It also fits well into the overarching county brand, "Life's too Beautiful to Rush," and will help inform the H1RT brand as it develops. Countless experiences in our communities can be woven into this messaging.

KEY INITIATIVES FOR 2023-24

PERFORMANCE INDICATORS

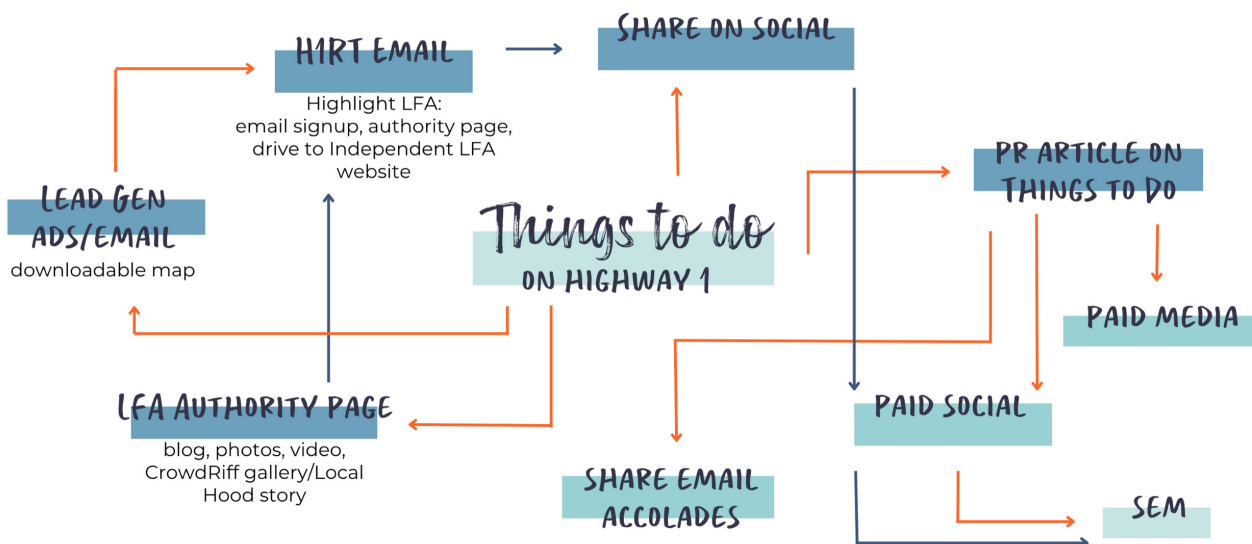
Our key performance indicators have been focused on driving visitors to our website and keeping them engaged with valuable content. Each of our tactics has had varied goals, but typically **engagement**, **click thru rate**, and **map downloads/email generation** were the three key indicators. With the introduction of GA4, we'll be looking to refine those to some degree – always focusing on continuous improvement.

CONTENT CURATION, DISTRIBUTION, AND INTEGRATION TO TELL OUR STORY

Our content strategy serves as the cornerstone for all of our marketing efforts. Creating and distributing content that captures the imagination of potential travelers, provides them with the information they need to make informed decisions, and inspires them to embark on the ultimate road trip adventure along our iconic route of coastline.

The content focuses on telling the story of the experience of traveling on a Highway 1 Road Trip with vivid descriptions, photos, and videos to help travelers visualize the scenery, attractions, and local culture and to imagine themselves here through a connection on an emotional level.

content integration



We have a rich inventory of materials - words, photos, and video – and will continue to identify and develop new content, but visually re-working existing content will provide to be integral in the coming year as opportunities exist to re-edit existing content in new ways. From a blog feature on free things to do on the coast to a newly edited video telling a story about what to do when you've finished cycling through the backroads of Cambria, to a podcast telling the story of the whales a visitor might see on their journey - a myriad of opportunities exist to repurpose materials. The content created for Highway 1 road trip will be informative, engaging, and visually appealing.

What's key to the success is the integration of content across all of the tactics of the team from the website structure, design, and search engine optimization, to the focus of our paid media and social messaging, to our email and public relations efforts. All marketing tactics carrying the same story help spread and amplify the message.

PAID MEDIA: SMARTER, NOT WIDER TARGETING TO DRIVE EFFICIENCIES

Our paid media has been targeting travelers 25+ with a household income of \$150,000+ with a focus on the greater Los Angeles area and San Francisco Bay Area residents with interests in things like beaches, road trips, adventure travel, outdoors, wildlife, and nature, to name a few. With millions of people within a 4-6 hour drive time to our area, we are recommending we remain focused on California as our primary market. Utilizing the learning from key performance indicators including time on site, engagement, and map downloads, we have optimized our paid media performance significantly over the past several years. As we move forward, we want to continue to utilize a "Smarter, not Wider" strategy to be able to hone in on the audiences that most align. As a part of this effort, we recently took a deeper dive into Google analytics to understand more about the people who interact with our content and have found that they are mostly homeowners (which speaks to the affluence of our visitors) and not surprisingly, that they have interests in things like beaches and outdoors. We have also utilized AI suggestions to develop look alike audiences to those already in our database. All of these efforts will help us to continue to drive efficiencies.

BRANDING/STORYTELLING TO IMPROVE ENGAGEMENT

An opportunity exists to take our storytelling to the next level by engaging a branding partner for the first time to provide us with a foundation to enhance our message in a way that ties to the overarching county brand, "Life's Too Beautiful to Rush." Developing new branding directionally toward "Highway 1 Road Trip at Your Own Pace," offers an opportunity to enhance our message to the visitor, showing the incredible variety of unique experiences that can be discovered, with attractions and activities that appeal to every type of visitor, with a nod to sustainability at every turn.



A Highway 1 Road Trip offers a bit of everything — from Hearst Castle, with its inspiring collections and iconic architecture, to miles of picture-perfect beaches, small town main streets lined with cafes, and world class wineries to enjoy. Highway 1 in SLO CAL has everything.

It's important we offer travelers enriching experiences that foster and enable life-long memories and show them the real side of the place they are visiting, to help them immerse themselves fully into the local culture. Long-

term, this is a positive thing for our destinations to focus on. And it translates to the Bleisure traveler as well, with our myriad of vacation rentals in close proximity to desired experiences.

PARTNERSHIP MARKETING OFFERS OPPORTUNITIES TO EXPAND REACH

We are looking to continue the collaboration with Visit SLO CAL and other area DMOs, but to also seek out opportunities for partnership with external businesses to increase awareness. We will seek out opportunities in partnership with publishers like Hearst Media, Sunset, and Westways, to identify other companies who have similar messaging and goals to further broadcast our message.

UTILIZING ADVANCES IN TECHNOLOGY TO FURTHER UNDERSTAND RESULTS

As the tech landscape continues to change, we will be looking to understand the implications of GA4, AI (artificial intelligence), and other data analysis to expand and understand our efforts. Google has said that, “GA4 offers marketers the flexibility and agility to gain more insights, better activate their data and make an even greater impact on their organizations’ business goals—all in a way that protects user privacy.” We have already implemented it to gather data, and it may change our specific key performance indicators a bit. With every change, comes learning and opportunity. There is not only opportunity with GA4, but we are already utilizing AI to make our reporting more efficient, identify look alike audiences, suggest program refinements, and more. One of our immediate challenges is to identify which key performance indicators we will be able to use with the changeover to GA4. In the past, we diligently measured time on site, engagement, and email sign-ups. We are anticipating some changes to how these types of behaviors are measured and will work to find similar indicators to continue to manage and benchmark our efforts.

SEGMENTING OUR DATABASE FOR INCREASED ENGAGEMENT

Our lead generation efforts over the past couple of years have made our database significantly larger. And while the engagement has been strong, there now exists an opportunity to further segment the audiences to provide them with specific information that speaks to them. Instituting more tactics like A/B testing, and integrating more email best practices should help us continue to grow open rate, click thru rate, and engagement. We will pursue a phased approach that includes a design refresh to make content more visually appealing, along with a plan to personalize content and develop a preference center to collect user profile data used to target specific visitor niches. We will monitor reporting results along the way to make educated decisions on the effectiveness and adapt for future emails.

BACKLINKING STRATEGY CONTINUES TO BUILD EFFECTIVE SEARCH RANKINGS

The strategy of building authority pages has created a solid foundation for organic search traffic and we now have a very strong library of authority pages. The next step is to create a more robust back-link strategy. We will investigate ways to build these with other DMO partners and area attractions to further generate top organic search rankings.

FURTHER INTEGRATION OF TRAVEL FOR GOOD MATCHES VISITOR PRIORITIES

The Travel for Good programming continues to position H1RT on the breaking wave of evolving travel. In an effort to continue to grow awareness of this important effort, is more important than ever for us to integrate this messaging into everything we do from sharing itineraries, events, and spotlights, to providing tips on maps, in authority pages, through social media, public relations, and in email messaging. An always on winter focus allows us to introduce new “back to nature” self-guided tours, communicate Travel for Good events like Earth Day and Coastal Cleanups, and wildlife viewing tips. Visitors with a keen interest in sustainability, conservation, and responsible tourism can experience our diverse ecosystem of protected wildlife and marine life which includes whales, elephant seals, and Monarch butterflies – to name a few. Our organization was a trendsetter in this regard, with a focus on stewardship and travel for good being a core program for



more than ten years. As we move forward, we will be working to further integrate sustainability into everything we do, including collaborating with Visit SLO CAL as they develop their Sustainable SLO initiatives.

QUALITY OVER QUANTITY IN PUBIC RELATIONS TELLS OUR STORY IN A SMARTER WAY

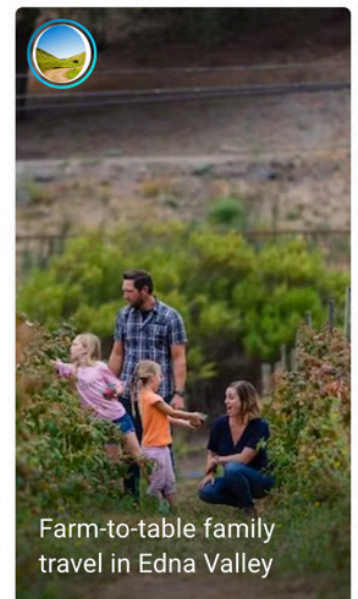
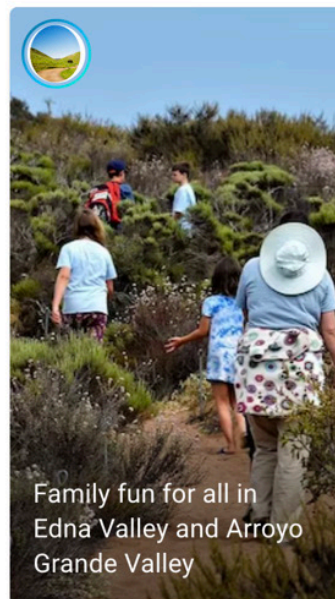
With great past exposure through earned media there exists opportunities to create goals more focused on targeted outlets and quality of articles vs. quantity of articles. In addition, more collaboration with Visit SLO CAL to partner with media to seize upon travel trends that are unique to our county– particularly in the Los Angels area - will be helpful for the coming year.

SOCIAL MEDIA HELPS INTEGRATE OUR STORY AND ENGAGE WITH VISITORS

H1RT is currently active organically on Instagram, Facebook, Pinterest, and TikTok. In addition, the team utilizes CrowdRiff to create galleries, and new Localhood stories. The focus is always on what's trending in the ever-changing landscapes of each platform to increase brand awareness, connect with our audience, and seek engagements in the form of sharing, driving website traffic and generating new leads. In the past year, we have increased the use of video, incorporated accolades, and shared noteworthy media stories across all platforms. In addition, we've supported the LFAs by sharing their brand messages, events, blogs, and website content. We also help encourage them to use new tactics such as Localhood stories and raw footage to create reels. In the spring of 2023, we utilized social media mentions and assets in our paid media and it performed well. Integrating all of our messaging through these owned channels will continue in the coming year

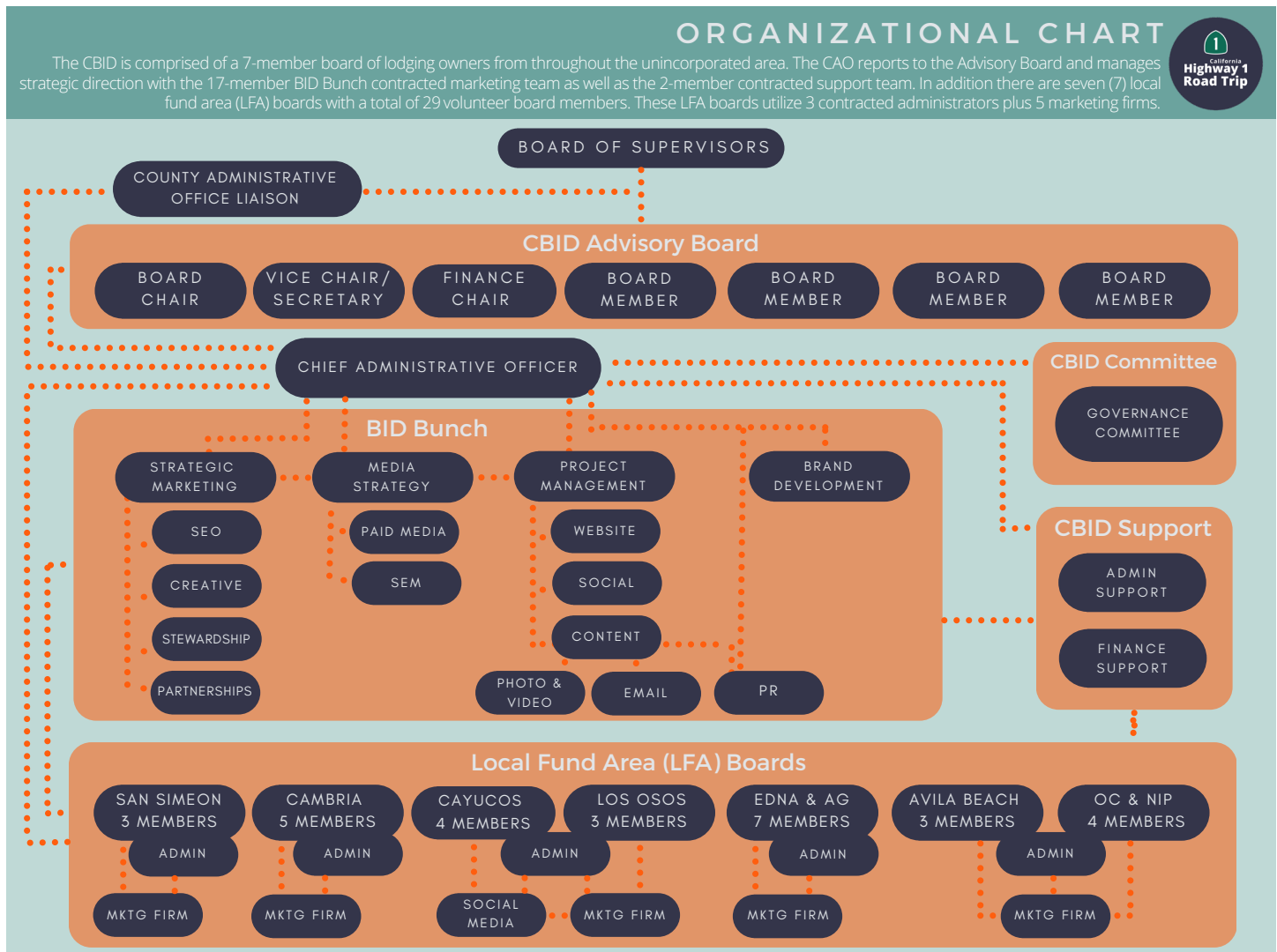
LOCAL FUND AREA PROGRAMS DRIVE EFFICIENCIES AND LESSEN DUPLICATION OF EFFORTS

Many successful cooperative programs have been created over the years to assist the local fund areas, from CrowdRiff photo sharing to campaign tool kits and more. There continues to be high interest in co-funding search engine marketing and utilizing the 50/50 paid social media opportunities, and the group has moved forward with some additional opportunities in terms of utilizing look alike audiences and email retargeting. In the coming year, more than \$125,000 will be invested in co-funded LFA programs.



OUR MOST IMPORTANT ASSET - OUR BID BUNCH TEAM

As we look to the future, the BID Bunch will continue their focus on fine tuning our initiatives. Executing these will help the organization to become even more effective in the coming year in promoting memorable visitor experiences while being stewards for thriving, welcoming, and cohesive communities.



A LIVING DOCUMENT

This overall plan provides the BID Bunch with a working direction for the coming year. It is a living document, meaning that as things change, pieces of the plan may change to best adapt to new conditions. That has shown to be particularly important over the past few years. Each of the BID Bunch members have a specific tactics outlined in their agreements that are measured and adjusted regularly to adapt to new challenges as well as new opportunities.

Strategic Plan 2023-2027



VISION

People and places, engaged and enriched through tourism

MISSION

Promote memorable visitor experiences while being stewards for thriving, welcoming, and cohesive communities

VALUES

- » MOXIE—We bring strength of purpose and direction to everything we do
- » COLLABORATION—We seek out and foster relationships rooted in mutual respect
- » ACCOUNTABILITY—We are a transparent organization responsible for delivering results

REPUTATION

- The CBID will be known as:
- » Responsible & Responsive
 - » Strategic & Proactive
 - » Collaborators & Connectors

POSITION

- In order to best support our lodging constituents in ten unincorporated areas of San Luis Obispo County, the CBID:
- » Provides a funding stream and professional marketing expertise to create demand for visitation
 - » Connects local communities, shares ideas, and amplifies community voices
 - » Supports sustainable tourism and the enhancement of tourism-related infrastructure and beautification

OBJECTIVE 1

Accelerate strategic partnerships

OBJECTIVE 2

Expand education and community connection

OBJECTIVE 3

Drive measurable results

INDICATORS

- » Grow percentage of stakeholder survey respondents citing collaboration as a top-three strength of H1RT
- » Increase annual count of programs executed with at least one partner

INDICATORS

- » Maintain or increase stakeholder survey score on average of stakeholder communication and LFA support
- » Increase percentage of stakeholder survey respondents citing leadership, team, and BID Bunch as among top 3 strengths of H1RT
- » Benchmark and grow stakeholder satisfaction on H1RT execution of events & festivals, sustainability, and EDI

INDICATORS

- » Growth of organic traffic back to above FY 2021-2022 levels
- » Growth in community awareness over 2017 baseline
- » BID assessment tracks at or above average growth percentage of Paso Robles, Pismo Beach, and Morro Bay

STRATEGIES

- » Foster a deeper integration with Visit SLO CAL planning and programs to ensure Highway 1 voice and visibility
- » Develop deeper connections to DMOs and attractions in all Highway 1 communities to collaboratively grow awareness of Highway 1 in SLO CAL
- » Bolster CBID/LFA strategic connections through expansion of LFA Imperatives and increasing opportunities to connect and collaborate
- » Explore strategic partnerships with external businesses and organizations to increase awareness of our stretch of Highway 1

STRATEGIES

- » Identify and elevate best practices of LFA community engagement and share to all LFAs
- » Engage CBID Board members in attending LFA Board meetings and institute regular connection between CBID Board and LFA Board Chairs
- » Support integration of Visit SLO CAL programs into our communities (e.g. Events & Festivals Strategy, Sustainability, and EDI)
- » Multiply opportunities for LFA communities to work together and cross-promote (e.g. Cycle Central Coast)
- » Engage Highway 1's broad constituency annually to educate, inform, gather feedback, and demonstrate value

STRATEGIES

- » Leverage new brand to maximize awareness of our stretch of Highway 1 to help improve shoulder and off-season visitation
- » Partner with Visit SLO CAL programs to drive visitation within our communities
- » Continue to invest in development and sharing of high-value digital assets
- » Investigate opportunities to leverage the Highway 1 asset as a sustainable and inclusive road trip experience