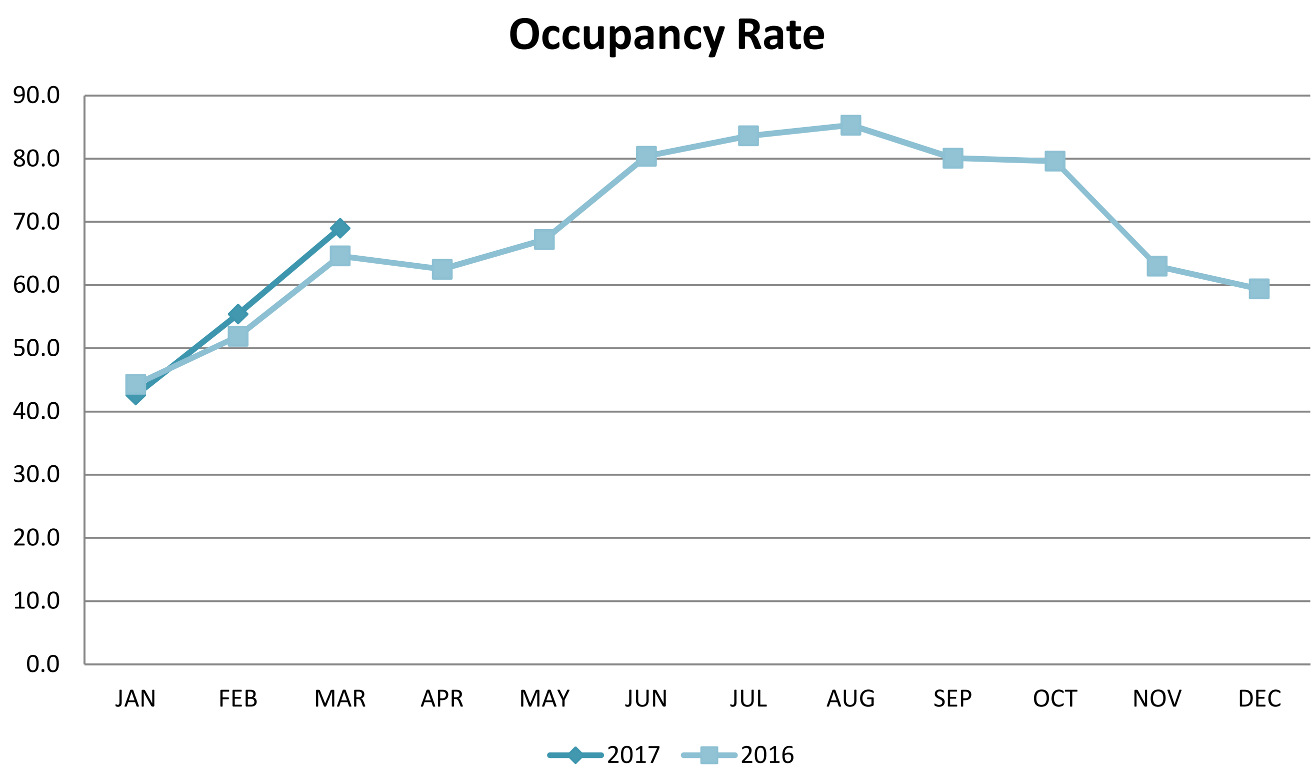
TOURISM
SANTA FE

Quarterly Marketing Report

2017 Q1 | January — March

Occupancy & Room Rates



Occupancy Rate Percentage

	Q1	Q2	Q3	Q4	YTD
2017	55.7				55.7
2016	53.6	70.0	83.0	67.3	53.6
(Y/Y)	2.1				2.1

Average Daily Rate

	Q1	Q2	Q3	Q4	YTD
2017	$108.02				$108.02
2016	$107.25	$112.14	$149.92	$131.43	$107.25
(Y/Y)	0.7%				0.7%

Revenue Per Available Room

	Q1	Q2	Q3	Q4	YTD
2017	$60.77				$60.77
2016	$60.17	$87.04	$124.51	$89.07	$60.17
(Y/Y)	1.0%				1.0%

Source: Rocky Mountain Lodging Report. March Statistics not available at the time of this report.

Visitors Guide Distribution

Summary:

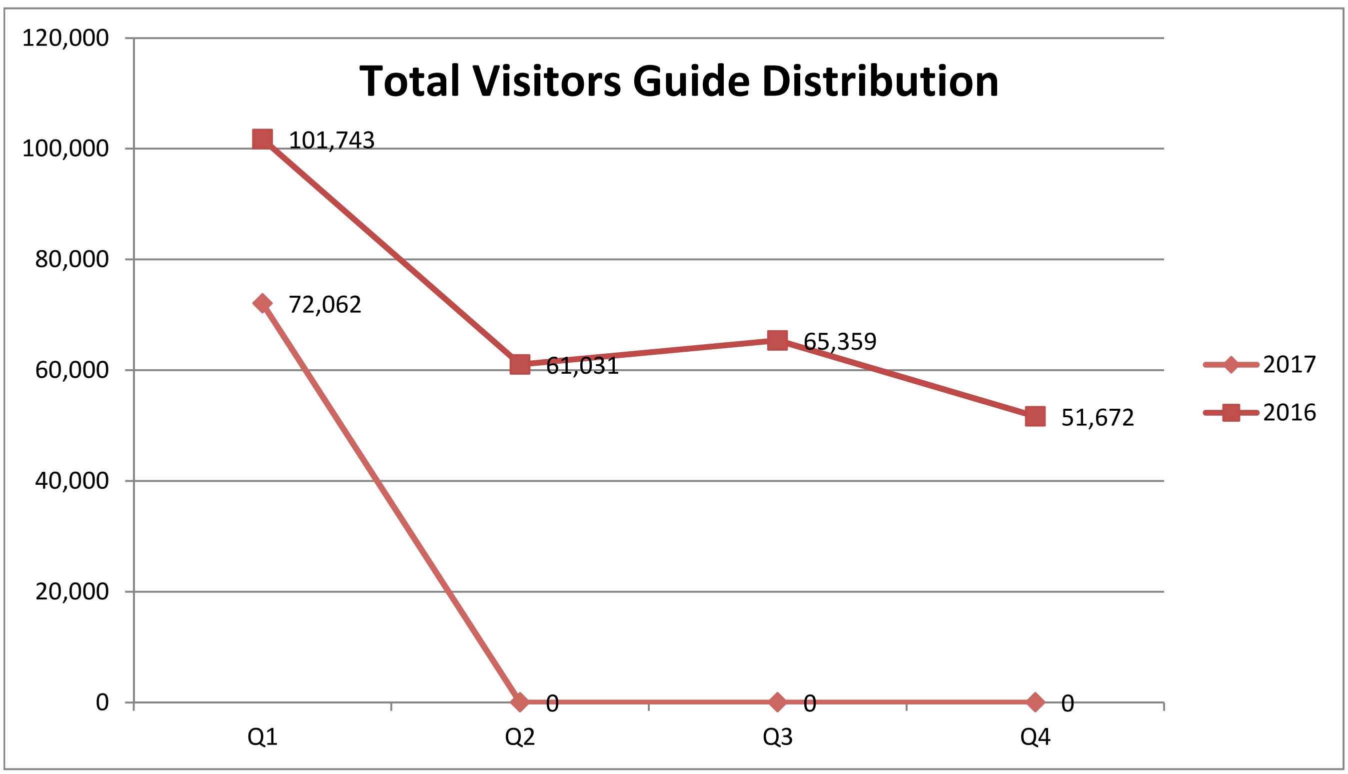
Visitors Guide distribution is down 29% in Q1. While Fun & Games distribution is up 17% Y/Y, we are down in all other areas.

Key Insights:

- AAA mailings were reduced from 60 guides per location to 20 per location.
- Delivery of pallets to Certified Folder Display Service's warehouses in CO, OK and East TX were delayed due to need to set up credit account with our printer for storage and shipping.

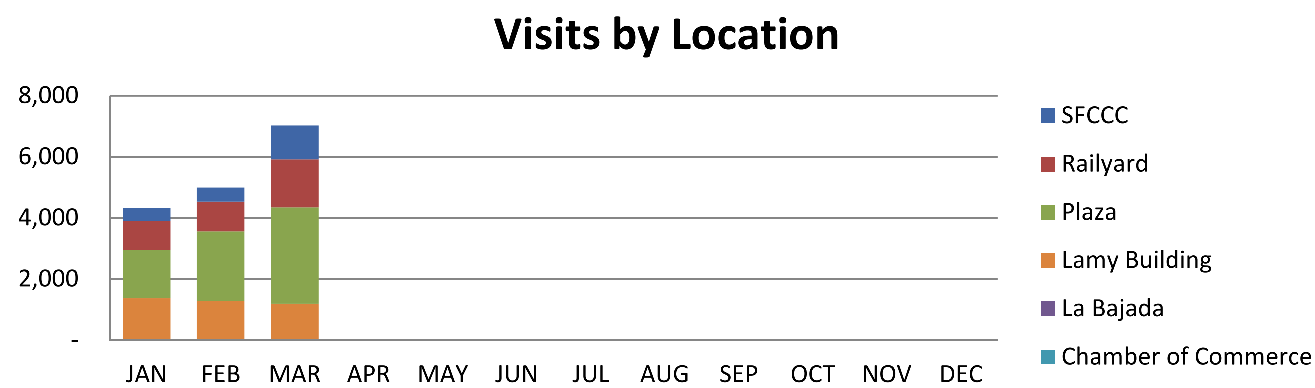
Action Items:

- ☐ Work to educate clients of the availability of Guide mailing services for their mailing lists.
- ☐ Delivery of pallets to Certified will take place as soon as a PO is approved.



Visitors Guide Distribution					
	Q1	Q2	Q3	Q4	YTD
2017	72,062				72,062
2016	101,743	61,031	65,359	51,672	101,743
(Y/Y)	-29.2%				-29.2%

Tourism Information Centers



Visitor Information Centers					
	Q1	Q2	Q3	Q4	YTD
TSF - Convention Center					
2017	2,009				2,009
2016	1,807	3,474	3,468	2,706	1,807
(Y/Y)	**11.2%**				**11.2%**
TSF - Railyard					
2017	3,493				3,493
2016	2,493	3,792	4,337	4,202	2,493
(Y/Y)	**40.1%**				**40.1%**
TSF - Plaza					
2017	7,004				7,004
2016	6,859	12,794	16,388	11,423	6,859
(Y/Y)	**2.1%**				**2.1%**
*NMTD - La Bajada**					
2017					
2016	4,302				4,302
(Y/Y)					
NMTD - Lamy					
2017	3,833				3,833
2016	6,453	7,668	8,343	10,524	6,453
(Y/Y)	**-40.6%**				**-40.6%**
*Chamber Welcome Center***					
2017					
2016	1,692	1,274			1,692
(Y/Y)					
TOTAL Visitors					
2017	16,339				16,339
2016	23,606	29,002	32,536	28,855	23,606
(Y/Y)	**-30.8%**				**-30.8%**

*La Bajada VIC closed since Q2 2016. **Chamber not providing info, YTD reflects January through May 2016.

Website

Summary:

Traffic decreased year over year, mainly due to Q1 2017 paid advertising at a level one-third that of Q1 2016. New sessions were up. Conversion rates fell slightly though the goal abandonment rate improved very slightly.

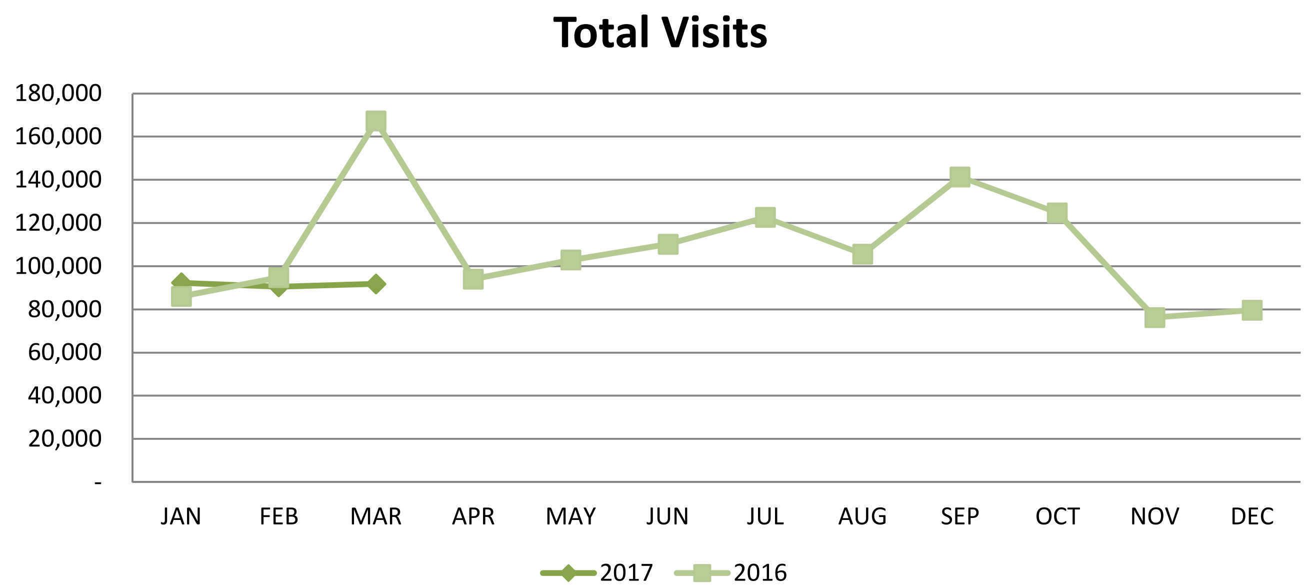
Key Insights:

- A large spike in traffic in March 2016 driven by digital advertising accounted for 26% of traffic to the site. In 2017, this same type of advertising accounted for <2% of traffic to the site. This represents a loss of about 86K sessions year over year.
- As expected, traffic to accommodations pages was down 35%, due to JackRabbit booking pages no longer counting as site visits.
- A homepage redesign in late February improved visitor retention and engagement.
- The top ten pages accounted for 43.6% of site traffic.
  - The Home Page and Calendar were far and away the top pages on the site, receiving over 25% of total traffic combined. As with last year, the Calendar received twice the repeat visits of the home page.
  - The second tier of popularity belonged to Things To Do and Spring Break which each received about 4.5% of total site traffic.
  - The remaining six pages received between 1-2% of traffic each. In order, they were What's Happening, Dining, Visiting Santa Fe, Visitors Guide, Hotels and Motels, and Accommodations.
- Facebook continued to lead social referrals, delivering 81% of social referral traffic. TripAdvisor, Pinterest, and Twitter delivered 7%, 5.6%, and 4% of social referral traffic respectively, and Instagram was a distant fifth with 1.35% of social referral traffic.
- Social referrals delivered 2.26% of total site traffic, barely up from 2.20% in 2016.
- Desktop traffic rose to 57% of visitors during Q1, with mobile at 31.7% and tablet at 11.7%.
- Some younger visitors were lost year over year, with the 18-24 demographic dropping 3%.
- The introduction of AdTheorent's mobile rich media display campaign last March was a large driving force behind an uptick in web sessions and mobile traffic during Q1 2016, as this digital campaign has been a key performer of driving traffic to the santafe.org website over the past year when it is in market. This campaign alone contributed to 65,538 sessions in Feb/March of 2016. The loss of this campaign in Q1 2017 may also be a contributing factor to the 3% drop in the 18-24 demographic, as mobile users tend to be younger. This tactic will be back in market starting in April 2017.
- The in Q1 2017 Campaign traffic (i.e. advertising, landing page and newsletters) fell 70% year over year, delivering 10.1% of site traffic during Q1. However, campaign traffic was more effective at delivering visitor guide conversions, improving the rate by 66%. Additionally, engagement due to campaigns was up with the bounce rate down 10%, pages per session up 10%, and session duration up 39%. This is due to the Spring Break and Newsletter campaigns making up 83% of all campaign traffic in Q1, and both of those bring highly-motivated visitors who are ready to engage with the site.
- There was a 70% Y/Y decrease in overall advertising spend during this timeframe—with a 63% decrease in the digital advertising spend. However, the presence of OOH media in Denver during Q1 2016 was a large factor in the increase in spend last year, along with additional digital tactics and MICE/Travel-related tactics not being included as part of 2017 media.
- A 21% downturn in site sessions seems to reflect a 20% decrease in digital media impressions Y/Y for Q1.

Action Items:

- ☐ Implement Phase II of the site redesign with a goal of further increasing visitor engagement and retention.
- ☐ Continue to improve mobile user experience.
- ☐ Continue to work to guide visitors to conversion goals.

Website: SantaFe.org



Website					
	Q1	Q2	Q3	Q4	YTD
Total Sessions					
2017	274,533				274,533
2016	347,992	307,076	369,539	280,552	347,992
(Y/Y)	**-21.1%**				**-21.1%**
Unique Users					
2017	230,769				230,769
2016	283,874	243,017	295,042	226,828	283,874
(Y/Y)	**-18.7%**				**-18.7%**
Average Pages Per Session					
2017	2.28				2.28
2016	2.40	2.62	2.35	2.12	2.40
(Y/Y)	**-5.3%**				**-5.3%**
Average Time on Site					
2017	2:20				2:20
2016	2:32	2:55	2:32	2:11	2:32
(Y/Y)	**-7.9%**				**-7.9%**
Conversion Rate Percentage					
2017	11.5				11.5
2016	13.6	14.1	11.2	8.3	13.6
(Y/Y)	**-2.1**				**-2.1**

Website: Blog

Summary:

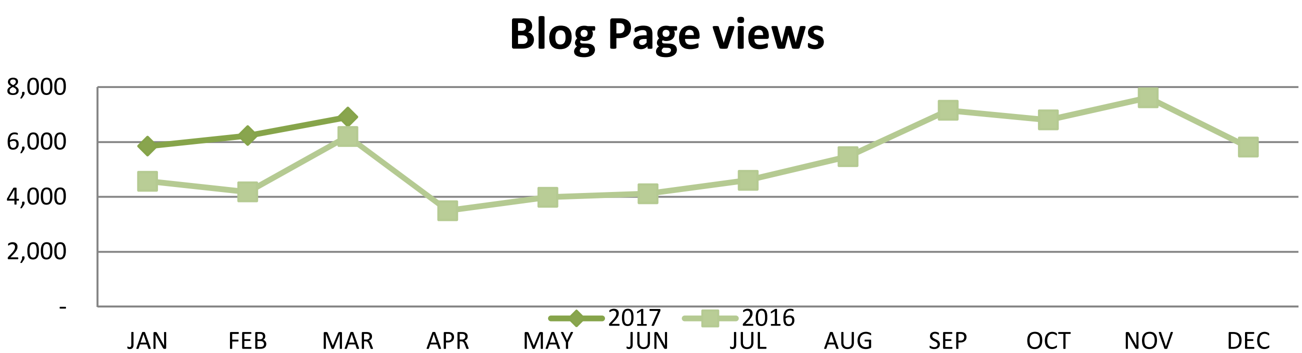
Blog traffic is up 27% year over year, and time on the page increased 56% from just under two minutes to just over three minutes. The main site referral rate dropped slightly year over year.

Key Insights:

- Blog traffic was 3% of total site traffic, more than the bottom six pages in the site top ten pages.
- 5.8% of visits to the blog in Q1 were referrals to the main site, compared to 7.2% in Q1 2016.
- The most popular posts continued to focus on listing and describing things to do in Santa Fe. Day Trip to Chimayo was the most popular with 7% of overall blog traffic, and Turquoise Trail was the next most popular with 4.5% of blog traffic. Other blog posts in the top ten saw between 3.5% and 2.5% of the overall blog traffic.
- Guest blog posts from Santa Fe County and Rima Krisst, TSF's Tribal Liaison, have proven successful in generating new and engaging content for our readers.

Action Items:

- ☐ Work to improve user retention and referrals to the main site.
- ☐ Continue improving the user experience, especially for mobile visitors.
- ☐ Continue to post weekly blog on TSF social media channels and encourage Industry Partners to share the blog on their channels.
- ☐ Begin scheduling blog post topics in the social media calendar for 2018. Topics have been scheduled through the end of the year.



Blog					
	Q1	**Q2**	**Q3**	**Q4**	**YTD**
Page Views					
2017	18,989				18,989
2016	14,954	11,597	17,225	20,228	14,954
(Y/Y)	**27.0%**				**27.0%**
Average Time on Blog					
2017	3:03				3:03
2016	2:15	2:29	2:37	3:04	2:15
(Y/Y)	**35.2%**				**35.2%**
Referrals to Website Percentage (Visitors that clicked through to a non-Blog page)					
2017	6.1	#DIV/0!			6.1
2016	7.9	9.2	8.2	8.0	7.9
(Y/Y)	**-1.8**				**-1.8**

Newsletters

Summary:

Consumer – The Happenings list size fell by 0.3% while the Deals and Specials list size grew 7.2%.

Industry – List size grew by about 1.8%.

Open rates continue to decline slightly year over year with the exception of the Sales Report.

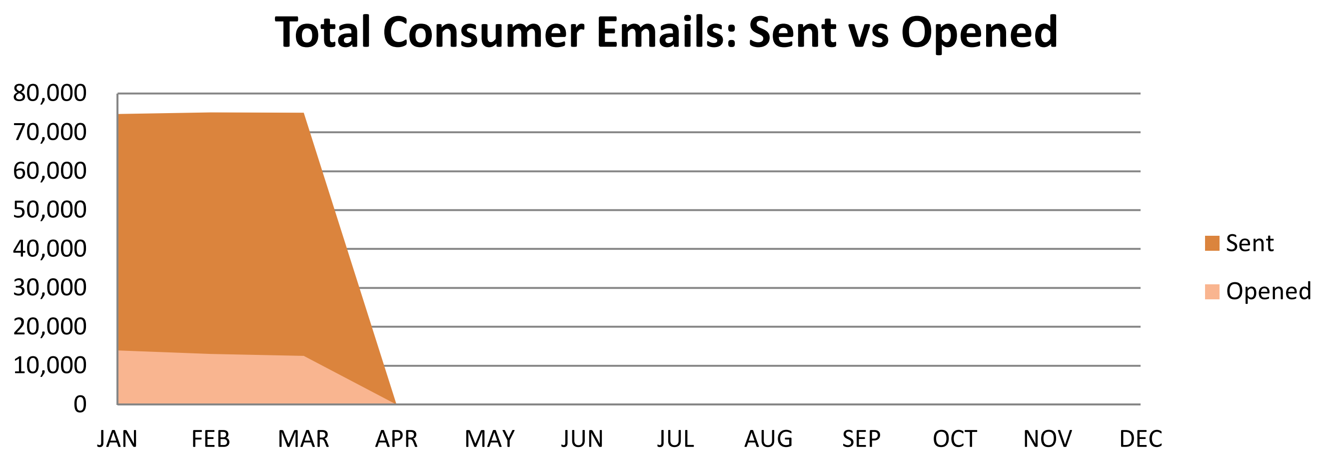
Key Insights:

- The Happenings open rate fell slightly, by 0.8%, and the Deals and Specials open rate fell a bit more, by 1.6%. The Marketing Report open rate fell 2.7%, while the Sales Report was the only newsletter to increase the open rate year over year, by 0.8%.
- Newsletters were the #2 source of campaign traffic in Q1, providing 25% of total campaign traffic compared to 6.7% of campaign traffic in 2016. As with site traffic, this change is due to the large marketing effort that took place in Q1 2016.
- New consumer email headers with social sharing were implemented in late February, and while the volume of newsletter pageviews is down year over year, the view rate as a percentage of total pageviews is up.
- The seasonal newsletter open rate dropped slightly from 2016 to a 21.7% average, but remains higher than other consumer newsletters.
- Targeted mailings achieve higher open rates. The Spring Break list newsletter had a 33.7% open rate, whereas the Spring Break newsletter sent to Deals and Specials list had a 17.7% open rate. MICE 2017 had a 25.8% open rate.

Action Items:

- ☐ Investigate new ways of attracting industry partner subscribers.
- ☐ Address falling open rates.
- ☐ Implement newsletter templates to improve mobile-friendliness and social sharing.
- ☐ Begin consistently sharing Consumer newsletters on TSF social media channels.
- ☐ Post regular “subscribe to our newsletter” links on social media.

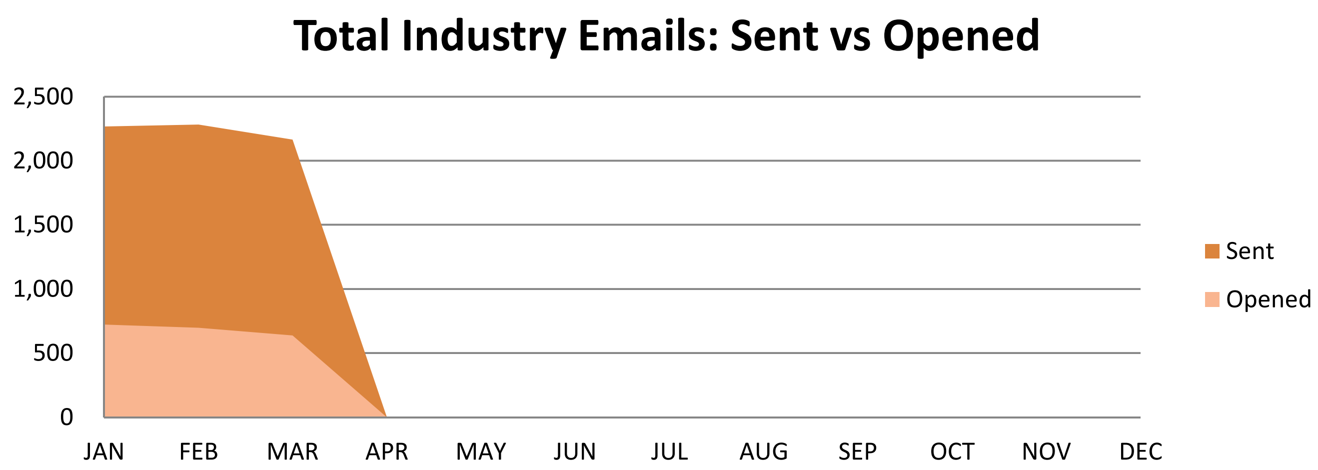
Newsletters: Consumer



Email Consumer					
	Q1	**Q2**	**Q3**	**Q4**	**YTD**
Sent: Happenings					
2017	144,209				144,209
2016	144,607	146,015	146,783	145,514	144,607
(Y/Y)	**-0.3%**				**-0.3%**
Opened: Happenings					
2017	24,563				24,563
2016	25,717	25,910	24,777	24,781	25,717
(Y/Y)	**-4.5%**				**-4.5%**
Open Rate: Happenings (Quarterly Average Percentage)					
2017	17.0	#REF!	#DIV/0!	#DIV/0!	17.0
2016	17.8	18.0	16.9	17.1	17.8
(Y/Y)	**-0.8**				**-0.8**

Sent: Deals & Specials					
2017	80,577				80,577
2016	75,190	77,379	80,387	80,517	75,190
(Y/Y)	**7.2%**				**7.2%**
Opened: Deals & Specials					
2017	14,897				14,897
2016	15,144	15,099	14,637	14,575	15,144
(Y/Y)	**-1.6%**				**-1.6%**
Open Rate: Deals & Specials (Quarterly Average Percentage)					
2017	18.5	#DIV/0!	#DIV/0!	#DIV/0!	18.5
2016	20.1	19.5	18.3	18.1	20.1
(Y/Y)	**-1.6**				**-1.6**

Newsletters: Industry



Email Industry					
	Q1	Q2	Q3	Q4	YTD
Sent: Marketing Report					
2017	3,351				3,351
2016	3,294	3,369	3,428	3,449	3,294
(Y/Y)	1.7%				1.7%
Opened: Marketing Report					
2017	964				964
2016	1,041	1,097	1,024	1,025	1,041
(Y/Y)	-7.4%				-7.4%
Open Rate: Marketing Report (Quarterly Average Percentage)					
2017	28.9	#DIV/0!	#DIV/0!	#DIV/0!	28.9
2016	31.6	33.4	30.2	30.6	31.6
(Y/Y)	-2.7				-2.7

Sent: Sales Report					
2017	3,362				3,362
2016	3,304	3,376	3,433	3,448	3,304
(Y/Y)	1.8%				1.8%
Opened: Sales Report					
2017	1,094				1,094
2016	1,051	1,121	1,100	1,035	1,051
(Y/Y)	4.1%				4.1%
Open Rate: Sales Report (Quarterly Average Pecentage)					
2017	32.6	#DIV/0!	#DIV/0!	#DIV/0!	32.6
2016	31.8	33.4	32.1	30.2	31.8
(Y/Y)	0.8				0.8

Public Relations

Summary:

As the media marketplace gets more crowded, we've found that personalized, strategic pitches are much more effective to reach the media in a clear, concise manner. They have no time for a long-winded press release, and as a result we see a nearly 200% increase in the number of pitches that were distributed, and along the same lines, a decrease in press releases. Media visits are roughly the same – TSF coordinated a skiing-focused group trip during Q1 in February 2016 and January 2017.

The largest increase from 2015 to 2016 came in the result of increased earned media value, which nearly doubled. TSF/LHG continued to foster its relationship with CBS contributor Randy Yagi and hosted him in the destination on the January Ski FAM. Two articles written by Yagi placed and syndicated in Q1 – resulting in nearly 42% of the earned media value during this time period.

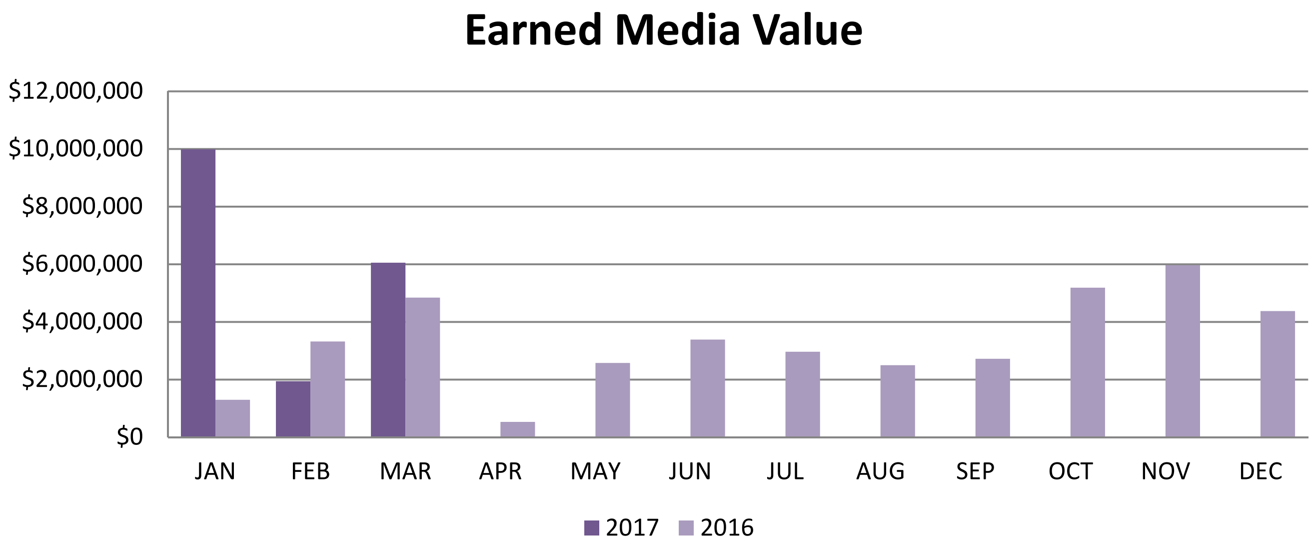
Key Insights:

- Press Releases play a small role in driving coverage, resulting in less than one percent of the total ad value. Press releases are written based on having the news content to drive them – which we were lacking in this quarter. In tracking the distribution time/day of those that were distributed, the average open rate is roughly 20%.
- The National Geographic Traveler "Sense of Place" Awards were announced during Q1 – a new award for TSF for 2017. Coverage was predominantly local and accounted for 2% of the total ad value.
- Four placements were secured in USA Today, each with a resulting ad value over $635,000. Together, these placements represented 14% of the total ad value during this period.
- The largest grossing placement was a hit in Forbes, which was valued at over $4 million and an article that included Santa Fe when mentioning travel trends.
- In total, approximately 91% of the total media value was a result of 49 placements - one Forbes articles, four USA Today hits and the two syndicated articles written by Randy Yagi.
- 91% of the media value was driven by 26% of the clips.

Action Items:

- ☐ LHG will distribute press releases outside normal distribution hours (such as early Monday morning or Friday afternoon) to determine if that changes open rate.
- ☐ LHG will target more proactive individual visits to complement the group trips and the reactive visits from partners.
- ☐ LHG will continue to target placements in ads that drive top media values.

Public Relations



Public Relations	Q1	Q2	Q3	Q4	YTD
Pitches					
2017	199				199
2016	71	74	167	145	71
(Y/Y)	180.3%				180.3%
Press Releases					
2017	5				5
2016	9	10	12	11	9
(Y/Y)	-44.4%				-44.4%
Media Visits					
2017	25				25
2016	24	17	18	17	24
(Y/Y)	4.2%				4.2%
Media Contacts					
2017	381				381
2016	430	416	428	428	430
(Y/Y)	-11.4%				-11.4%
Earned Media					
2017	$17,987,390				$17,987,390
2016	$9,445,405	$6,477,152	$8,178,108	$15,510,907	$9,445,405
(Y/Y)	90.4%				90.4%
Earned Media Impressions					
2017	1,618,516,299				1,618,516,299
2016					
(Y/Y)					

*Earned Media Impressions tracking began in January of 2017 and will normalize after a full year.

Social Media

Summary:

TSF Social Media channels saw a continued significant gain in page followers and website referrals in the last quarter with the exception of Facebook and Twitter year over year. Metrics for this quarter are based on organic posts. The 2017 social media calendar is complete and we will continue to update the calendar throughout the year. The 2018 social media calendar events have been entered through August of 2018.

Facebook page followers saw a 16.7% increase over last year as well as non-resident page followers at an 18.7% increase over last year. A significant 210% spike in engagement occurred last month. A concerted effort was taken in March to bring engagement up after it had seen a decrease of 48% for the previous month. People talking about this is down 32.4% compared to last year as well as engagement with a 28% decrease compared to last year.

Twitter saw a 16.5% increase in followers over last year and a 38.8% decrease in engagement over last year too. Impressions were also down 33.8% year over year. Instagram shot up 106% in followers over last year's quarter. Pinterest gained a 13.3% increase in followers year over year. YouTube subscribers were up 41% over last year's quarter; however, views were down by 21.3%. TripAdvisor page views increased 50.9% year over year

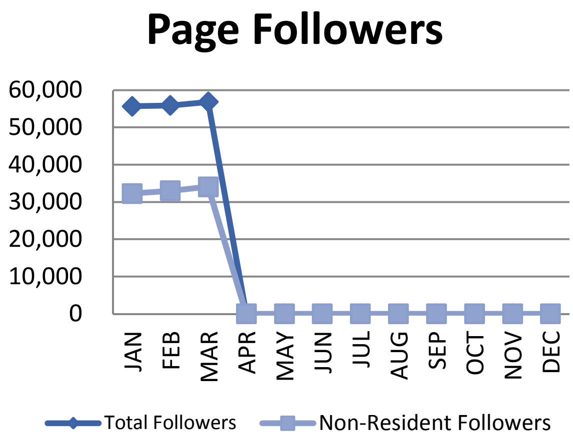
Key Insights:

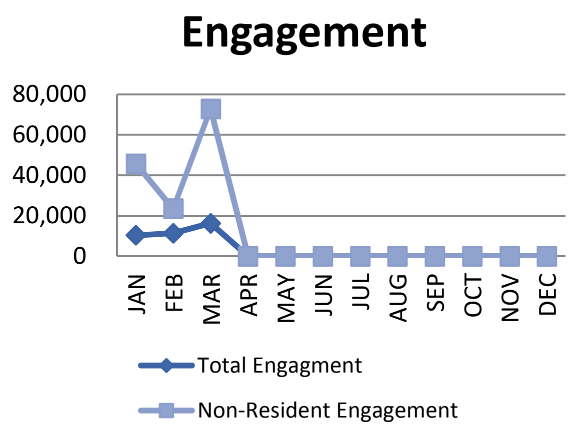
- The 28% decrease in engagement is partly due to the fact that Facebook is continually optimizing their algorithms so followers see more content in their news feed based on content that they are engaging with. We continually monitor the content that our followers respond to and work to ensure that the content fits within their interest. As an added note, fewer videos were played and photos viewed in Q4 2016 than Q1 2017.
- Twitter saw an increase in followers over last year. Part of this increase is because we constantly follow other accounts and in return they follow us.
- Twitter saw a decrease in engagement over last year.
- Instagram continues to evolve and grow in popularity. The company's recent addition of an Instagram Stories feature has contributed to their growth as well as ours.
- YouTube views were down and this can be attributed to fewer video posts across social media channels.
- The TripAdvisor increase in page view can be attributed to the new content that is being generated and posted to the Santa Fe page by Fuseideas. The content includes curated collections, articles, and events.

Action Items:

- [ ] We need to be in touch with what kind of content our followers are engaging with. We will continue to post engaging content on Facebook with scenic photos and posts posing a question to followers. We will also post native engaging video.
- [ ] Based on the changing algorithm, we continually monitor the Facebook content that our followers respond to and work to ensure that the content fits within their interest.
- [ ] Continue to share engaging posts in order to normalize Twitter engagement metrics and increase engagement.
- [ ] An Instagram photo contest will be implemented in Q2 2017 to ensure a greater gain in followers.
- [ ] Continue to post native video onto our YouTube channel and in our Facebook newsfeed.

Social Media: Facebook

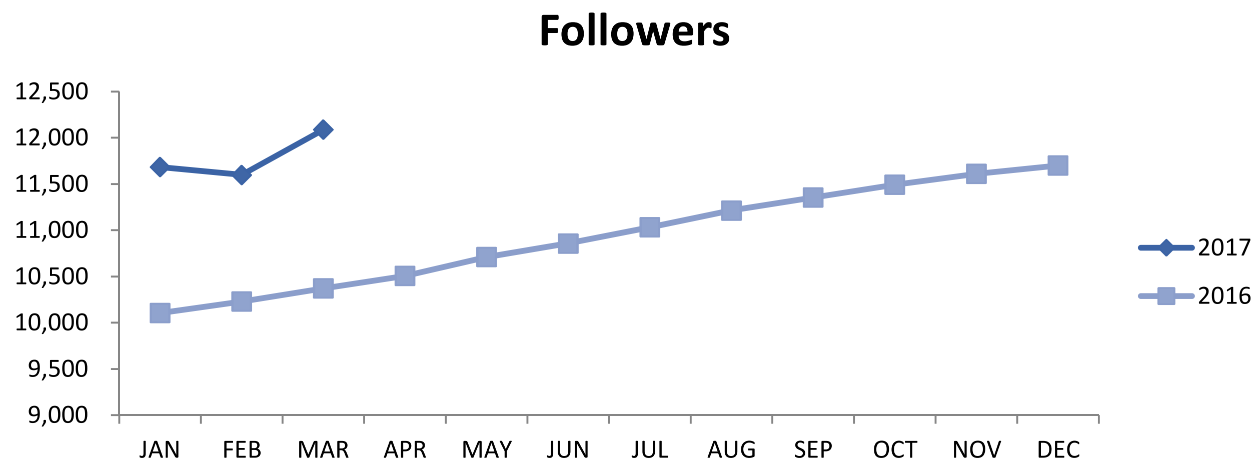


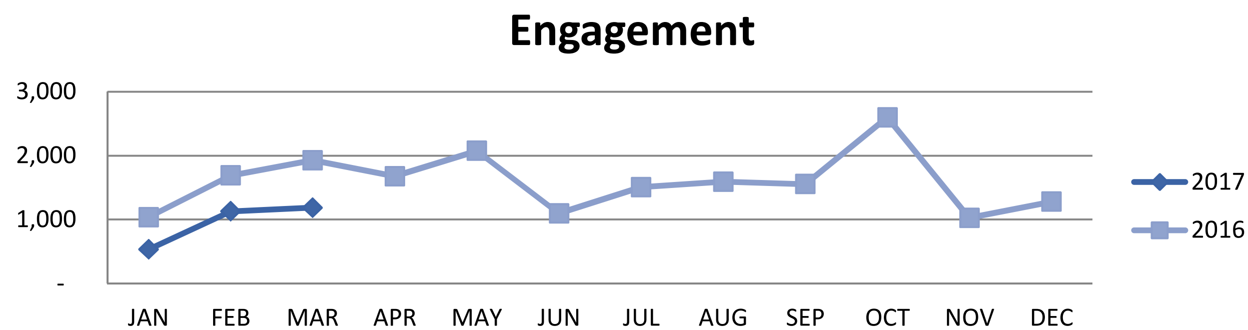


Facebook					
	Q1	**Q2**	**Q3**	**Q4**	**YTD**
Page Followers					
2017	56,804				56,804
2016	48,678	51,373	53,327	55,065	48,678
(Y/Y)	**16.7%**				**16.7%**
Non-Resident Page Followers *					
2017	34,082				34,082
2016	28,720	30,824	31,462	33,039	28,720
(Y/Y)	**18.7%**				**18.7%**
People Talking About This					
2017	38,001				38,001
2016	56,198	45,343	42,342	37,899	56,198
(Y/Y)	**-32.4%**				**-32.4%**
Engagement					
2017	141,908				141,908
2016	197,205	173,801	181,678	170,881	197,205
(Y/Y)	**-28.0%**				**-28.0%**
Non-Resident Engagement *					
2017	100,276				100,276
2016	109,016	107,253	103,952	110,537	109,016
(Y/Y)	**-8.0%**				**-8.0%**
Website Referrals					
2017	5,035				5,035
2016	5,692	4,893	6,014	6,196	5,692
(Y/Y)	**-11.5%**				**-11.5%**

*Non-Residents defined as FB users who identify their location outside of a 2-hour radius of Santa Fe.

Social Media: Twitter

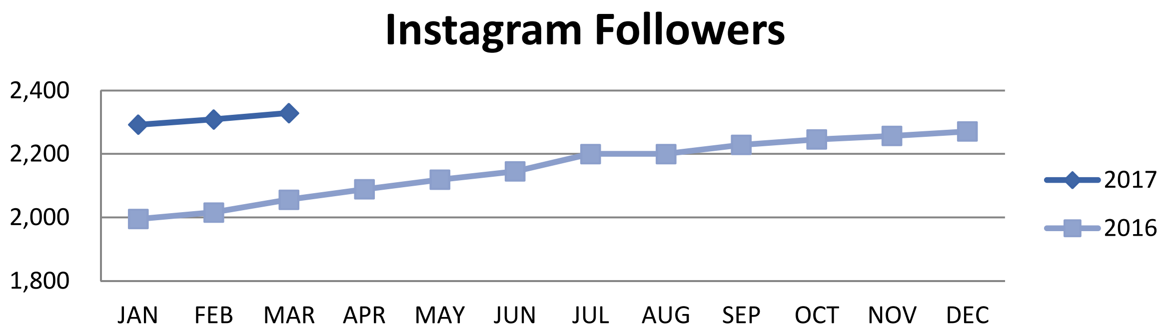




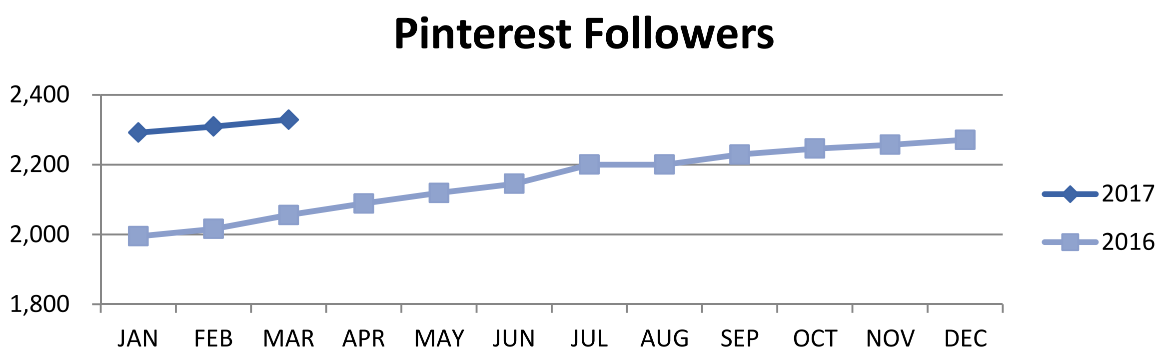
Twitter					
	Q1	Q2	Q3	Q4	YTD
Followers					
2017	12,088	-	-	-	12,088
2016	10,372	10,858	11,354	11,701	10,372
(Y/Y)	**16.5%**				**16.5%**
*Engagement**					
2017	2,846	-	-	-	2,846
2016	4,652	4,848	4,651	4,899	4,652
(Y/Y)	**-38.8%**				**-38.8%**
Impressions					
2017	236,900	-	-	-	236,900
2016	354,800	436,500	356,700	284,000	354,800
(Y/Y)	**-33.2%**				**-33.2%**
Website Referrals					
2017	249	-	-	-	249
2016	228	342	589	333	228
(Y/Y)	**9.2%**				**9.2%**

*Engagement includes Retweets, Favorites, Replies, and Link Clicks.

Social Media: Instagram & Pinterest

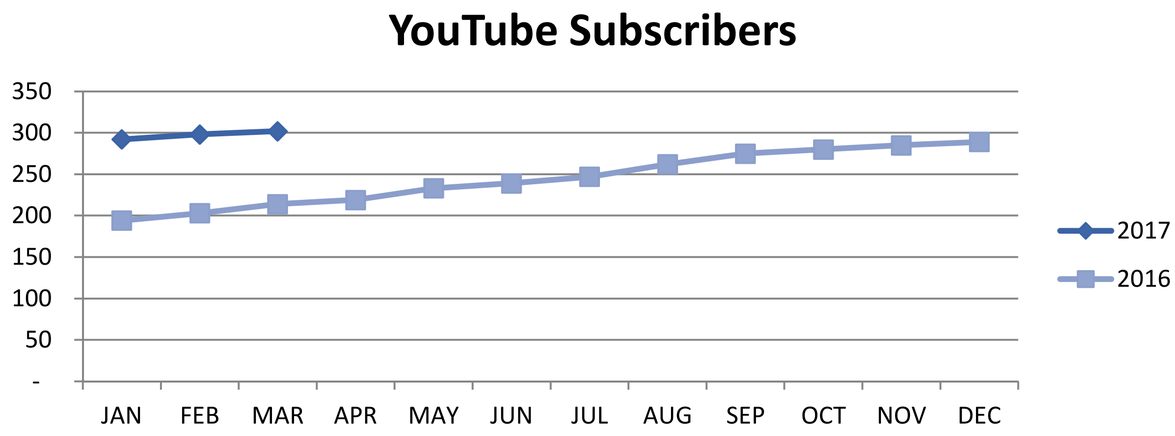


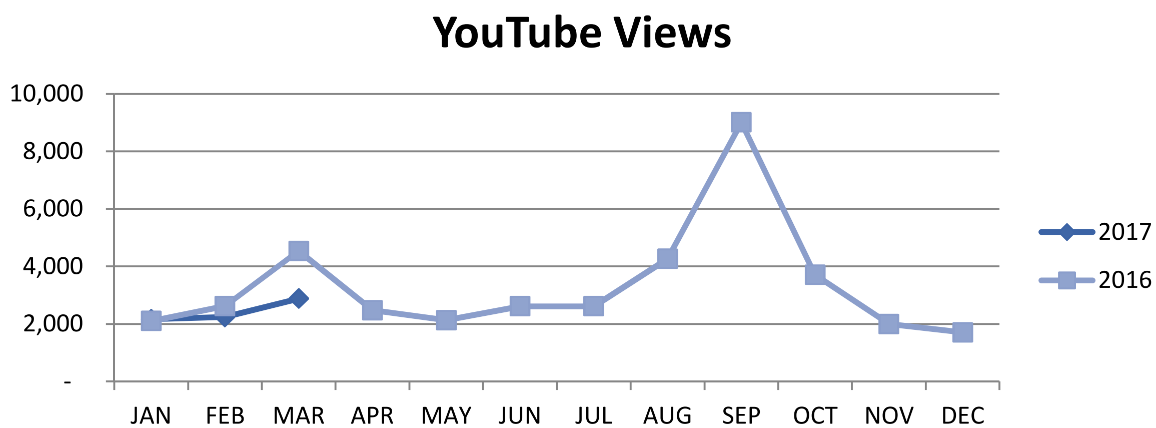
Instagram					
	Q1	Q2	Q3	Q4	YTD
Followers					
2017	16,234	-	-	-	16,234
2016	7,880	10,500	12,400	14,600	7,880
(Y/Y)	106.0%				106.0%



Pinterest					
	Q1	Q2	Q3	Q4	YTD
Followers					
2017	2,329	-	-	-	2,329
2016	2,056	2,145	2,229	2,271	2,056
(Y/Y)	13.3%				13.3%
Website Referrals					
2017	348	-	-	-	348
2016	143	180	216	192	143
(Y/Y)	143.4%				143.4%

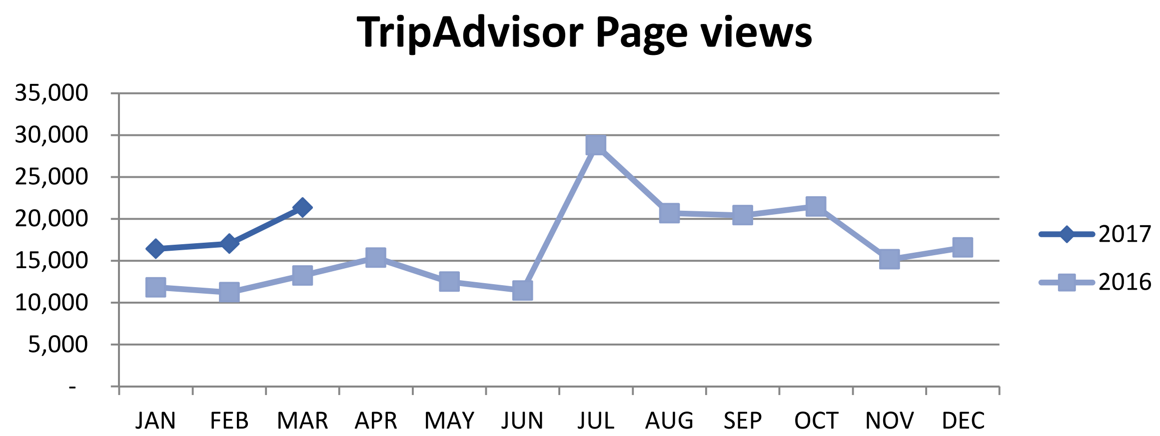
Social Media: YouTube

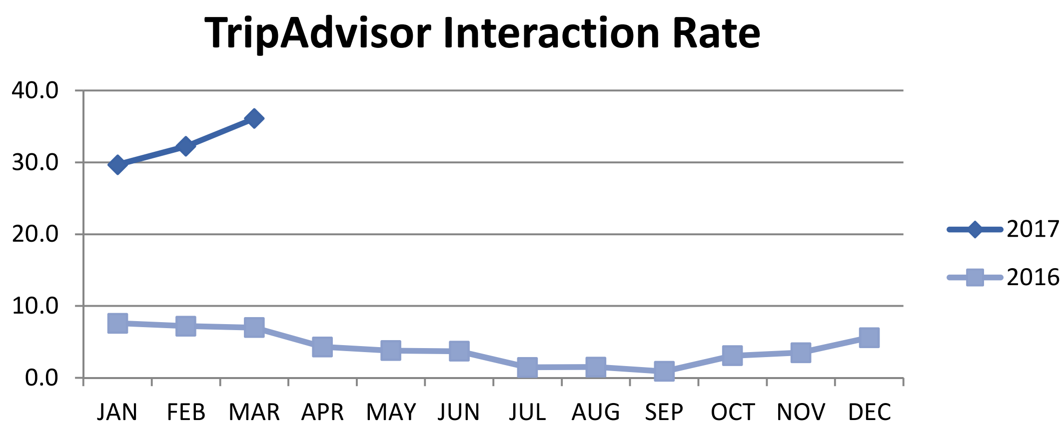




YouTube					
	Q1	**Q2**	**Q3**	**Q4**	**YTD**
Subscribers					
2017	302	-	-	-	302
2016	214	239	275	289	214
(Y/Y)	**41.1%**				**41.1%**
Views					
2017	7,283	-	-	-	7,283
2016	9,259	7,219	15,885	7,399	9,259
(Y/Y)	**-21.3%**				**-21.3%**

Trip Advisor DMO Page





Trip Advisor					
	Q1	**Q2**	**Q3**	**Q4**	**YTD**
Pageviews					
2017	54,790	-	-	-	54,790
2016	36,302	39,266	69,882	53,223	36,302
Y/Y	**50.9%**				**50.9%**
Interaction Rate Percentage					
2017	32.7				32.7
2016	7.3	3.9	1.3	4.1	7.3
Y/Y	**25.4**	**-3.9**	**-1.3**	**-4.1**	**25.4**
Website Referrals					
2017	428				428
2016	1,439	131	37	110	1,439
Y/Y	**-70.3%**				**-70.3%**

*In April 2016 Trip Advisor modified the method for tracking website referrals. The new method is not a cumulative total of referrals from desktop, mobile device and app, as was previously reported. Now only tracks desktop numbers.