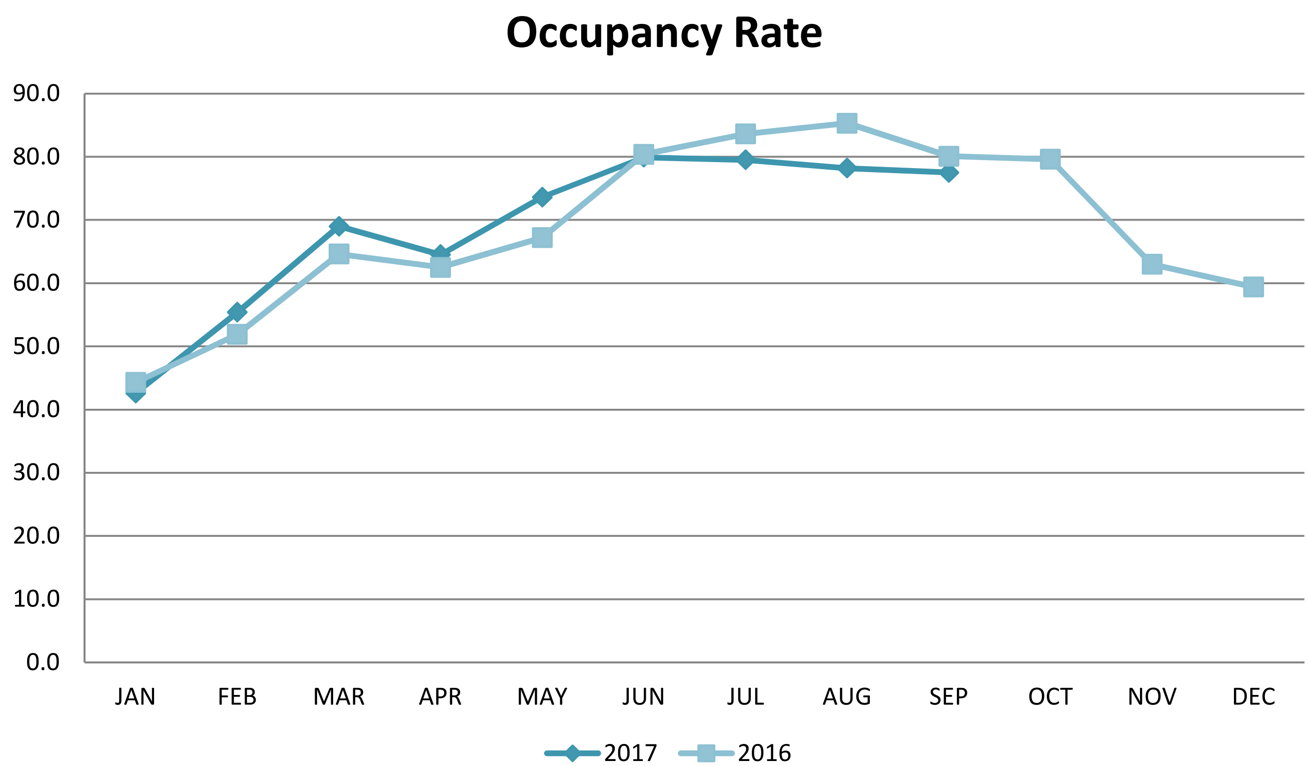
Quarterly Marketing Report

2017 Q3 | July — September

Occupancy & Room Rates



Occupancy Rate Percentage					
	Q1	Q2	Q3	Q4	YTD
2017	55.7	72.7	78.4		68.9
2016	53.6	70.0	83.0	67.3	68.9
(Y/Y)	2.1	2.6	-4.6		0.0

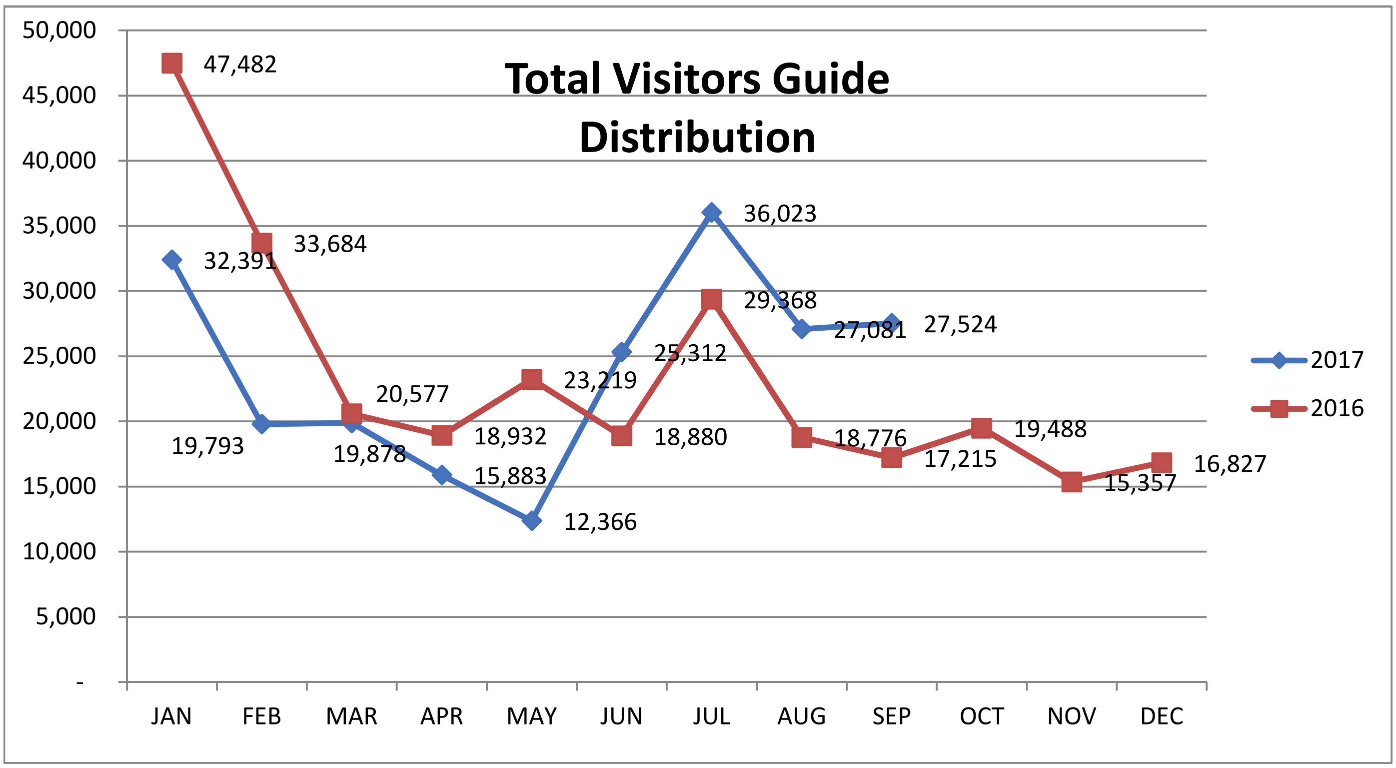
Average Daily Rate					
	Q1	Q2	Q3	Q4	YTD
2017	$111.53	$129.66	$157.91		$133.04
2016	$107.25	$112.14	$149.92	$131.43	$123.10
(Y/Y)	4.0%	15.6%	5.3%		8.1%

Revenue Per Available Room					
	Q1	Q2	Q3	Q4	YTD
2017	$65.26	$94.61	$123.82		$94.56
2016	$60.17	$87.04	$124.51	$89.07	$90.57
(Y/Y)	8.5%	8.7%	-0.6%		4.4%

Source: Rocky Mountain Lodging Report.

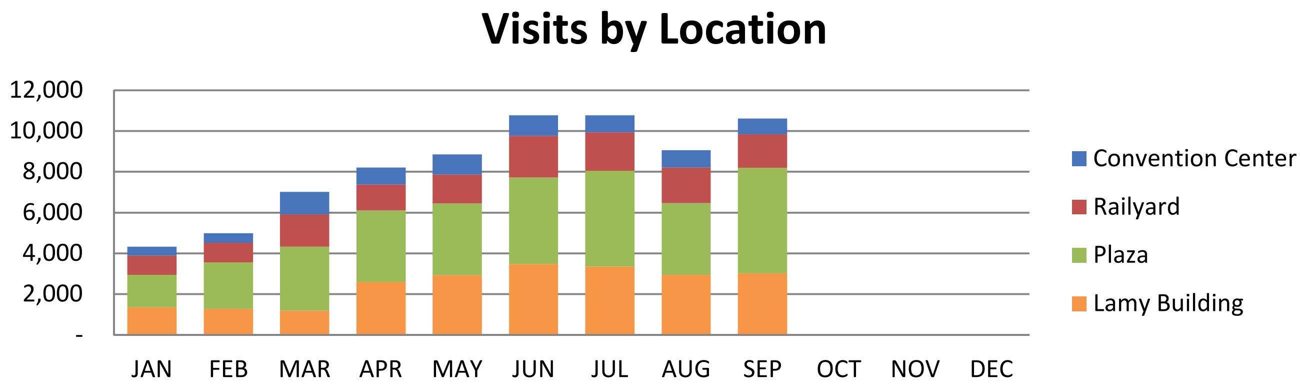
Visitors Guide Distribution

Distribution reported here includes: First & Third Class USPS mailings, UPS Shipments, Bulk partners, distribution by Fun & Games and Certified Folder Display. It does not include distribution to walk-in visitors to the Visitor Information Centers. We currently have a total of 11 unopened pallets, which equates to 59,400 guides, available to last the remainder of the year.



Visitors Guide Distribution					
	Q1	Q2	Q3	Q4	YTD
2017	72,062	53,561	90,628		216,251
2016	101,743	61,031	65,359	51,672	228,133
(Y/Y)	-29.2%	-12.2%	38.7%		-5.2%

Tourism Information Centers



Visitor Information Centers					
	Q1	**Q2**	**Q3**	**Q4**	**YTD**
TSF - Convention Center					
2017	2,009	2,833	2,448		7,290
2016	1,807	3,474	3,468	2,706	8,749
(Y/Y)	11.2%	-18%	-29%		-16.7%
TSF - Railyard					
2017	3,493	4,736	5,284		13,513
2016	2,493	3,792	4,337	4,202	10,622
(Y/Y)	40.1%	25%	22%		27.2%
TSF - Plaza					
2017	7,004	11,265	13,378		31,647
2016	6,859	12,794	16,388	11,423	36,041
(Y/Y)	2.1%	-12%	-18%		-12.2%
NMTD - Lamy					
2017	3,833	9,010	9,337		22,180
2016	6,453	7,668	8,343	10,524	22,464
(Y/Y)	-40.6%	18%	12%		-1.3%
TOTAL Visitors					
2017	16,339	27,844	30,447		74,630
2016	23,606	29,002	32,536	28,855	85,144
(Y/Y)	-30.8%	-4%	-6%		-12.3%

Visits to the Plaza & Convention Center Visitors Centers have been down this quarter, with a marked decrease in traffic.

Website

Summary:

Traffic was down about 16% Y/Y during Q3 2017. Content/ad blockers may be contributing significantly to lower traffic numbers.

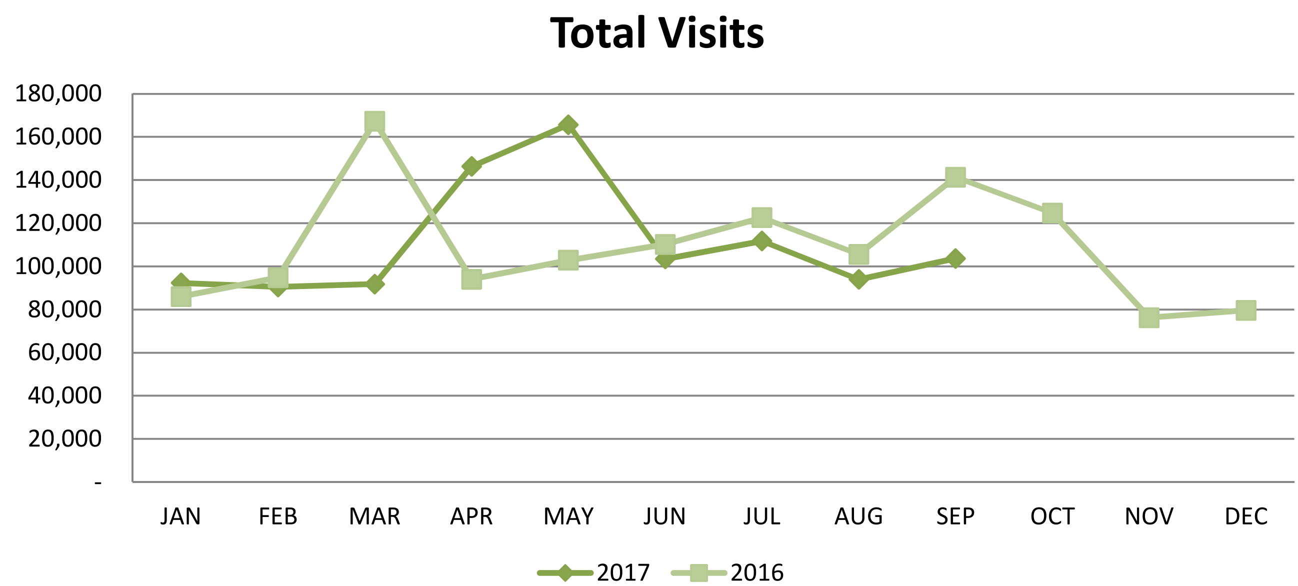
Key Insights:

- Demographics are shifting back to a more typical mix of visitors where older females are the largest source of traffic.
- Texas traffic is down 35% while other drive market states are down 20%-25% Y/Y.
  - *Advertising note*: Print ads during Q3 2017, which are mostly targeted to drive and priority markets, had 17% less spend than Q3 2016.
- Desktop traffic dropped about 6% while mobile and tablet traffic dropped 20% and 28% respectively.
- Display traffic is down 75%, Paid Search traffic is down 65%, Social traffic is down 25%, and Direct traffic is down 35%.
- Overall campaign-driven traffic is down 35%. Exceptions are newsletter and Google CPC which showed growth of 14% and 33% respectively.
- All of the above are likely due to less advertising-driven traffic which brought a more diverse age and gender mix of visitors and more mobile and tablet-based traffic.
  - *Advertising note:* Total media spend in Q3 2017 was $192,095, which was 7% lower Y/Y.
  - *Advertising note:* Q3 2017 digital campaign delivered 15.3M impressions, a 35% lower mark than Q3 2016; fewer Y/Y impressions was result of launching digital media into the market later than anticipated — about three weeks later than previous year for rich media and native display.
- The conversion rate is down Y/Y by the smallest margin of 2017, due to growth in the overall Accommodations goal (up 132% Y/Y) driven by the user funnel of the new site design.
- The top ten pages received lower traffic Y/Y with the exceptions of the Calendar (up 25%), Visiting Santa Fe (up 84%), Must-See Events (up 33%), and Accommodations (up 20%).
- The largest losses in the top ten were the home page (down 20%), The City Different (down 20%), Dine (down 20%), and Hotels and Motels (down 49%).

Action Items:

- [ ] Complete Phase 2 of the redesign to improve user experience.
- [ ] Continue to improve the funnel which drives visitors to complete site goals.

Website: SantaFe.org



Website					
	Q1	**Q2**	**Q3**	**Q4**	**YTD**
Total Sessions					
2017	274,533	415,461	309,351		999,345
2016	347,992	307,076	369,539	280,552	1,024,607
(Y/Y)	**-21.1%**	**35%**	**-16%**		**-2.5%**
Unique Users					
2017	230,769	356,065	248,970		835,804
2016	283,874	243,017	295,042	226,828	821,933
(Y/Y)	**-18.7%**	**47%**	**-16%**		**1.7%**
Average Pages Per Session					
2017	2.28	2.09	2.33		2.23
2016	2.40	2.62	2.35	2.12	2.46
(Y/Y)	**-5.3%**	**-20%**	**-1%**		**-9.2%**
Average Time on Site					
2017	2:20	1:55	2:27		2:14
2016	2:32	2:55	2:32	2:11	2:40
(Y/Y)	**-7.9%**	**-34%**	**-3%**		**-16.0%**
Conversion Rate Percentage					
2017	11.5	9.2	10.7		10.5
2016	13.6	14.1	11.2	8.3	13.0
(Y/Y)	**-2.1**	**-5.0**	**-0.5**		**-2.5**

Website: Blog

Summary:

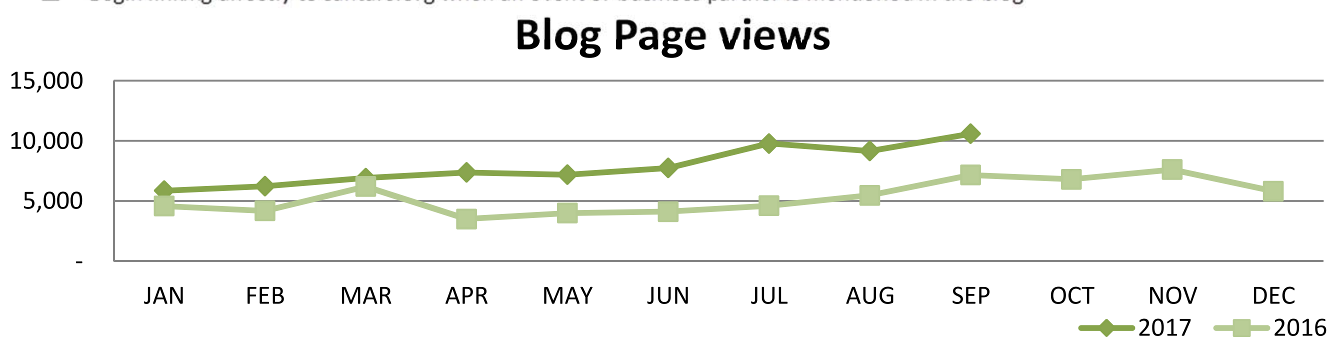
Blog traffic is up by 71% Y/Y and every engagement metric is up. Referrals to the main site declined while exit rates increased, showing that visitor are coming for the blog content and leaving after consuming it. Conversions originating from the blog have dropped as a result.

Key Insights:

- Blog traffic made up 4.1% of site traffic in Q3, an increase of 31% over Q2. This is slightly up from Q1 and Q2, likely due to less digital advertising (which drives additional traffic to the main site, but not to the blog).
- The most viewed blogs continue to focus on Santa Fe activities and itineraries with the blog acting as a direct resource of information for people looking for specific content. This content includes the Chimayo pilgrimage, hiking, and things to do – especially around the holidays (in this case Independence Day, Thanksgiving, and Halloween).
- Referrals to the main site are strongly improved from Q1 and Q2, but continue to be lower Y/Y. This represents a continuing shift in the blog from a main site traffic driver to destination endpoint. Even more dramatically than last quarter, over 84% of blog traffic was search or direct, with social referrals making up another 11%, again reinforcing that the blog is being viewed as its own destination.

Action Items:

- ☐ Work to improve referrals to the main site by increasing visibility of "Order Travel Guide" and "Deals & Specials" CTAs.
- ☐ Continue improving user experience (especially for mobile)
- ☐ Continue to tag Industry Partners who are mentioned in the blog in social media posts.
- ☐ Begin linking directly to santafe.org when an event or business partner is mentioned in the blog



Blog					
	Q1	**Q2**	**Q3**	**Q4**	**YTD**
Page Views					
2017	18,989	22,303	29,534		70,826
2016	14,954	11,597	17,225	20,228	43,776
(Y/Y)	27.0%	92%	71%		61.8%
Average Time on Blog					
2017	3:03	3:16	3:23		3:14
2016	2:15	2:29	2:37	3:04	2:27
(Y/Y)	35.2%	32%	29%		31.7%
Referrals to Website Percentage (Visitors that clicked through to a non-Blog page)					
2017	6.1	6.7	7.4		6.7
2016	7.9	9.2	8.2	8.0	8.4
(Y/Y)	-1.8	-2.5	-0.8		-1.7

Newsletters

Summary:

Consumer: newsletter engagement rose slightly in Q3, especially for Deals and Specials which improved the open rate by 9%. As in Q2, one-off emails performed better than regular emails.

Industry: newsletter engagement rose slightly for the Marketing Report, but fell slightly for the Sales Report.

Key Insights:

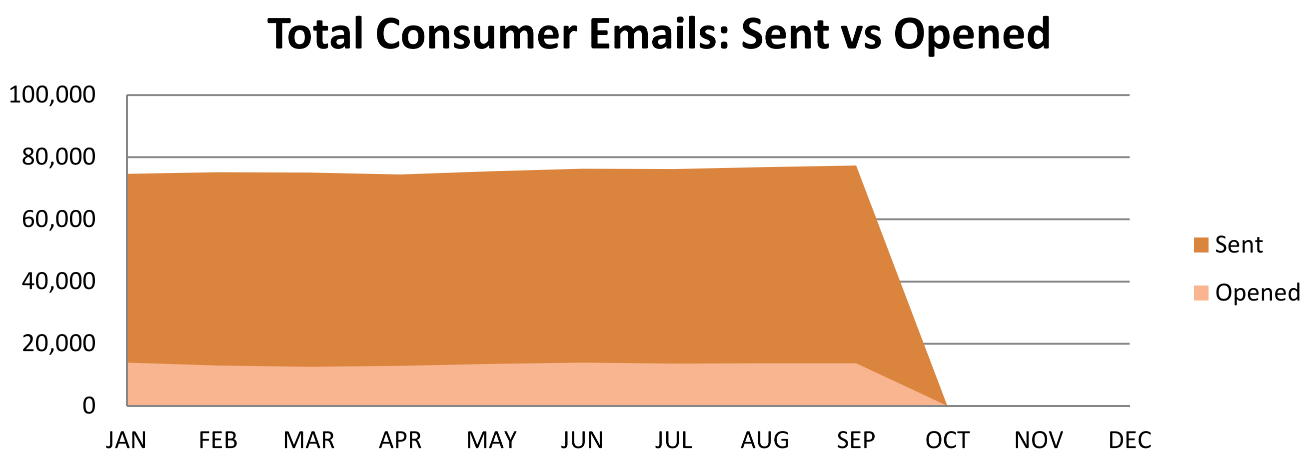
- List membership for both Consumer lists grew Q/Q and Y/Y, reversing the falling trend seen recently for What's Happening.
- Open rates for both Consumer lists improved.
- One-off and less frequent consumer newsletters generally had a lower open rate than regular ones.
    - 12+ Ways to Discover Santa Fe's Sense of Place (co-branded with NM Magazine) had an open rate of 16%. This was the same as Q2's co-branded enewsletter – the only enewsletter that had a lower open rate than regular consumer enewsletters.
    - Plan Now for Fall in Santa Fe! (fall seasonal newsletter) had an open rate of 23%.
- One-offs sent to industry lists (in this case meeting planners) had a lower open rate than the regular industry emails, but performed slightly better than the consumer ones.
    - Meet Different in the City Different (mailing 1) had an open rate of 22%.
    - Meet Different in the City Different (mailing 2) had an open rate of 21% (expected slight drop, as this was a repeat mailing to the same group in less than a week).
    - Meet Different in the City Different (mailing 3) had an open rate of 15% (expected drop as this was post-conference, and planners were less incentivized to read it).
- Industry newsletter list sizes are growing again.

Action Items:

- ☐ Investigate ways to increase open rates
- ☐ Investigate ways to increase list membership
- ☐ Continue to share Consumer newsletters on TSF social media channels
- ☐ Post regular "subscribe to our newsletter" links on social media channels

Consistently share Consumer newsletters with Industry Partners who are featured and encourage them to share on their social media channel

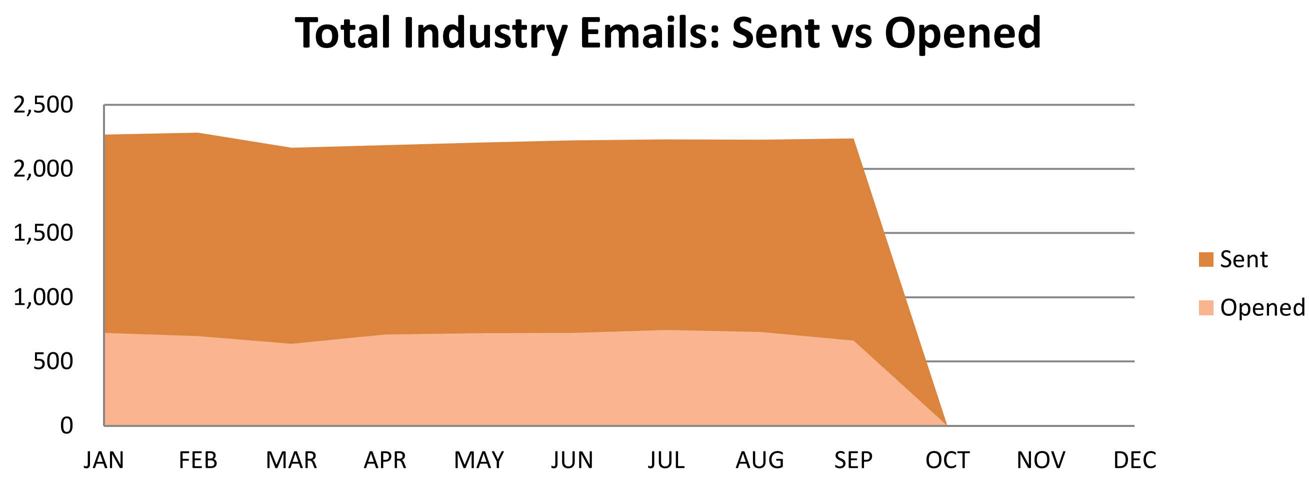
Newsletters: Consumer



Email Consumer					
	Q1	Q2	Q3	Q4	YTD
Sent: Happenings					
2017	144,209	143,165	144,924		432,298
2016	144,607	146,015	146,783	145,514	437,405
(Y/Y)	-0.3%	-2%	-1%		-1.2%
Opened: Happenings					
2017	24,563	24,850	25,129		74,542
2016	25,717	25,910	24,777	24,781	76,404
(Y/Y)	-4.5%	-4%	1%		-2.4%
Open Rate: Happenings (Quarterly Average Percentage)					
2017	17.0	17.4	17.4	#DIV/0!	17.3
2016	17.8	18.0	16.9	17.1	17.6
(Y/Y)	-0.8	-0.6	0.5		-0.3

Sent: Deals & Specials					
2017	80,577	83,075	85,378		249,030
2016	75,190	77,379	80,387	80,517	232,956
(Y/Y)	7.2%	7%	6%		6.9%
Opened: Deals & Specials					
2017	14,897	15,428	15,935		46,260
2016	15,144	15,099	14,637	14,575	44,880
(Y/Y)	-1.6%	2%	9%		3.1%
Open Rate: Deals & Specials (Quarterly Average Percentage)					
2017	18.5	18.6	18.7	#DIV/0!	18.6
2016	20.1	19.5	18.3	18.1	19.3
(Y/Y)	-1.6	-0.9	0.4		-0.7

Newsletters: Industry



Email Industry					
	Q1	Q2	Q3	Q4	YTD
Sent: Marketing Report					
2017	3,351	3,304	3,341		9,996
2016	3,294	3,369	3,428	3,449	10,091
(Y/Y)	1.7%	-2%	-3%		-0.9%
Opened: Marketing Report					
2017	964	1,071	1,052		3,087
2016	1,041	1,097	1,024	1,025	3,162
(Y/Y)	-7.4%	-2%	3%		-2.4%
Open Rate: Marketing Report (Quarterly Average Percentage)					
2017	28.9	32.5	31.7	#DIV/0!	31.0
2016	31.6	33.4	30.2	30.6	31.7
(Y/Y)	-2.7	-0.9	1.5		-0.7

Sent: Sales Report					
2017	3,362	3,305	3,351		10,018
2016	3,304	3,376	3,433	3,448	10,113
(Y/Y)	1.8%	-2%	-2%		-0.9%
Opened: Sales Report					
2017	1,094	1,082	1,088		3,264
2016	1,051	1,121	1,100	1,035	3,272
(Y/Y)	4.1%	-3%	-1%		-0.2%
Open Rate: Sales Report (Quarterly Average Pecentage)					
2017	32.6	32.7	32.6	#DIV/0!	32.6
2016	31.8	33.4	32.1	30.2	32.4
(Y/Y)	0.8	-0.7	0.5		0.2

Public Relations

Summary:
In July 2017, Travel + Leisure named Santa Fe one of the "World's Best Cities," which lead to major placements in Today.com, People.com and Business Insider among others, accounting for significant national, regional and local coverage in Q3.

When comparing the Q3 2017 earned media coverage total to Q3 2016 there is a decrease of 53%. The month of August is where we see the largest discrepancy year over year, which accounts for much of this quarterly decrease. Last year, Santa Fe was named on the Conde Nast Reader's Choice Awards "Friendliest Cities" list and approximately 20 articles resulted in syndication from this accolade for a total earned media value of $791,067. There were also some additional high value pieces of coverage that factored into the August 2016 total including a USA Today story on "Breakfast Bowls" with a value of $390,810 and a US News and World Report article on "Underrated Cities for Art Lovers" with a value of $126,347. In August 2017 there was no comparable coverage.

In September 2017, TSF hosted its first social media influencer group press trip, hosting seven of the country's top travel, fashion and lifestyle influencers. Coverage happened during and immediately following the trip in the form of social posts and blogs published on participant's websites. In addition to the group of visiting social media influencers, overall media visits were up nearly 28% over the same time period in 2016.

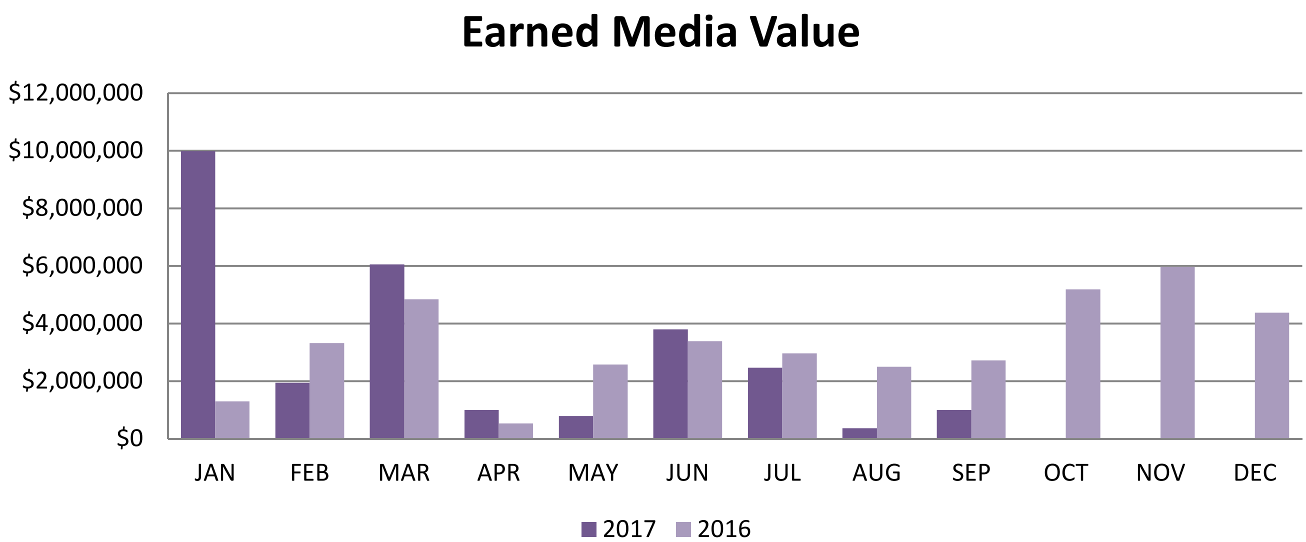
Key Insights:

- *Nearly 10 percent of the coverage for Q3 was driven by the Travel + Leisure accolade.*
- *Santa Fe was featured in an Associated Press article about autumn travel that syndicated to 22 outlets. As many were small, regional newspapers – the total placements only accounted for 2% of the total impressions for Q3.*
- *The 10 placements with the largest reach drove 16 percent of the total coverage for the quarter – some of which related to the awards while others were features in top national outlets, including USA Today.*
- *In Q3 2017 48%, almost half, of the earned media coverage was the result of the writer visiting the destination on either a group or individual FAM*

Action Items:

- ☐ *LHG continue tracking social media influencers coverage to ensure they meet contract; repurposing content for social use on TSF channels.*
- ☐ *LHG will continue to pitch Santa Fe offerings that are a fit for national holidays to capitalize on timely coverage.*
- ☐ *LHG will research additional writers that are frequent contributors to outlets that often syndicate.*
- ☐ *LHG and TSF will brainstorm and formulate plan to leverage the reach of social media posts from the Influencer FAM.*
- ☐ *LHG will continue to focus on securing individual press trip visits from the 2017 Target Media list*
- ☐ *LHG will review santafe.org/blog for pitch content as well as provide TSF with suggestions on improving blog writing and headlines to increase readership and SEO.*

Public Relations



Public Relations					
	Q1	Q2	Q3	Q4	YTD
Pitches					
2017	199	85	130		414
2016	71	74	167	145	312
(Y/Y)	**180.3%**	**15%**	**-22%**		**32.7%**
Press Releases					
2017	5	6	6		17
2016	9	10	12	11	31
(Y/Y)	**-44.4%**	**-40%**	**-50%**		**-45.2%**
Media Visits					
2017	25	20	23		68
2016	24	17	18	17	59
(Y/Y)	**4.2%**	**18%**	**28%**		**15.3%**
Media Contacts					
2017	381	455	446		1,282
2016	430	416	428	428	1,274
(Y/Y)	**-11.4%**	**9%**	**4%**		**0.6%**
Earned Media					
2017	$17,987,390	$5,564,680	$3,830,226		$27,382,296
2016	$9,445,405	$6,477,152	$8,178,108	$15,510,907	$24,100,665
(Y/Y)	**90.4%**	**-14%**	**-53%**		**13.6%**
Earned Media Impressions					
2017	1,618,516,299	1,019,693,366	256,928,770		2,638,209,665
2016	743,035,242	551,934,369	959,655,842		2,254,625,453
(Y/Y)	**118%**	**85%**	**-73%**		**17%**

Social Media

Summary:

Over the last several months our Twitter feed and other social media channels were experiencing negative metric results, we concluded that a more strategic and consistent approach would need to be taken to turn around the negative trends. The first plan of action was to clean up the calendar and post as called out by the content calendar.

The TSF social media calendar is now handled by Joy Rice, Marketing Manager and has been revised, with the focus of following and posting from the calendar schedule on a timely basis. OnTwitter we will be sharing many of our business partner's posts and leveraging the Santa Fe brand and followers. A rise in engagement was noted after rebranding content was introduced. Cross promoting our social media channels has also been instituted to bolster followers and likes totals.

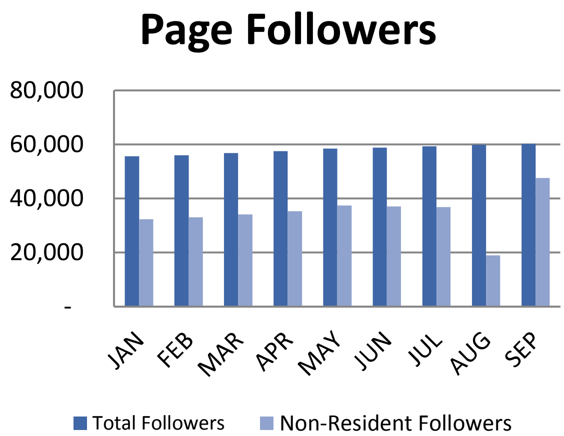
Key Insights:

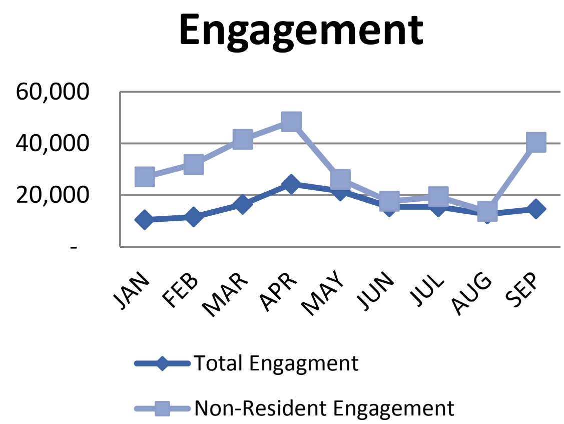
- Overall Facebook likes are up by 3% over last quarter, we anticipate a continued rise in followers through the implementation of cross promotion on other channels.
- Facebook saw a 52% drop in engagement over Q3 2016 due to inconsistent social media calendar posting.
- Facebook referrals are down 4%. This is partially due to not referring back to the website through social media posting or blog mentions.
- Twitter saw a 12% increase in followers over Q3 2016 to a total of 12,767. As with Instagram, we have a seen a steady rise in followers and attribute it to subscribers adding Twitter as one of their preferred social media channels.
- Twitter impressions were down 39% over Q3 2016. We attribute the downturn to fewer postings. In Q3 2017 there were 215.4K postings as opposed to 354.1K in Q3 2017.+
- Instagram once again continues to be our fastest growing social media channel, with a 48% increase in follower's year over year bringing our total to 18,300. There were 408 posts in 2016 and to date there are 240. We will not surpass the 2016 total. There is an increase in followers partly due to the engaging photographs we post onto Instagram on a weekly basis. Quality subject matter and relevant stories engage a large segment of the social media population.
- Pinterest saw a 14% increase in followers over Q3 2016 for a total of 2,386. We have instituted a targeted and focused social media calendar and we anticipate Pinterest will be receiving many more followers due to content and frequency of posts.
- YouTube saw 19% increase in subscribers over Q3 2016 while views saw a 29% decrease.

Action Items:

- ☐ A concerted effort has been made to bring the social media calendar up to par and posting will be scheduled tool for Hootsuite.com with a least 10 future days. A review process is in effect to make sure posting stays consistent and free of errors.
- ☐ As with Instagram, we anticipate to see a continued rise in followers. Cross promoting efforts are also underway and have been entered into the social media calendar awaiting posting.
- ☐ The same applies to Twitter as we anticipate a continued steady rise with followers. We are also cross promoting Twitter onto other social media channels.
- ☐ We have adopted a more consistent method for posting social media content and events for Twitter.
- ☐ Instagram will also be cross promoted on other social media channels.

Social Media: Facebook

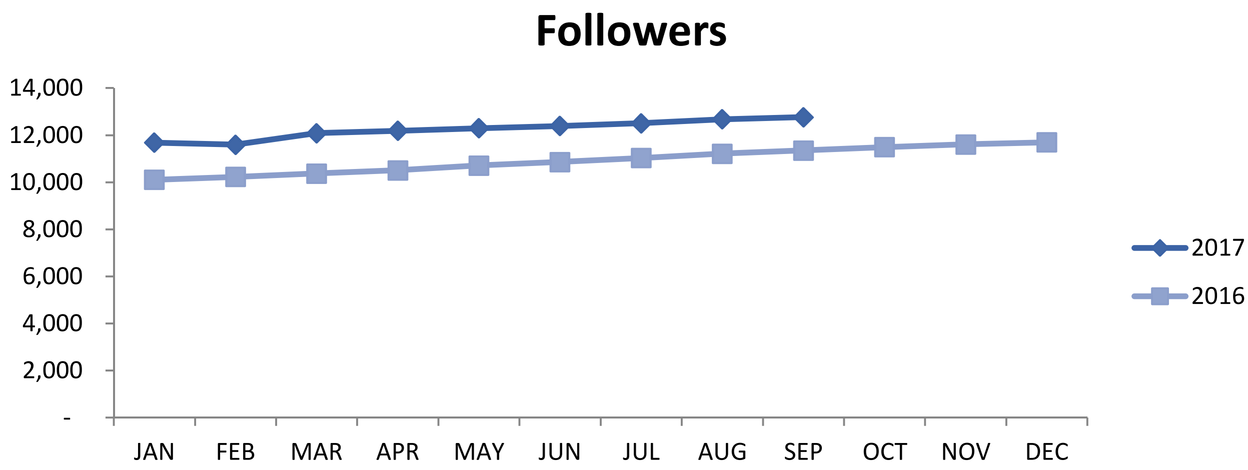


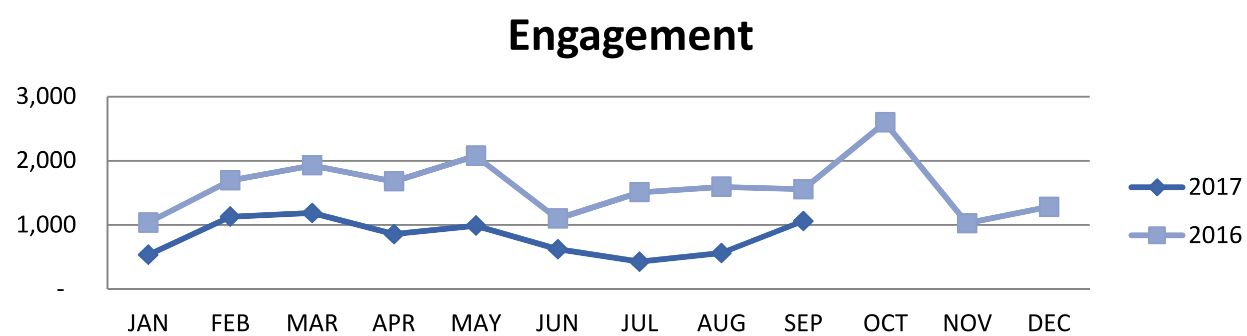


Facebook					
	Q1	Q2	Q3	Q4	YTD
Page Followers					
2017	56,804	58,735	60,220		58,735
2016	48,678	51,373	53,327	55,065	53,327
(Y/Y)	16.7%	14%	13%		10.1%
Non-Resident Page Followers *					
2017	34,082	37,003	47,573		47,573
2016	28,720	30,824	31,462	33,039	31,462
(Y/Y)	18.7%	20%	51%		51.2%
People Talking About This					
2017	38,001	60,941	42,385		141,327
2016	56,198	45,343	42,342	37,899	143,883
(Y/Y)	-32.4%	34%	0.1%		-1.8%
Engagement					
2017	141,908	146,318	87,079		375,305
2016	197,205	173,801	181,678	170,881	552,684
(Y/Y)	-28.0%	-16%	-52%		-32.1%
Non-Resident Engagement *					
2017	100,276	91,749	73,160		265,185
2016	109,016	107,253	103,952	110,537	320,221
(Y/Y)	-8.0%	-14%	-30%		-17.2%
Website Referrals					
2017	5,035	4,412	4,220		13,667
2016	5,692	4,893	6,014	6,196	16,599
(Y/Y)	-11.5%	-10%	-30%		-17.7%

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

Social Media: Twitter

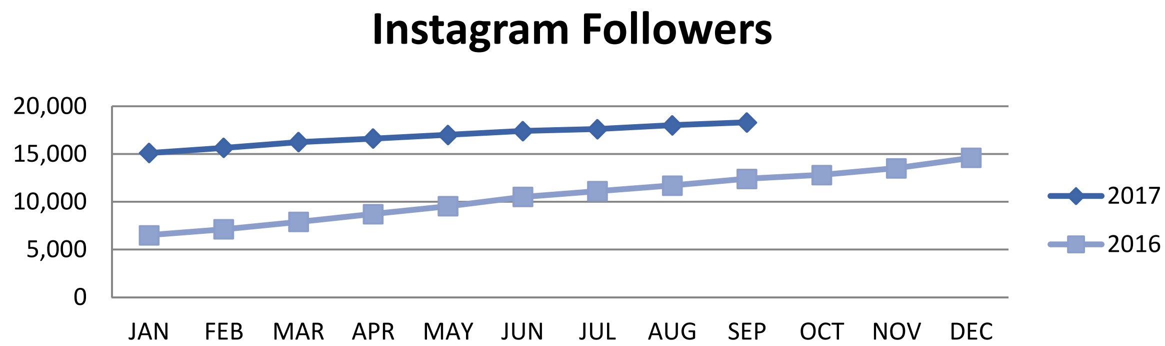




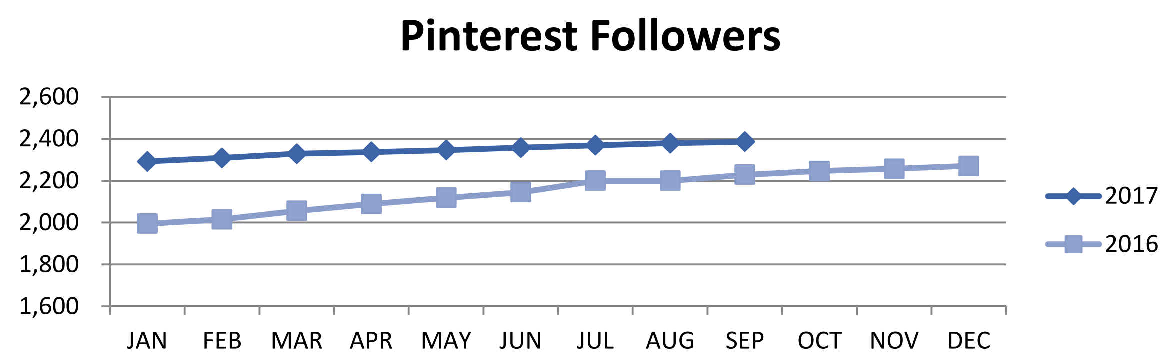
Twitter					
	Q1	Q2	Q3	Q4	YTD
Followers					
2017	12,088	12,388	12,767	-	12,767
2016	10,372	10,858	11,354	11,701	11,354
(Y/Y)	16.5%	14%	12%		12.4%
Engagement*					
2017	2,846	2,461	2,045	-	7,352
2016	4,652	4,848	4,651	4,899	14,151
(Y/Y)	-38.8%	-49%	-56%		-48.0%
Impressions					
2017	236,900	212,500	218,300	-	667,700
2016	354,800	436,500	356,700	284,000	1,148,000
(Y/Y)	-33.2%	-51%	-39%		-41.8%
Website Referrals					
2017	249	406	275	-	930
2016	228	342	589	333	1,159
(Y/Y)	9.2%	19%	-53%		-19.8%

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

Social Media: Instagram & Pinterest

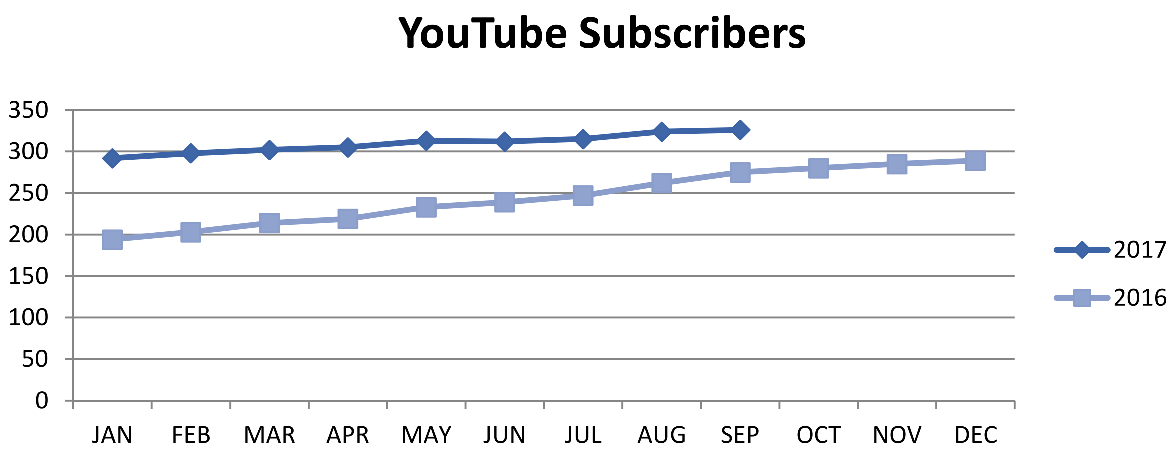


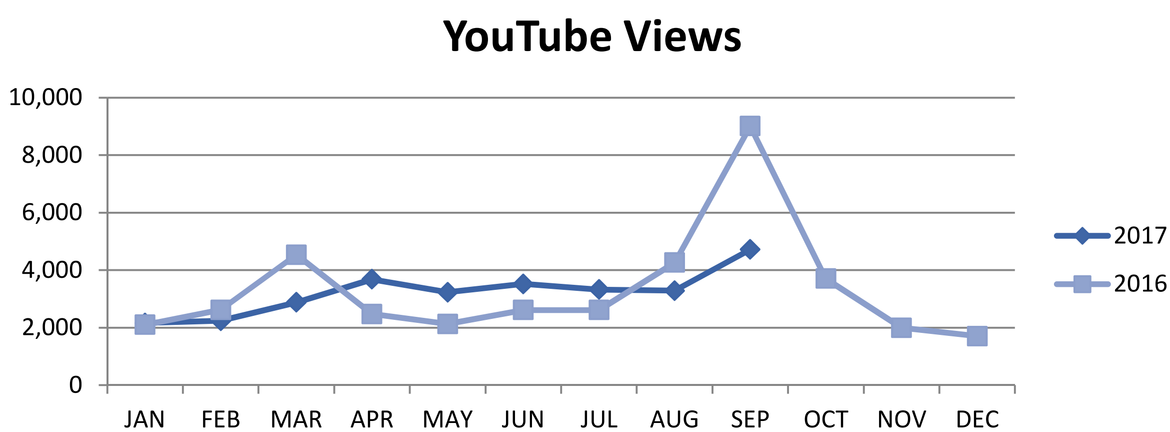
Instagram	Q1	Q2	Q3	Q4	YTD
Followers					
2017	16,234	17,400	18,300	-	18,300
2016	7,880	10,500	12,400	14,600	12,400
(Y/Y)	106.0%	66%	48%		47.6%



Pinterest	Q1	Q2	Q3	Q4	YTD
Followers					
2017	2,329	2,358	2,386	-	2,358
2016	2,056	2,145	2,229	2,271	2,229
(Y/Y)	13.3%	10%	7%		5.8%
Website Referrals					
2017	348	365	556	-	1,269
2016	143	180	216	192	539
(Y/Y)	143.4%	103%	157%		135.4%

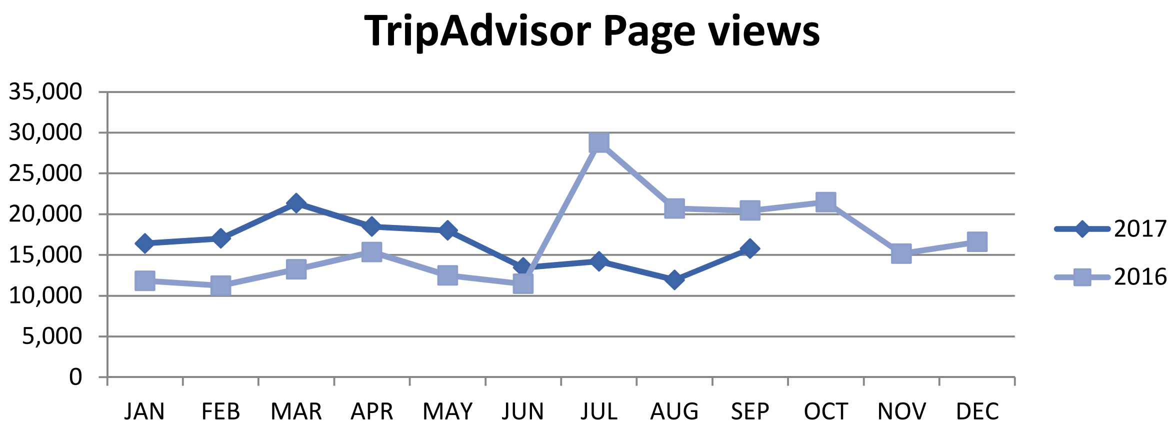
Social Media: YouTube

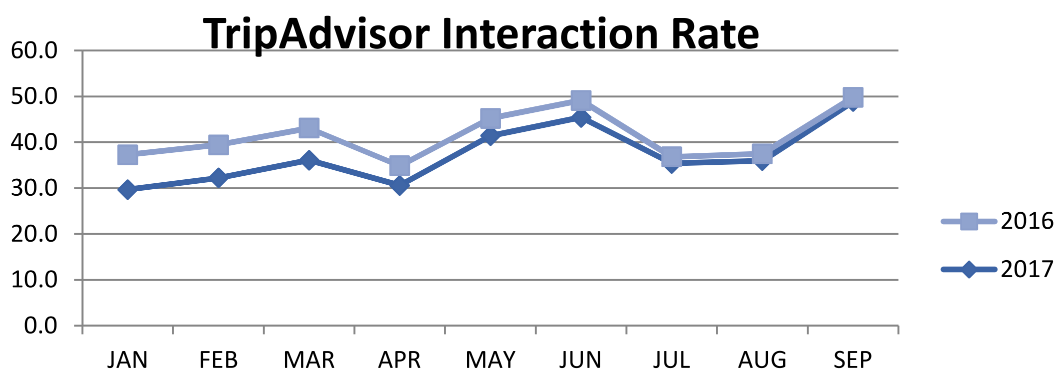




YouTube					
	Q1	**Q2**	**Q3**	**Q4**	**YTD**
Subscribers					
2017	302	312	326	-	326
2016	214	239	275	289	275
(Y/Y)	**41.1%**	**31%**	**19%**		**18.5%**
Views					
2017	7,283	10,436	11,332	-	29,051
2016	9,259	7,219	15,885	7,399	32,363
(Y/Y)	**-21.3%**	**45%**	**-29%**		**-10.2%**

Trip Advisor DMO Page





Trip Advisor					
	Q1	Q2	Q3	Q4	YTD
Pageviews					
2017	54,790	49,912	41,895	-	146,597
2016	36,302	39,266	69,882	53,223	145,450
Y/Y	50.9%	27%	-40%		0.8%
Interaction Rate Percentage					
2017	32.7	39.2	40.1		37.3
2016	7.3	3.9	1.3	4.1	4.2
Y/Y	25.4	35.2	38.8		33.2
Website Referrals					
2017	428	212	160		800
2016	1,439	131	37	110	1,607
Y/Y	-70.3%	62%	332%		-50.2%

*This year Tripadvisor revised the way in which it reports Interaction Rates. TSF is evaluating these revisions and will be determining how to accurately reflect how visitors are interacting with the content on the Santa Fe TripAdvisor page.