



MEMO

TO: Jim Vanderpool, City Manager, City of Anaheim

FROM: Jay Burress, President and CEO, Visit Anaheim

RE: Visit Anaheim Economic Recovery Services

DATE: October 5, 2020

Visit Anaheim has been honored to work in partnership with the City of Anaheim to implement the Community and Economic Recovery Plan, approved by the City Council on March 26, 2020. Our efforts, in partnership with the city, have protected local jobs, provided vital support to Anaheim businesses, and mitigated what may have been much deeper losses to the city's General Fund.

Visit Anaheim has worked collaboratively throughout the pandemic with city, county and state officials to develop best practices and protocols to reopen safely. As the city's Destination Marketing Organization (DMO) since 1961, Visit Anaheim is uniquely equipped and resourced to assist the city to expedite Anaheim's local economic recovery. The \$6.5 million allocated by the City to the Community and Economic Recovery Plan has already netted a significant return on investment (ROI) for Anaheim residents and taxpayers in terms of future, direct revenue to the city's General Fund and total economic impact for the city and county.

As of August 31, Visit Anaheim had successfully booked 195 new and rebooked events for our destination. Due to the continuing uncertainty as to when convention centers and theme parks will reopen in California, 41 of those 195 events cancelled in the past several weeks. The total events remaining as of October 1, 2020 is **154 events in new and rebooked business**, generating **\$719,484,247 in total economic impact**¹ to the destination, as well as estimated TOT and sales tax to the city of Anaheim of nearly **\$12 million (185 percent or nearly double the return on the city's investment** in economic recovery funding to Visit Anaheim). In addition, this effort secures sales tax in the specified amounts for the following public agencies:

¹ Based on official industry accreditor, Destination International Economic Impact Calculator, developed by Oxford Economics.

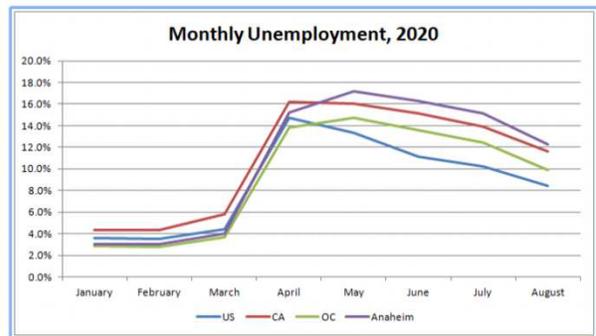
SALES TAX REVENUE GENERATED BY REBOOKED EVENTS

State of California	\$ 3,264,389.35
County (Public Safety/Prop. 172 & Health)	\$ 652,877.88
OCTA (County Transportation/Measure M)	\$ 489,658.41
City of Anaheim	\$ 652,877.87

The human impacts of the COVID-19 pandemic have been devastating. In the United States, more than 200,000 lives have been lost, with more than one million worldwide. Given the impact to individual residents in Anaheim, Visit Anaheim joined with the Anaheim Chamber of Commerce and the Hotel & Lodging Association to form the **Response & Recovery COVID-19 Partnership**, to work hand in hand with the City of Anaheim’s Emergency Operating Center and Community Services personnel to provide needed water, masks, paper products, food and supplies, in addition to coordinating vital information and resources for residents and local businesses.

Economically, all industries have suffered throughout the pandemic but none more so than travel and tourism. As of the end of May 2020, 51 percent of all jobs supported by travel were lost – putting 8.1 million Americans out of work. These sectors represent 38 percent of all job losses nationally or one in four jobs.

Unemployment in Anaheim jumped from 3% to 12.3% as of August 31, 2020, ranking the city higher in total job losses than the county, state and nation averages. As the closures remain in place for city’s largest employers, the more permanent these job losses will become. Visit Anaheim is working every day to restore local jobs and General Fund revenue generated by travel and tourism to our city.

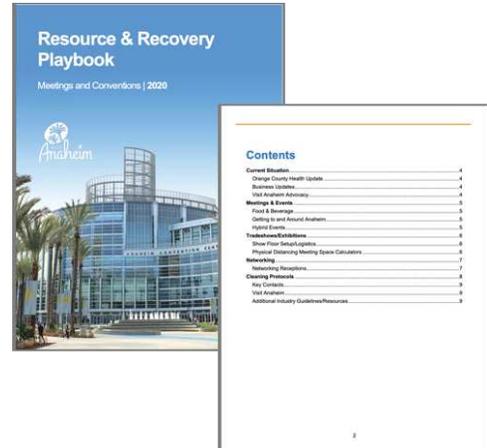


Anaheim’s largest revenue source, transient occupancy tax (TOT), generated by visitors who stay in local hotels or vacation rentals, dropped to record lows as Anaheim’s Resort District, Convention Center, Angels Stadium, Honda Center, 33 of the largest convention-based hotels, and industry related businesses remain closed as a result of state mandates.

It is essential that the state issue responsible industry guidelines as soon as possible to enable the city’s business industry partners to comply and safely reopen the Anaheim Resort District and Convention Center as soon as possible, which will restore General Fund revenue and preserve tens of thousands of local jobs.

RECOVERY PLAYBOOK

The Recovery Playbook was established as a result of strategic meetings with the Visit Anaheim Customer Advisory Board, comprised of corporate and association meeting planners, including current and prospective meeting and convention clients. The purpose of the Recovery Playbook is to proactively lead early recovery by building confidence in the trade and consumer markets, which will lead to additional bookings.



Recovery Marketing Plan

Sunnier Days in Anaheim and Orange County Ahead

Content development and marketing is designed to keep our destination relevant to all leisure and convention-based audiences. It is essential for Anaheim's recovery that we advise consumers at all levels that the city is prepared to reopen safely.

Visit Anaheim fully funded and worked with city staff and industry partners to become the first Convention Center on the West Coast to receive the **Global Biorisk Advisory Council (GBAC) STAR accreditation**, the leading industry certification standard. As one of the first facilities in the United States to receive this accreditation in outbreak and infectious disease preparation and response, the Anaheim Convention Center is on the forefront of creating an approved healthy and safe environment for meeting and convention attendees.



"Let's Go There" Campaign with U.S. Travel

Visit Anaheim is participating in a national, industry-wide campaign led by the U.S. Travel Association called "Let's Go There." This program launched in September 2020 and running through January 2021, aims to inspire Americans to resume leisure travel within the United States. As part of this effort, Visit Anaheim is actively engaged in a national conversation marketing Anaheim and Orange County to leisure travelers. Visit Anaheim adopted the "Let's Go There" campaign logos and messaging as part of our digital paid and earned media programs. To view the Let's Go Video campaign, click [HERE](#).

Brand USA Global Marketplace Travel Week: October 26-30, 2020



In partnership with Brand USA, Visit Anaheim will target international tour operators, wholesalers, online travel agencies, and major airlines during monthly global marketplace, virtual meetings.

The program launches in October 2020 with a travel and tourism program focused on the United Kingdom followed up by a November event targeting tourism trade executives in Canada. Future meetings include,

destinations in Mexico, Australia, New Zealand and Germany.

Consumer Messaging + Advertising

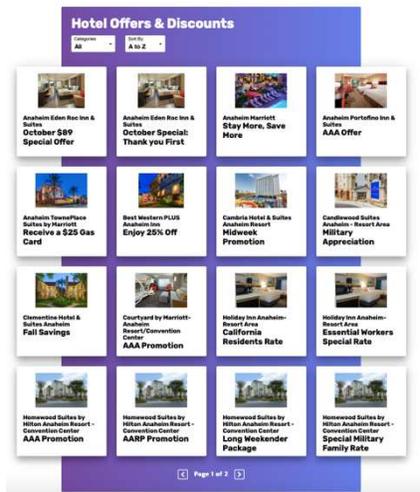
Digital media and paid advertising are focused on educating and engaging prospective travelers about what is open now, facilitating future bookings, and boosting consumer confidence to travel in a safe and responsible manner.

Through proactive media campaigns, Visit Anaheim has generated 300 million organic impressions through earned media outreach. Paid media platforms include Expedia, Trip Advisor, Facebook, Instagram, Visit California, streaming media such as Hulu, Nextdoor, Anaheim distribution network (utilizing a network of destination partners in Anaheim), CrowdRiff, Bandwango.



Local Hotel Promotion

In partnership with Anaheim’s hoteliers, Visit Anaheim rolled-out a media and advertising campaign to promote exclusive offers, discounts, and local events; specifically targeting regional markets in Orange County, Los Angeles, San Diego, and Inland Empire.



Messaging is supported by targeted marketing tactics to inspire travelers to come back to Anaheim. Supporting this objective, Visit Anaheim is communicating to markets regionally, nationally, and internationally the value and promise of Anaheim’s unique elements.

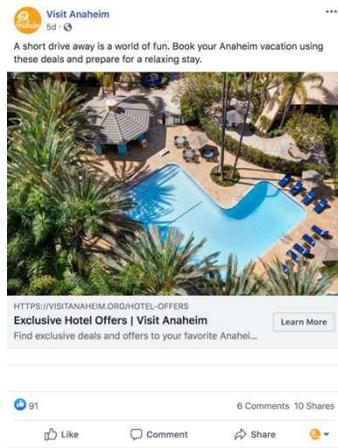
In October, we are partnering with Visit California on a virtual road trip media event featuring the culinary teams at Anaheim hotels to promote our destination’s growing culinary scene. More than 50 established media outlets across California will take part in this online event.

Digital Advertising

Visit Anaheim has also developed a call to action through digital videos that will be introduced to key markets once consumer sentiment shows travelers are ready to reengage. This ad campaign has been produced with 20 different Anaheim partners to showcase the destination and promote local businesses as part of the campaign. As an example, please click [here](#) to view a 60 second spot.

Geographic Targets

The recovery program is focused geographically on the following markets:



Local Drive: Visit Anaheim is targeting travelers closer to home in Southern California including Orange County, Los Angeles, San Diego, and Inland Empire to visit Anaheim’s hotels, restaurants, breweries, retail centers and sports and entertainment venues.

Regional Drive Markets: Visit Anaheim is working to capitalize on the travel sentiment of staying close to home in marketing programs for the drive market, which includes San Francisco, Sacramento in California, as well as Phoenix, Salt Lake City, Las Vegas.

Western U.S.: Visit Anaheim is partnering with co-op marketing partners and tour operators to drive visitations and provide additional coverage in the local drive and regional drive markets.

North America/International: Visit Anaheim is working with Brand USA to promote Anaheim as a destination to Mexico and Canada once those markets re-open for leisure travel. This is a target for the final recovery phase of the marketing plan.

SALES PROGRAM UPDATE

Meetings + Conventions

The Meetings + Conventions business objectives focus on short-term business in hotels that have remained open throughout the pandemic. Unfortunately, 33 remain closed in Anaheim, including some of the City’s largest convention-based, 1,000+ room hotels. The Meetings and Conventions activation has focused on securing short-term business through 2020, as well as new and rebooked business in 2021-2022 for hotels and meeting venues.

Since March, Visit Anaheim strategically focused on:

- Retaining previously committed meetings and conventions by re-booking to new dates.
- Securing short-term conventions (2020-2022).
- Negotiating with organizers to change rotation due to cancellations in Anaheim and other destinations.
- Securing major conventions to strengthen Anaheim’s future 2023 and beyond.

Visit Anaheim’s efforts include:

- Launching target sales missions and client presentations in top markets within the Western Region.
- Contacting *every cancelled* industry meeting nationally, as well as every organization in Visit Anaheim’s sales database to re-book in Anaheim.
- Promotions with key industry vendors and partners to increase leads and presentations at meeting industry events.

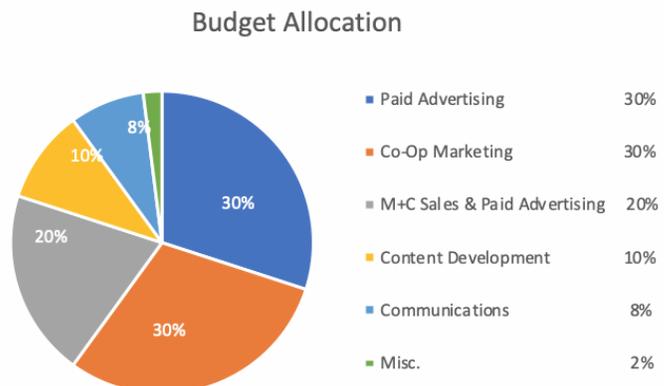
Visit Anaheim has restructured and redeployed our sales team to focus, target and capture meetings and events that can be held now within local hotels, as well as sporting, competition-based events in all city venues.

Ongoing activity includes rebooking existing meetings and events that must be pushed due to current closures, moving existing business to accommodate rebookings, and booking new conventions and meetings for a timeframe that will follow a phased reopening timeline. Visit Anaheim’s sales team around the country is meeting with customers in key regional and national markets, hosting virtual meetings with all industry clients and prospective clients, and has teamed with convention center staff on many virtual programming to promote our market industry wide.

As a result, VA sales team successfully captured 195 in new and rebooked business that would have otherwise been lost due to the pandemic. However, the net total is reduced by cancellations over the past month due to the state’s delay in releasing responsible guidelines for convention centers and theme parks, so the net total of booked events has been reduced to a total of 154. As part of our overall economic recovery programming, Visit Anaheim will continue working to resell recently cancelled events to future dates.

BUDGET STATUS

The \$6.5 million budget approved by the City Council as part of the Community and Economic Recovery Plan has been allocated to advertising, co-op marketing, sales and paid advertising, content development, communications and additional services developed to reduce the length of Anaheim’s downturn, restore local jobs, and capture TOT, TID, sales tax and other economic factors to protect those funds for vital city services.



The initial timeline to reopen our resort industry when Council approved this program was July thru August 2020. Unfortunately, counties across California, including Orange County, saw significant spikes in the spread of the Coronavirus in early July. As a result, Governor Newsom reinstated business closures statewide, which further delayed the economic recovery timeline.

In the interim, Visit Anaheim has continued working with other destinations in Orange County, statewide, and nationally to develop and market best industry practices to ensure the health and welfare of workers, visitors, and residents once California authorizes our theme parks and convention center to proceed with phased reopening.

Timing of Recovery

Working closely with Visit California, we are consistently tracking consumer sentiment for a timeframe to fully activate advertising campaigns. At this time, industry leaders believe that timeframe is dependent on the state's release of industry guidelines. Therefore, an accurate estimate for phased recovery remains uncertain at this time.

By end of calendar year 2020, Visit Anaheim is anticipated to expend \$2.5-3.0 million of the \$6.5 million authorized in economic recovery funding, allocated from Anaheim Convention Center reserve account, with additional funds anticipated to be programmed as a phased reopening is authorized by the State of California.

Visit Anaheim will continue to provide ongoing, informal reporting to the City and a detailed budget report to the City Manager at the end of the calendar year.

Opening the Anaheim Resort in a safe and responsible manner, restoring local jobs, and protecting city revenue, are Visit Anaheim's highest priorities.