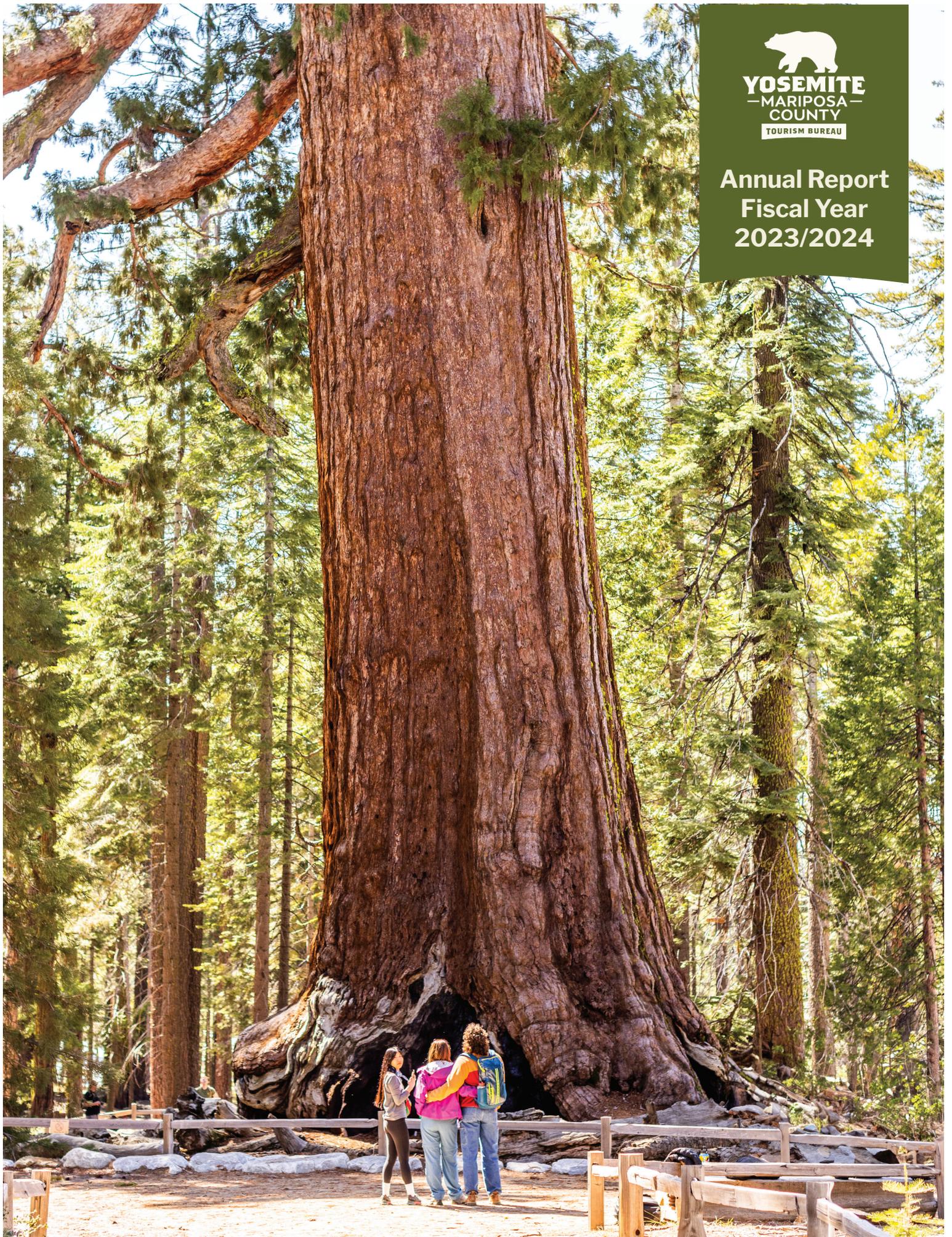




YOSEMITE
— MARIPOSA —
COUNTY
TOURISM BUREAU

**Annual Report
Fiscal Year
2023/2024**



Dear Lodging and Business Partners,

The overall outlook for the 2024 – 2025 fiscal year is good. At the same time, there are several factors that could impact tourism visitation and lodging occupancy.

Prior year impacts. Without a vehicle reservation system during the 2023/2024 fiscal year, Yosemite and Mariposa County tourism visitation still experienced visitation challenges. Between January and May 2023, the region experienced road closures due to record snowfall and rainfall followed by snowmelt and flooding along the Merced River. As a result, late winter and spring visitation was virtually cut off. Additionally, the month of February 2023 experienced good weather. Visitation was limited due to a last-minute implementation of a Yosemite NP vehicle reservation system related to the Firefall/Horsetail Fall event, causing significant cancellations of planned weekend visits to the region's lodging businesses.

2024/ 2025 YMCTB's and the region's largest challenge impacting lodging occupancy in the coming fiscal year is the third year and potentially a fourth year of Yosemite National Park - pilot vehicle reservation systems or a permanent implementation of a reservation system impacting the late fiscal year.

Yosemite National Park (YNP) and the National Park Service have implemented a 3rd year of vehicle reservation system to enter Yosemite during nine months of the calendar year. Each of the three years YNP has implemented a reservation system, YNP has changed various processes of the vehicle reservations plan, including what the reservation systems are called. Testing different aspects of the reservation systems will help YNP's long-term goal of implementing a more refined permanent plan. However, the changes to the rules year after year confuse visitors. YMCTB feels obligated as a YNP regional DMO to educate the public, international visitors, professional travel trade, locals, and anyone visiting Yosemite to understand the restrictions impacting their YNP visit. This takes time, funds, and marketing effort away from our primary role of driving lodging occupancy to the region and building seasonal visitation. A permanent reservation system will come with significant challenges and costs as well as monetary losses.

YMCTB's extensive YNP reservation page (<https://www.yosemite.com/plan-your-trip/2024-yosemite-vehicle-reservations/>) explains and details the many types of restrictions, including weekends, full month periods for reservations, partial day reservations, and pre & post-arrival-allowed entry times. The plan is complex for anyone to understand, including us as professional marketers for the region.

What are a few of the impacts of this 3rd or 4th year of reservations?

A 20% to 25% reduction in vehicles allowed to enter YNP daily during weekends of full month periods during nine months of the year. Far fewer vehicles are being allowed historically to enter the park. This vehicle reduction will reduce revenue, and occupancy in lodging properties located outside the gates of YNP.

California is seen as free-spirited and easygoing. This fuels international and domestic California visitation. The draw of California is the encouragement for road trips and visits that are spontaneous. By nature, most Californians are spontaneous, and like to travel and take weekend trips last-minute. The YNP reservations system not only impacts local visitation but also impacts visitors domestically and internationally. Visitors who love to travel to the USA for our road trip culture and the ability to hit the road, stop and visit where we like, and stay overnight when we run out of gas, literally and figuratively. We plan week(s) long trips with starting and end points with wide open plans and spaces in between. The YNP reservation system curbs our travelability to show up when we get there, without a planned reservation. This includes a last-minute jaunt from the Bay Area when the weather is nice for a hike in Yosemite. From an international booking



perspective, the reservation system becomes difficult for packaged travel sales, as the travel company can't guarantee access to the park, so many of these companies are dropping Yosemite itineraries from their brochures and websites due to their inability to legally sell the packages, as they are required to guarantee the client access if selling the product.

YMCTB has reduced our 2024/2025 TBID revenue projection by 10% over the prior year. Although lodging occupancy is projected to experience a reduction of 10% to 20%, property increases in Average Daily Rate (ADR) will offset some of the occupancy revenue losses. With fewer rooms sold, hotels and lodging properties will have lower occupancy. Many properties are eliminating discounts, OTA, and wholesale allotments to fill rooms. With no park access, lowering rates cannot positively increase occupancy, so hoteliers are holding rates to meet needed revenues.

International Visitation. After attending numerous professional outlook briefings on international travel projections, YMCTB expects international market visitation to hold at 80% of pre-Covid volume. A few markets such as the United Kingdom and Germany have exceeded 80%, however, Japan, China, and Australia are not seeing pre-pandemic volume return. Each country has a different recovery story. Most of the slowdown in recovery visitation volume is based on poor international exchange rates to the US dollar, high inflation in the USA, and inflation experienced in home countries. Overall lodging inflation from 2019 to 2024 is 21%. Overall costs of long-haul travel have increased by as much as 30%, while salaries have not kept pace. With a world full of lower-priced holiday destination options, the USA remains of high interest to visit, tourists are willing to wait a few years and visit the USA once prices and overall costs decrease.

Knowing what we know, the following are high-level areas of focus for YMCTB in the coming year.

No major strategic changes. We will be making many tactical adjustments, however, in many cases to ensure YMCTB stays on budget with reduced earnings. After COVID-19, YMCTB had a surplus balance sheet which was reduced by increasing paid media spend. The balance sheet has returned to an optimal level, so the coming fiscal budget has been reduced intentionally and organically, staff will

focus on three major budget themes:

- Less emphasis will be placed on print and radio in favor of more digital media. Online advertising can be more accurately tracked in terms of its efficacy. Place as much of the overall budget into Active – Paid Media Spend.
- Control and limit all non-media expenses. Review all contracts and keep annual increases to a fair inflation-based allowed increase. Evaluate the need, efficacy, and production of all contracted relationships, partnerships, vendors, international travel, trade, & PR agencies. Consider the effectiveness of all trade & PR shows and events.
- Control administrative, payroll PT&EB expenses. Leverage contracted services to reduce burden. Limit liability.

With the above three budget goals in mind, YMCTB has thoroughly reviewed our partner relationships, services contracts, travel trade international representation, and static costs. As a result, changes have been made to reduce costs and shift funds to active media investment.

As an example, YMCTB will only travel to key markets less impacted by the inflation and general concerns stated previously. The UK, Germany, and Scandinavia will remain our top focus. We have reduced our representation agency scope in Australia. We will wait out the Chinese and Indian markets, engaging but not investing until funding allows.

We are improving our consumer-facing branding. In 2024, the extensive and exhaustive RFP process of adding Noble Studios as YMCTB's creative agency, which also supports traditional media buying, was completed. The brand refresh portion of the winning RFP has been completed, and we launched the new brand creative in fall 2024. This is a major and needed step after the launch of our new website in 2023/2024. The brand refresh comes nearly 9 years after the last major brand updates. This update will be time-consuming as we retire a significant volume of past design work and replace this marketing with the new concept.

Jonathan Farrington, CEO / Executive Director

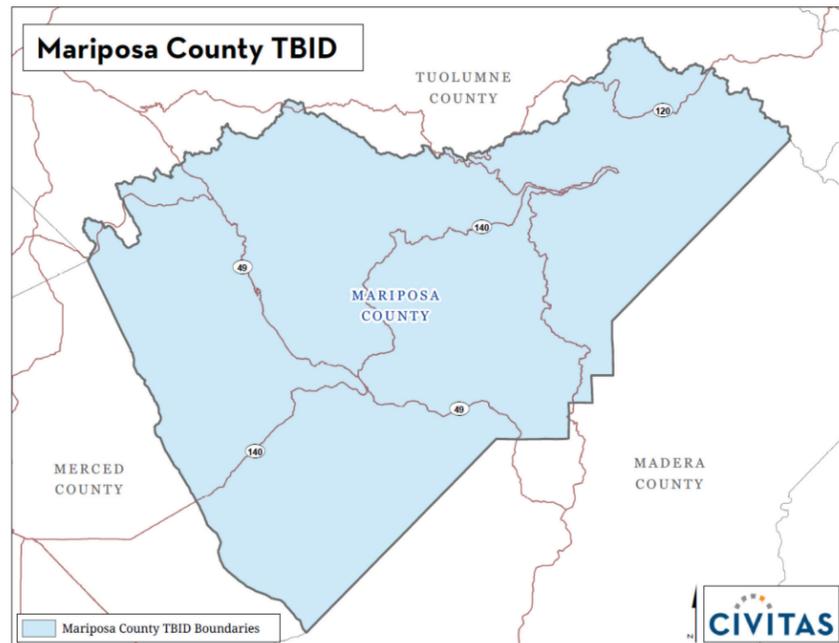
TBID Assessment

Mission Statement

The Yosemite Mariposa County Tourism Bureau is the branding, sales, and marketing agency responsible for positioning Yosemite Mariposa County as the destination of choice for leisure and group business for the economic benefit of the region.

Key Strategic Initiatives

- Promote off season overnight visitation
- Educate customers and constituents
- Operate a fiscally sound and effective business
- Foster positive relationships with key stakeholders and partners



TBID Statement

There are no proposed changes to the boundaries or assessed business. The TBID assessment rate for the 2024/2025 year is 1.5%.

The district will continue to include lodging businesses, existing and in the future, available for public occupancy within the boundaries of the County of Mariposa, as shown.

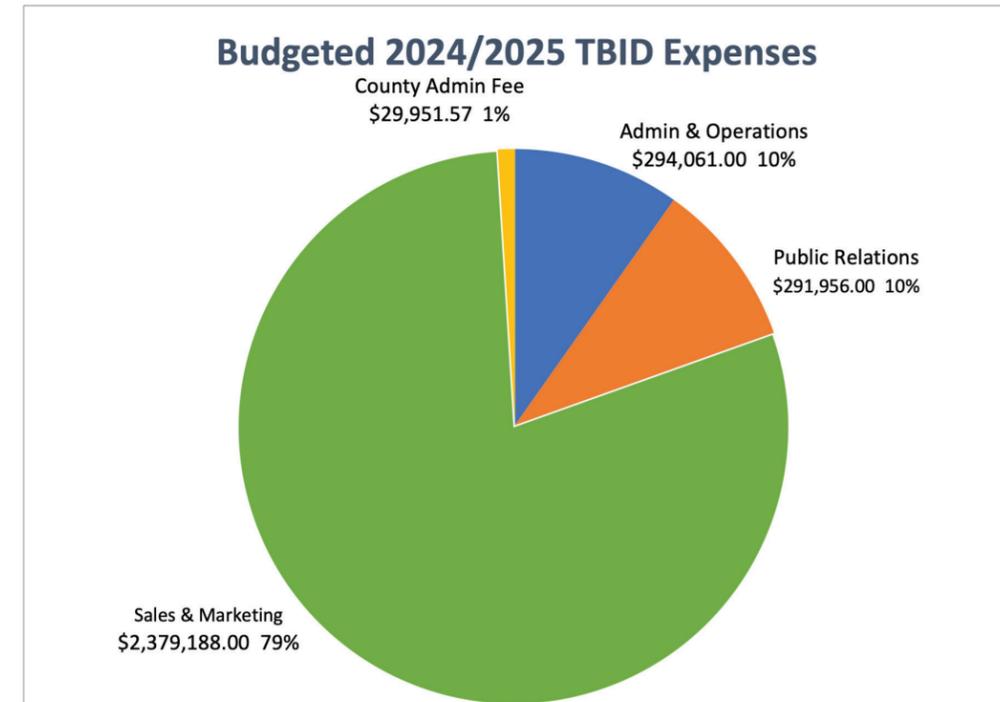
TBID Expenditures: Carryover from 2023/2024 and the 2024/2025 Budget

At the end of the 2023/2024 fiscal year, the Bureau had a TBID carryover balance of \$0. After spending, the Bureau planned for a deficit that fiscal year and decreased its cash balance to make sure that the region was being marketed as fully as possible.

The 2024/2025 budget was developed with the

same intent - to spend all TBID income for the year, ensuring that lodging partners receive the maximum benefit from the Bureau's marketing efforts.

The total budgeted expenditures for 2024/2025 are \$2,995,157.



2024/2025 Annual Budget Notations

The overall YMCTB budget has been reduced this year by 14% in 2024/2025. The decrease demonstrates a more conservative approach toward the fiscal year's TBID collections given the many uncertainties that impact lodging businesses.

The 2024/2025 marketing budget includes some notable shifts:

- Less emphasis will be placed on print and radio in favor of more digital media. Online advertising can be more accurately tracked in terms of its efficacy.
- We will invest in additional market research/ actionable visitor data to help us determine the best ways to reach potential visitors.

- We will forego a professional photo/video shoot this year but will continue to gather visual content through our video production budget.

As always, maintaining flexibility is critical during these times as conditions can change significantly with little notice.

- Wildfires, rock falls, potential government shutdowns, extreme weather events, and other unforeseen challenges can significantly disrupt the tourism economy with little to no notice.
- The Board of Directors has given the CEO / Executive Director discretion to increase or decrease the budgeted expenses up to \$200,000 given the changing situation.

Goals for 2024/2025

YMCTB continues to monitor impacts on tourism due to the economy. International exchange rates are still not favorable for long-haul travel to the U.S. While obtaining visas to our country has improved, the process can still be long and involved. High fuel prices, rising interest rates, and other economic factors impact travel both by Californians and international visitors. Rising media costs are also requiring the bureau to continue to stretch marketing funds as far as possible.

Our staff continue to update our 3-year rolling marketing strategy and plan. For the 2024/2025 plan year, we have set new goals intended to continue to increase our efficacy. The Board of Supervisors has already been provided with a copy of this 2024/2025 Marketing Plan, a proprietary document. The following is a summary of our goals:

1. Continue to implement YMCTB refreshed brand creative. Noble Studios will complete the brand creative refresh this year and YMCTB staff will shift to a new look and feel for its marketing efforts.

2. Continue to improve Yosemite.com As our primary asset, our website was redesigned and launched in May 2023. The new site has received many awards and is intentionally very mobile-friendly, reflecting how the majority of visitors currently interact with the site. We will continue to optimize our content for search engines, write new and relevant content, and make other improvements to ensure that the site offers an outstanding user experience and provides hundreds of thousands of referrals to our lodging partners.

3. Invest additional resources in actionable visitor data. As technology and data collection have improved, we are prepared to invest in a new level of market research that will tell us who is visiting our area, where they are going while here, where they are coming from and other information. This will assist YMCTB and our agency, Noble Studios, in making decisions about how best to reach potential visitors.

4. Host travel trade and media FAMs. Familiarization tours (FAMs) with journalists, content creators, travel agents and product managers are an essential part of getting both earned media and more international

bookings for Mariposa County properties. 2023/2024 was a very busy year and we expect 2024/2025 will continue this trend.

5. Continue to offer co-op advertising opportunities to our lodging partners. In 2023/2024 our co-op opportunities had the highest engagement in print and digital media in the history of the program. We will continue to provide a variety of options to our lodging partners.

6. Continue to focus our social media strategy on best practices and investment. There's one thing that is consistent in social media marketing: nothing stays the same. With constant change to algorithms, processes, features, etc., maintaining market share is an ongoing challenge. Our

Swinging Bridge in Yosemite Valley



team consistently monitors and adjusts to create effective paid and organic posts.

7. Improve earned and owned email communications. With 64,000 subscribers, our email list is a robust and valuable marketing resource. We will continue to seek new email subscribers as well as improve our content and delivery methods. Our new creative agency support will help us improve the look and efficacy of our bi-monthly email communications with consumers.

8. Continue to invest in digital media. This is YMCTB's largest area of media investment. Noble Studio's daily monitoring of Yosemite.com performance has led to superior management or shifting of digital media spend to the highest performing channels based on real-time monitoring. Digital media includes social media advertising, display advertising, video ads, search engine marketing (SEM / paid search), and Google Discovery Network.

9. Consumer trade shows and festivals.

After attending the Artichoke Festival in Monterey in June 2024, YMCTB will continue to find other outdoor festivals and trade shows in California where we can engage directly with the public.

10. Improve our local public relations.

This year we will be hosting town halls with constituents in various areas around the county. We will also have a larger presence at festivals and events in Mariposa County to better engage

our community members in understanding who we are and what we do.

11. Special Offers. The Special Offers program has matured into a key feature on Yosemite.com that drives a large amount of traffic to our site. We aim to maintain 20 or more special offers throughout the year.



Old Town Mariposa



The Redwoods in Yosemite

2024/2025 Leadership

Board of Directors

Brett Archer, Board Chair

Tenaya at Yosemite

Autumn Bragdon

AutoCamp Yosemite

Kim Brisack, Board Secretary

Coulter Cafe & Big Table Ranch

Jessie Fischer

Yosemite Resorts

Ron Halcrow, Board Treasurer

Yosemite Plaisance Bed & Breakfast

MaryAnn Huff

Community Member

Victoria Imrie

Yosemite Ziplines and Adventure Ranch

Christian Mueller

The Redwoods at Yosemite

Candy O'Donel-Browne

Community Member

Scott Randall, Board Vice Chair

Wildhaven Yosemite

Nick Sponaugle

Yosemite Hospitality

Board Liaisons

Shannon Poe

Mariposa County Board Supervisor, District II

Danette Toso

Mariposa County Board Supervisor, District III

Advisory Council

Scott Cediman

Yosemite National Park

Board Chair

Mariposa Chamber of Commerce

Marketing Committee

Kim Brisack

Coulter Cafe & Big Table Ranch

Jessie Fischer

Yosemite Resorts

Scott Cediman

Yosemite National Park

Yuli Gotsev

The Redwoods in Yosemite

Victoria Imrie

Yosemite Ziplines and Adventure Ranch



Whistling Billy mining engine in Coulterville

Chelsie Layman

Yosemite Hospitality

Brooke Neal

Tenaya at Yosemite

Emerald Wong

AutoCamp Yosemite

Tourism Bureau Staff

Jonathan Farrington

CEO / Executive Director

Ellen Bergstone Wasil

Director of Marketing & Creative

Tony McDaniel

Director of Communications

Craig Polson

Social Media & Content Curator

Aaron Demery

Operations Manager

Photos:

All photos in this annual report were created during YMCTB's March 2024 photo shoot in various parts of Mariposa County.



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