



ROCHESTER CONVENTION
& VISITORS BUREAU

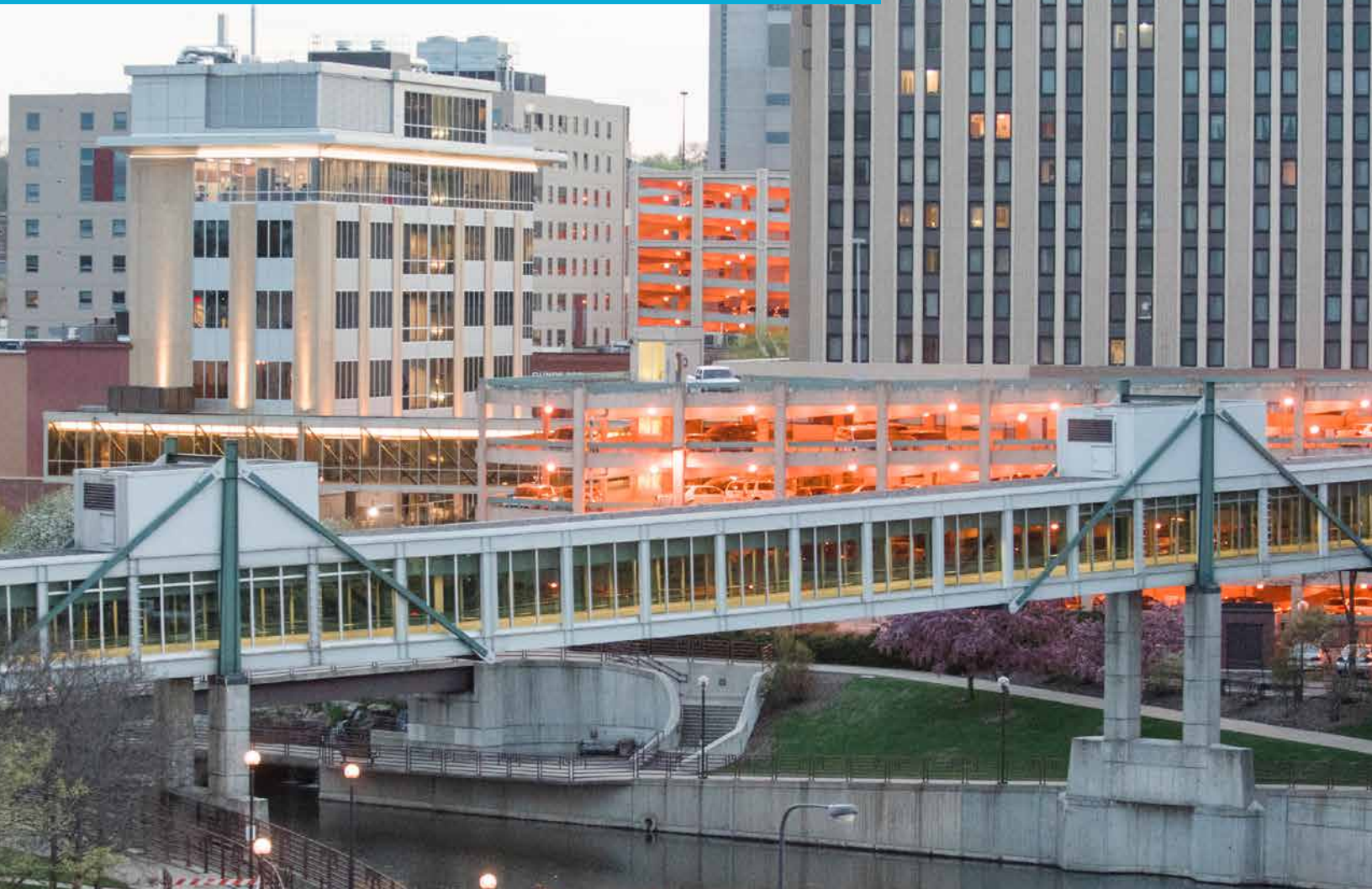
2017

REPORT TO THE COMMUNITY



OUR MISSION

The Rochester Convention & Visitors Bureau stimulates economic growth through visitor spending with aggressive sales, marketing, partnerships and destination development strategies while facilitating the best possible visitor experience.



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STATE OF THE INDUSTRY

Dear Community & Industry Stakeholders,

It is with an abundance of **appreciation and respect** for everyone who works to make Rochester an **exceptional destination for visitors** that the Rochester Convention & Visitors Bureau (RCVB) Board of Directors and staff presents our annual Report to the Community.

We are grateful to our community for being **welcoming and inclusive** of our visitors, and providing visitors with such excellent experiences when they are here. We would also like to thank and congratulate our close partner, Mayo Civic Center, on its wonderful **Grand Opening of the new Convention Center**. With the RCVB's sales and marketing efforts focused on new business development related to the Center, the new convention venues will stimulate our local economy by attracting more and bigger meetings, conventions, and events to Rochester.

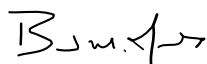
The RCVB has an important partnership with the City of Rochester as its official **destination management organization**, and we are the organizational focal point of Rochester's hospitality industry. Together with our partners, we are poised for the many growth opportunities that are before us. Our team starts with our dedicated staff and Board of Directors and includes our award-winning Sports Commission, Mayo Clinic, the Rochester City Council, Mayo Civic Center, the Mayo Civic Center Commission, the Destination Medical Center leaders and staff, our inspired volunteers, and our hardworking industry colleagues. All these groups, along with many others, create the focus and desire to care for our **3 million overnight visitors** who **spent \$478 million** in our community's hotels, restaurants, shops, and other establishments in 2016.

Our goal is to provide meaningful and positive guest experiences through Rochester's devoted and caring people, and to position Rochester as a **vibrant, world-class destination**. It is only through collaboration that we can reach our true potential.

Thank you for an exciting, momentous year. We look forward to serving you in the future.

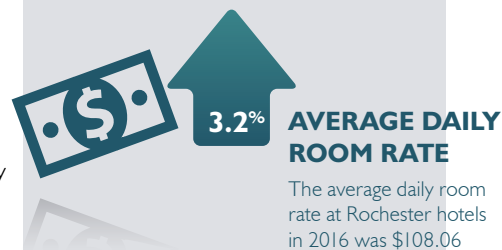
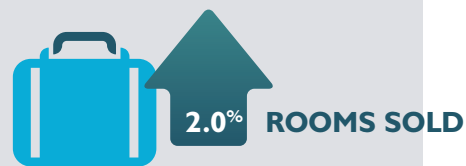
Joe Powers
Chairman, Board of Directors

Brad M. Jones
Executive Director/CEO

2016 LODGING INDUSTRY GROWTH

Rochester added **211 new rooms** to its hotel inventory in 2016, bringing the citywide total room count to **5,945** at 58 lodging establishments. Rochester's hotels hosted **1,275,000 overnight stays** and more than 3 million overnight visitors. The overall citywide average **occupancy rate was 61.5%** in 2016, and midway through 2017 is at 62.7%.



The strategic direction of the RCVB.

BOARD OF DIRECTORS

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Stevan Kvenvold
City of Rochester

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Rochester Park
& Recreation Department

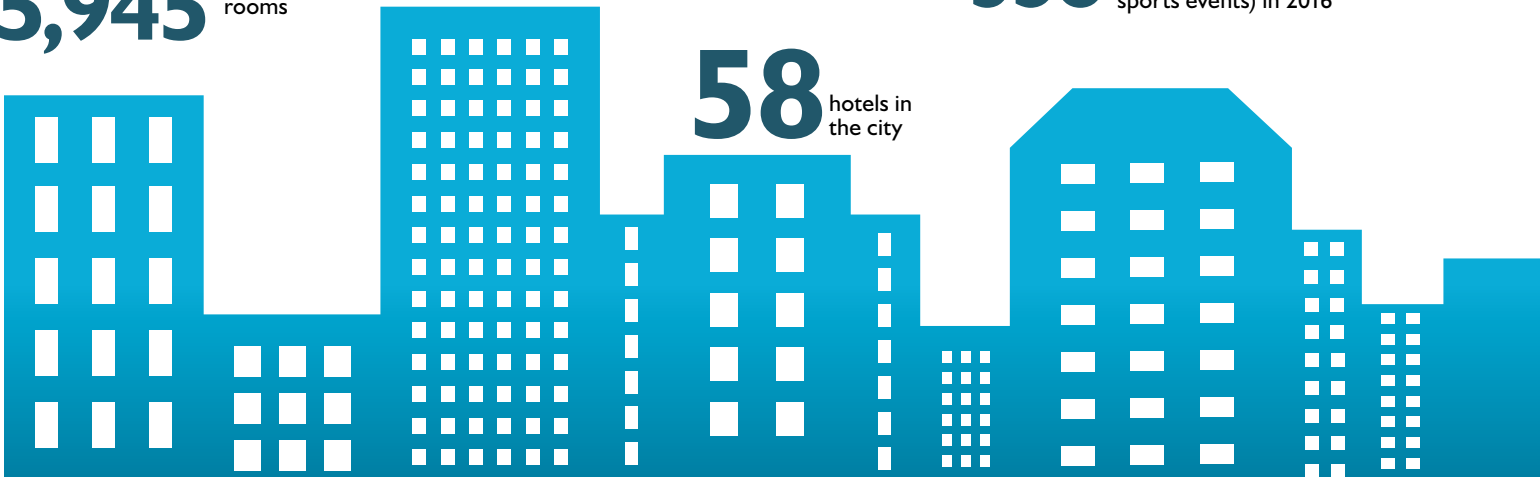
2016 BY THE NUMBERS

5,945 hotel rooms

2,070 hotel rooms attached to the skyway

58 hotels in the city

358 events hosted (meetings, conventions, sports events) in 2016



SALES OBJECTIVES

The RCVB Sales Department is responsible for business development by **prospecting, qualifying, and developing relationships** that ultimately lead to booking meetings, conventions, and events that provide **economic impact to Rochester and revenue to the hospitality industry**. The RCVB's staff is responsible for fulfilling sales and marketing responsibilities for Mayo Civic Center. With the recent completion of an expansion of the Mayo Civic Center that nearly doubled the center's capacity for hosting events, much of 2016 was spent focusing on **new business development**. Some of the market segments that the Sales team targets heavily for events at the expanded Mayo Civic Center include:

- Medical/Healthcare
- Technology
- Religion
- National Associations

SALES MADE IN 2016 FOR FUTURE EVENTS*

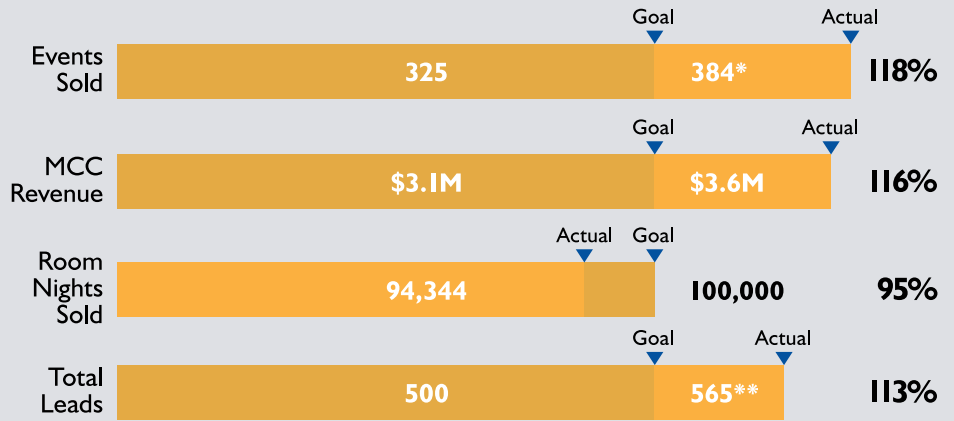
During 2016, sales generated over **\$3.5M in future Mayo Civic Center revenue, \$44M in estimated economic impact for future Mayo Civic Center events**, and an estimated **\$77.5M in overall economic impact** for future conventions, meetings, and events citywide.

*includes repeat and new business

IS THE MAYO CIVIC CENTER CONVENTION CENTER ADDITION LIVING UP TO EXPECTATIONS?

The size and quality of the expanded convention facilities have so far proven to be a key to maintaining existing clients and breaking into new markets. The RCVB sales team is experiencing **high levels of renewals of long-term customers** and a **32 percent increase in new bookings**.

2016 SALES: GOALS VS. ACTUAL



* Total estimated economic impact of these 384 events is **\$77.5M** and accounts for **473,560 attendees**.

** 246 new leads & 319 repeat leads

FUTURE NEW BUSINESS GENERATED IN 2016 AND 2017 YTD*

To date, the RCVB sales team has booked **26 new conventions and events** into the Mayo Civic Center that will attract **27,000 new visitors** to Rochester. These new visitors to our city will **spend an estimated \$14M in the next 28 months**.

The sales team has also generated **72 additional new leads** that are considering holding their convention or event in Rochester at the Mayo Civic Center in the next three years (2018 – 2020). These new opportunities represent the potential for **\$37M in new visitor spending**.

Based on these results, new visitor spending generated by the recent investment in new convention facilities is estimated to be:

- **2018:** \$15.5M in new visitor spending
- **2019:** \$17.2M in new visitor spending

*New (rather than repeat) business, attributable in part or full to new convention center venues

SETTING OPTIMAL RATES AT MAYO CIVIC CENTER

An innovative new **revenue management tool** introduced in 2016 is simplifying and standardizing the often-complicated rate-setting process used by the sales managers who book the Mayo Civic Center's many

venues. Developed by HVS Consulting, the automated tool was designed to ensure that sales managers are proposing **optimal, consistent facility rental rates to clients**.

The "revenue and impact maximization model" uses a formula that combines historical information about Mayo Civic Center bookings with current information about events on the calendar. This is used to **calculate the probability of booking another event on those dates**. The tool provides a **guide for pricing** and is being used to calculate facility rental rates, as **new opportunities to host more and bigger events** are cropping up regularly.

NEW 2018 BOOKINGS

Here are a few examples of new bookings for upcoming conferences, meetings, and events at the Mayo Civic Center:

2018 Botanical Society of America Annual Conference

1,200 attendees

Estimated economic impact: \$1,302,094

2018 American Society of Biomechanics Annual Conference

900 attendees

Estimated economic impact: \$740,381

CONTINUED ►

NEW 2018 BOOKINGS

(continued)

2018 Minnesota Veterinary Medical Association Annual Conference

700 attendees

Estimated economic impact: \$545,039

2018 World Congress of Bronchology

675 attendees

Estimated economic impact: \$997,435

2018 American Spinal Injury Association Annual Scientific Meeting

400 attendees

Estimated economic impact: \$652,346

2018 RADIX Dance Convention and Competition

1,300 attendees

Estimated economic impact: \$665,850

CUSTOMER ADVISORY BOARD

In June 2016, the RCVB and Mayo Civic Center brought together 12 **meeting planners** and executives from national, regional, and local client organizations for a two-day Customer Advisory Board session.

The mission was to **gain knowledge about customers' perceptions, wants and needs** that can be utilized and transformed into innovative, effective strategies for convention sales, destination-planning, and marketing. The RCVB and MCC plan to make the Customer Advisory Board an annual event and will hold the next session in fall of 2017.

REACHING OUT TO CUSTOMERS: TRADE SHOWS & SALES MISSIONS

The RCVB maintains a presence at convention and meeting industry sales and trade shows to promote Rochester as a meeting and convention locale and connect with meeting planners.

Sales staff attended **12 trade shows** in 2016, producing **190 new prospects**.

Trade shows included:

- Destination Showcase
- Christian Meetings & Conventions Association

- American Society of Association Executives (Springtime)
- American Society of Association Executives (Annual Convention)
- Healthcare Convention & Exhibitors Association
- Meetings Quest
- Connect Marketplace
- Collaborate Marketplace
- Small Market Meetings Conference
- Rejuvenate Marketplace
- IMEX America

In addition, the RCVB sales staff completed sales missions in Washington, D.C., Chicago, and New York City.

CLIENT APPRECIATION EVENT

Many convention and meeting planners who are current clients of the RCVB attended the 2016 annual client event, a St. Paul Saints game in July. An annual client appreciation event is part of the RCVB's business retention efforts, with a goal of **rebooking 20 events**.

CONVENTION SERVICES

Incoming events, conventions, meetings, and trade shows require many services and the needs of each group are unique. The RCVB is committed to providing **efficient services** along with unbeatable hospitality. With a team approach the RCVB has created thorough offerings to meet the needs of this vital client base, saving planners both time and money by offering the following services:

- Online custom attendee registration with custom reporting monitored by the service manager
- Event websites
- Lodging assistance
- Site selection
- Event pre-promotion
- Hosted pre-convention and post-convention meetings and site tours
- Event consultation
- Visitor information staff for registration tables
- Informational printouts
- Complimentary convention bags
- Welcome and directional signage
- Assistance with tours



WHY ARE CONVENTIONS AND MEETINGS IMPORTANT?

Convention attendees tend to **stay longer and spend more** than leisure visitors—making convention business an essential part of Rochester's core economy.

Hosting conventions and meetings not only helps sustain the city's hospitality industry and private event venues, but also **benefits Rochester's public venues**, like high school gyms, that are rented for events.

For Rochester residents who want new restaurants and entertainment options available in their city, the growing number of visitors in town for conventions or meetings is a positive development. Rochester's level of **amenities is made possible by visitors** and could not be supported by Rochester's population base alone.



Jay Gunnarson & Matt Esau at IMEX America 2016.

MARKETING EFFORTS

Marketing's primary role is to **create demand** as a convention and visitor destination, both by helping to generate leads for sales staff as well as inspiring travel to Rochester by continually raising the overall image and appeal of the destination by executing a brand strategy.

Communication's primary role is to **develop and manage positioning strategies** that support the RCVB marketing programs, generate and manage media coverage opportunities, enhance the awareness of Rochester as a convention and visitor destination, and foster positive relationships with our partners and stakeholders.

MAYO CIVIC CENTER MARKETING PLAN

With a shared commitment to attracting events to Rochester, the **RCVB and Mayo Civic Center collaborate** on a comprehensive marketing plan. An array of marketing tactics were deployed in 2016 in an effort to generate leads for new and repeat business, increase revenue, and create awareness of the convention center expansion. Marketing tactics and materials

deployed for Mayo Civic Center in 2016 include:

- **Video testimonials from clients** that showcase their positive experiences hosting a convention, a consumer show, and a social event at Mayo Civic Center.
- Printed and digital service collateral materials intended to be used by **potential clients interested in holding a social event or convention** at the center.
- Search Engine Optimization activities intended to **generate awareness and leads**. The efforts involved creation of a blog and custom website content created with key words and phrases that drive more traffic to the MCC website.
- Several **lead generation initiatives** undertaken to drive sales. Lead generation activities included:
 - A comprehensive Integrated Marketing Media email campaign including 3 e-postcards **with personal prospecting** packages.
 - Event marketing campaign that created an **enhanced presence** for MCC using a venue profile, banner advertising, e-newsletter sponsorship, and SpeedRFP capabilities.

- Acquisition of a **prospecting list of show contacts** from Trade Show News Network, as well as TSSN **e-blasts promoting Rochester and MCC as a destination** for trade shows and expos.

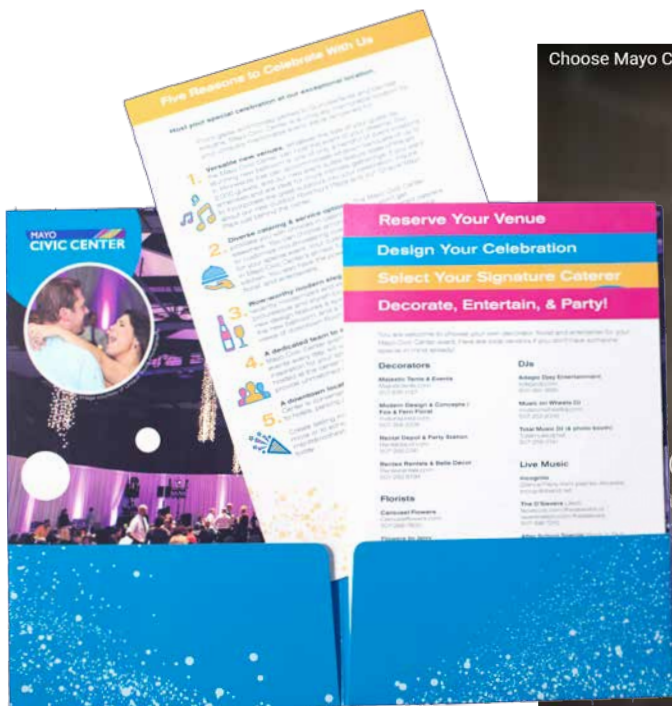
As a result of Mayo Civic Center marketing plan efforts, the following results were achieved:

- 431 prospects
- 67 leads
- Nearly 5 million media and digital advertising impressions

RE-BRANDING INITIATIVE

A project to **jointly brand the overall destination, the RCVB, the Mayo Civic Center, and the Rochester Amateur Sport Commission** was launched in late 2016. Branding agency Fuseideas was selected to execute the initiative. The decision to jointly brand was reached because the three organizations recognized the benefits of a unified approach that

CONTINUED ►



An informational folder was designed for clients interested in hosting an event at Mayo Civic Center.



A video testimonial showcases a client's positive experience with Mayo Civic Center.

RE-BRANDING INITIATIVE (continued)

creates a consistent look, feel, and message for the destination. Fuseideas is working with a Brand Task Force comprised of board or commission members from each of the three organizations. The new brand platforms—including new creative identities, organizational names, taglines, and marketing plans for each of the three organizations—are expected to be rolled out in late 2017.

TRIPADVISOR

TripAdvisor, the world's largest travel site, offers destination marketing organizations the opportunity to sponsor their tourism page to market their city to consumers who are only on TripAdvisor for one reason: travel. The RCVB holds an annual paid subscription to TripAdvisor, and through this subscription can direct content, including photos, videos, event listings, special offers, and display advertising, to U.S. IP addresses that are searching for travel within Minnesota.

45,451 TripAdvisor page views of Rochester's sponsored content.

14,716 Impressions of Rochester's digital ads on TripAdvisor, with a **.14%** click-through rate.

PUBLICATIONS

Experience Rochester Annual distribution: **70,500**. This visitor guide provides information on dining, shopping, arts/culture, history, general recreation, and transportation. The RCVB also published an online version of the magazine that may be used for business communications and website links. There were 4,188 online views of Experience Rochester, with viewers spending an average of 2 minutes 35 seconds reviewing the guide.

Lodging Guide Annual distribution: 4,000 by the RCVB. 120,000 by Mayo Clinic. Guide produced quarterly on behalf of Mayo Clinic to be sent with patient appointment guides.

Maps 120,000 large format tear-off maps are produced in pads of 250 and distributed to popular visitor destinations and businesses such as hotels. The maps are a tool used by hospitality industry employees when assisting guests with wayfinding.

DESTINATION TRAVEL NETWORK

The RCVB offers **online advertising on its website**. VisitRochesterMN.com welcomes **275,000 users annually** and offers online hotel reservations, the city's most-inclusive event calendar, and a comprehensive list of dining, shopping, and retail.

The advertising options allow businesses to increase their immediate visibility by purchasing banner ads, premium listings, mobile banner ads, and text link features. The advertising program is offered through Destination Travel Network, an organization that partners closely with the RCVB's website administrator. Built on a revenue sharing model, the RCVB receives 40 percent of the profit from the advertising program, and uses those funds to **reinvest in the website** for improvements as well as search engine marketing.

2016 ADVERTISING PERFORMANCE ON RCVB WEBSITE



3,827,859

Total advertiser impressions

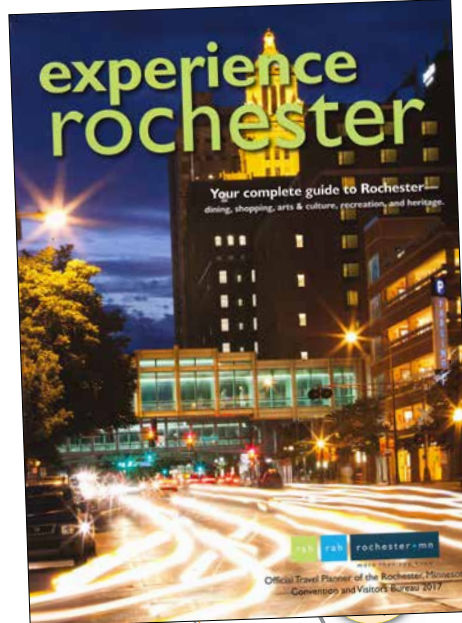
36,092

Total clicks

0.94%

Total click through rate*

*national click through rate for destination marketing industry is 0.1%



SOCIAL MEDIA FANS & FOLLOWERS

Year	Facebook Fans	Twitter Followers	Instagram Followers	Pinterest Followers
December '14	12,247	3,320	272	0
December '15	13,289	4,382	710	288
December '16	14,214	5,293	1,310	316

The RCVB also had 138 subscribers to its YouTube channel in 2016. The primary objective of social media efforts is to generate awareness for the destination through increasing referral traffic to the website. Facebook **referrals were up 70%** and Twitter **referrals increased 49%** in comparison to 2015.

MEDIA COVERAGE

The RCVB's efforts to promote Rochester as a leisure travel destination and the upper Midwest's premier location for a convention or meeting resulted in positive media coverage in 2016. We earned **7,803,503 media impressions** in 2016.

One successful media outreach initiative in 2016 that resulted in **widespread coverage of Rochester** was the promotion of our city's annual outdoor ice bar, **SocialICE**. Our efforts resulted in WCCO's Jason DeRusha interviewing Jenna Bowman of the Rochester Downtown Alliance and Steve Finnie of Grand Rounds for a **live, three-minute segment on WCCO's mid-morning show**.

The RCVB also had the privilege of introducing Rochester to **18 national travel bloggers** in May, 2016. In partnership with Explore Minnesota Tourism, the **RCVB hosted a Rochester familiarization tour** in May for a group of travel bloggers from all over around North America who were in Minnesota for the annual **TBEX travel bloggers' convention**.

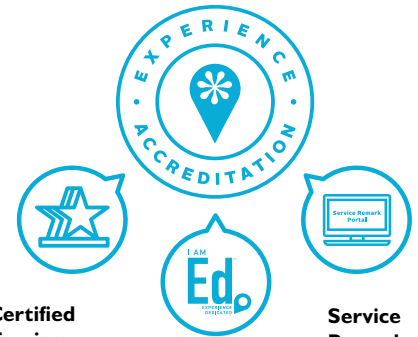
VISITOR EXPERIENCE

Visitor Experience plays a key role in the RCVB offerings by:

- Assisting visitors with free information on food/lodging, arts/culture, tours, recreation, and more.
- Serving conventions in the city by providing information, brochures, and staffing.
- Providing and updating a calendar of events on the RCVB website.
- Boosting the local economy by directing visitors to local businesses.
- Seasonal staffing at the Visitor Information Center in the Peace Plaza.
- Administering tools to measure the overall Rochester experience.

HOSPITALITY INDUSTRY ACCREDITATION PROGRAM

The RCVB partners with Destination Medical Center and Mayo Clinic on a major effort to enhance visitor experiences. The Experience Accreditation program is a first-of-its-kind hospitality initiative in the state of Minnesota. Businesses awarded accreditation have met standards developed by leaders from local hospitality businesses and organizations, related to customer service, staff development and guest satisfaction.



Certified Tourism Ambassador Program
trains people how to provide exceptional customer service

Experience Dedicated Destination
measures visitor experience

Service Remark Portal
collects positive & negative feedback

MYROCHESTEREXPERIENCE.COM SURVEY & RESULTS

The MyRochesterExperience.com visitor survey was a valuable tool for the RCVB and local hospitality industry businesses in 2016. Three major findings of an analysis of the second-year results of the data revealed:

- Visitors give high marks to Rochester's **safety, cleanliness, and friendliness**
- Visitors identify "ease of getting around" as a challenge.
- An area of improvement over last year's results was a rise in visitors responding that they were "being made aware of new experiences" and a rise in visitors' ratings of "things to do/attractions experience."

The visitor survey was completed by **2,420 visitors**, 57 percent of whom lived 180 miles or more from Rochester, between April, 2016 and March, 2017. The survey, which takes one minute to complete, randomly selects five questions from a pool of 110 questions for each survey respondent. The survey measures visitors' satisfaction with all aspects of their experiences in Rochester. Feedback received from the MyRochesterExperience.com survey helps the RCVB prioritize initiatives and allocate resources to improve visitor experiences.

To request the full 21-page report on results from the MyRochesterExperience.com survey's second year, email info@rochesterrcvb.org.



CERTIFIED TOURISM AMBASSADOR PROGRAM

More than 1,500 individuals in Rochester have been trained as Certified Tourism Ambassadors (CTAs), with 241 completing the program in 2016. The CTA program, a nationwide certification program for volunteers, and anyone involved in serving visitors, was launched in Rochester in March, 2011. Accredited and licensed through the Tourism Ambassador Institute™, the CTA™ program goes well beyond basic customer-service training. It is a lasting program that will mobilize Rochester's front-line toward the goal of turning every visitor encounter into a positive experience.

In 2016:

- To show appreciation for the 108 dedicated individuals who have been CTAs since the program began in 2011, the RCVB hosted a Five-Year CTA Celebration at the Dan Abraham Healthy Living Center in November.
- To expose CTAs to the wonderful activities and things to do in Rochester so that they can recommend these activities to visitors, the RCVB hosted CTA events at Roca Climbing & Fitness and the Escape Challenge, as well as coordinating a Jolley Trolley Holiday Lights Tour.

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A Rochester Certified Tourism Ambassador is trained to enhance the visitor experience.



Hospitality industry businesses that have earned Experience Accreditation status are committed to top-quality customer service.



ROCHESTER RANKINGS & RECOGNITIONS 2016



"Top 100 Best Places to Live"

-Livability.com



"The 25 Healthiest Cities in America"

-24/7 Wall St



"The Best City for Women in the Workforce."

-NerdWallet

KIOSKS KEY TO WAY-FINDING AND VISITOR COMMUNICATION

Five self-service interactive touchscreen kiosks managed by the RCVB continue to be valuable to visitors and patients who use them for way-finding purposes and to get area information about things to do and places to go. The five kiosks are located at the DoubleTree Hotel, Marriott Hotel subway, Shops at University Square, U.S. Bank skyway, and Rochester International Airport.



38,035

total kiosk clicks in 2016
Marriott Subway & University Square—most-clicked kiosks

Most-searched categories:



1. Dining



2. Things-To-Do



3. Downtown Map

CERTIFIED TOURISM AMBASSADOR PROGRAM (continued)

- The RCVB's brochure, "Become a Rochester Certified Tourism Ambassador," was updated. Businesses are encouraged to distribute this brochure to employees who may be interested in becoming CTAs. Please email info@rochestercvb.org for copies.

Become a CTA by signing up online at www.CTANetwork.com! Classroom and tour sections are offered every month.

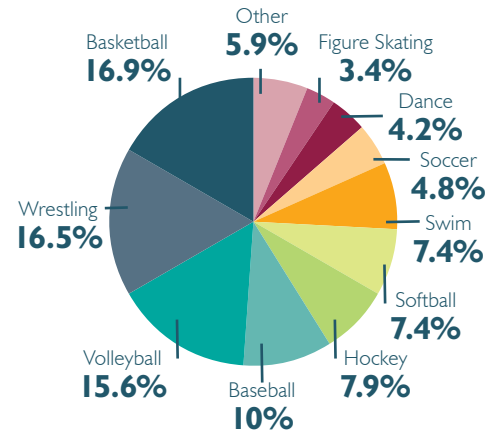
ROCHESTER COMMUNITY HOSTS

The Rochester Community Hosts program places volunteer hosts in the pedestrian subways and skyways Mondays through Fridays. The hosts wear bright green vests with the Rochester Community Host logo, so they are easily recognized. They answer questions, provide directional assistance, and inform and encourage visitors to get out and experience Rochester. The RCVB created an informational brochure, "Become a Rochester Community Host," in 2016. For copies, please email info@rochestercvb.org.





2016 Hotel Usage by Sports Attendees Based on 32,677 Rooms Reported



ROCHESTER AMATEUR SPORTS COMMISSION

The Rochester Amateur Sports Commission (RASC) has been **administering events in Rochester since 1991**. They provide leadership, guidance, and expertise in attracting and administering amateur sporting events for the Rochester, MN area. The RASC is a **nationally recognized premier sports organization**—with citations of excellence from the National Association of Sports Commissions in the areas of website, locally created events, and marketing/advertising.



SPORTS DRIVE ROCHESTER'S ECONOMY

The RASC attracts and administers everything from traditional sporting events like basketball, soccer, and volleyball, to non-traditional sporting events like baton twirling, tug-of-war, and table tennis. The sports events that RASC helps attract are a **boon to local businesses**.

Here are examples of the estimated economic impact of some upcoming sports events:

2017 RCYBA Girls' & Boys' Basketball Tournaments

- 600+ teams over two consecutive weekends
- 13,000 visitors
- 4,300 hotel room nights
- \$4M estimated economic impact

2017 National Junior College Championships

- 3 events: men's basketball, women's softball, women's volleyball
- 1,000 visitors
- \$500,000 estimated economic impact
- Three National Champion teams crowned

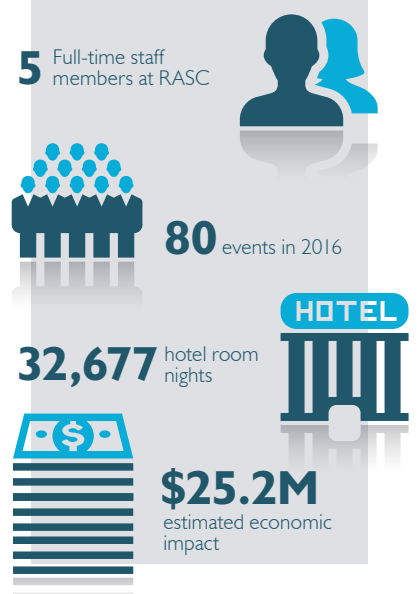
2018 Just for Kix Dance Competition

- Two separate event weekends
- 7,500 visitors
- 2,100 hotel room nights
- \$1M estimated economic impact

2018 Clash National Wrestling Duals

- 32 of the nation's top high school teams
- 2,000 visitors
- \$1M estimated economic impact
- One of the toughest tournaments in the country

RASC BY THE NUMBERS



DESTINATION DEVELOPMENT

INTRODUCING: A BIGGER, BETTER MAYO CIVIC CENTER

Mayo Civic Center, a key partner of the RCVB, experienced a whirlwind of activity and progress in 2016 and early 2017, culminating in a **Grand Opening event** to celebrate the center's new convention venues on May 4, 2017.

With the expansion project completed after more than two years of construction, the Center can now accommodate **two 1,000-attendee events** simultaneously and features **Minnesota's largest ballroom**, with seating capacity of 3,600 theatre-style or 1,700 banquet-style. In addition, the center features stunning pre-function areas with views of the Zumbro River and downtown Rochester, **23 breakout rooms, a brand-new banquet production kitchen, and the Riverfront Plaza**, an outdoor reception venue.

In total, the Mayo Civic Center now offers more than **200,000 square feet** of flexible meeting and exhibit space, ideal for many different industries and events, such as **medical and technical conferences**, large business meetings, and healthcare summits. With more than **\$7 million invested in state-of-the-art audio/visual technology**, the center's venues are all designed to accommodate the sophisticated production, AV, and wireless service requirements of today's meeting planners.

Hosting larger events acts as a catalyst for attendees to spend dollars in the community—staying in hotels, eating in restaurants, and shopping in local stores.

DESTINATION DEVELOPMENT PRIORITIES

The Rochester Convention & Visitors Bureau will formulate, recommend, and support destination development strategies to ensure Rochester continues to **gain tourism market share**. Destination development strategies are designed to generate overnight visitors, increase visitor spending, and drive exposure to new markets for medical visitors, meetings and conventions visitors, sports visitors, and leisure markets, thereby providing economic impact to the City of Rochester, Mayo Civic Center, and hospitality industry businesses.

The RCVB's 2018 Destination Development priorities include:

- Support the Destination Medical Center development plan
- Further investigate a Mayo Civic Center Arena redevelopment plan
- Move forward with a Graham Park redevelopment plan
- Address downtown group room block gaps



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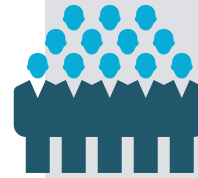
MCC BY THE NUMBERS



\$3.4M
2016 revenue



\$38M
estimated economic impact generated



257 events
289,113 attendees at MCC events



34,726
hotel room nights associated with MCC events



17,000
jobs supported by MCC activities

DESTINATION DEVELOPMENT PRIORITIES (continued)

- Plan for the continued growth of air service at Rochester International Airport
- Redevelop the Rochester riverfront
- Develop additional visitor attractions, entertainment, and things to do
- Develop and redevelop the city's sports tournament venues
- Address growing transportation and parking needs for visitors
- Support plans to develop Rochester's hospitality industry workforce needs
- Strengthen our destination brand by expanding efforts & new product offerings in medical, health, & wellness tourism

ROCHESTER INTERNATIONAL AIRPORT

A major component of Rochester's continued growth as a visitor destination is **expansion and diversity of air service** offered at the Rochester International Airport (RST). RST plays a key role in the economic development of Rochester and Southeastern Minnesota. Currently, RST offers **13 daily flights** (to Atlanta, Chicago, and Minneapolis) on three major airlines: Delta Air Lines, American Airlines and United Airlines. RST officials continue to push for increased flights and are working to gain service to a major western hub such as Dallas or Denver. Airport officials provide regular updates to the RCVB Board comparing year-to-date data on measurements such as number of total monthly passengers and percentage of occupied seats on flights.

HOTELS

Rochester added one new hotel in 2016, the **Mainstay Suites/Sleep Inn**, located in the northwest part of the city and featuring **81 rooms**. Hotels currently under construction include:

- A full-service Hilton Hotel with 274 rooms located downtown.
- A Candlewood Suites with 98 rooms, which is replacing the former Clarion Inn on South Broadway.
- A new Home2Suites by Hilton with 94 rooms located just across the Zumbro River from Apache Mall.





DESTINATION MEDICAL CENTER

Destination Medical Center (DMC) is the **largest public-private economic initiative in Minnesota** and the catalyst for growth in Rochester. DMC is creating and positioning Rochester as a **global destination for health and wellness**. The RCVB is an important stakeholder and supporter of the current priorities of the DMC Development Plan, including creation of "Heart of the City," a downtown district **"where healthcare meets hospitality,"** as well as the development of a new multi-modal approach to transportation that **improves travel** for residents and visitors into the future.

Many of the significant **Visitor Experience initiatives** the RCVB is leading involve **strong collaboration with DMC**, including: the Experience Accreditation hospitality-industry accreditation program, the MyRochesterExperience.com visitor survey, the Certified Tourism Ambassador program, and Rochester Now, a tool under development that will help visitors discover valuable information based on their time and location, and that will guide visitors' decisions and facilitate exceptional experiences in our evolving destination.

KEY PARTNERSHIPS

BRAND USA

In late 2106, the Rochester CVB became a partner to Brand USA, a nonprofit corporation organized as a result of the Travel Promotion Act. Brand USA is dedicated to marketing the **United States as a premier travel destination** and works to incrementally grow international visitation to the U.S., increasing **America's share of the global travel market**. As part of the partnership, Brand USA will promote Rochester, MN on VisitTheUSA.com through an enhanced city page that allows us to feature images, video, event listings, and trip ideas translated into French, Spanish, Portuguese, German, Korean, and Japanese.

EXPLORE MINNESOTA TOURISM

The RCVB works in partnership with the State of Minnesota marketing arm, Explore Minnesota Tourism (EMT), to **promote tourism within the state and the region**. RCVB Executive Director Brad Jones serves as chairman of the Tourism Council Public Policy Committee. The Rochester Area Sports Commission participates in the Minnesota Sports initiative, and the RCVB sales staff is active with the Meet in MN partnership. In 2016, the RCVB partnered with EMT to purchase BrandUSA's "RoadTrip USA" video exposure to promote our state to emerging international markets. The RCVB also worked with EMT to promote SocialICE and to host a day-long tour of Rochester for a group of 18 travel bloggers

who were in Minnesota for the annual TBEX convention.

Explore Minnesota Tourism also launched a new Events Grants program that is designed to generate economic impact and increase media awareness of the state as an event destination by securing new major events in communities throughout the state. The Rochester Amateur Sports Commission applied for and received events grants to attract and operate the National Junior College Athletic Association's Division III men's basketball championship tournament in 2017 and the NCAA Division III women's basketball championship tournament in 2018. Moving forward, the RCVB and RASC are pursuing other grant opportunities through this EMT program.

HOSPITALITY FIRST

A joint committee of the Rochester Chamber of Commerce and the RCVB, Hospitality First consists of hospitality industry leaders throughout the Rochester area whose goal is to increase awareness of the economic impact of the industry, provide education for current and future industry professionals, and advocate for initiatives that support the industry. The RCVB provides staff leadership for Hospitality First.

ARTS/CULTURE

The RCVB offers free office and meeting space and staff resources to the **Greater Rochester Arts and Cultural Trust** and **Rochesterfest**. Brad Jones, RCVB executive director, serves as chair of the Arts and Cultural Trust. The goals of these organizations are to celebrate Rochester, and to promote and advocate for the arts and humanities.

LENDING LOCAL SUPPORT

The RCVB supports local events that foster a vibrant, dynamic environment in Rochester. The RCVB lends a hand through sponsorship, in-kind support, marketing, and volunteerism to increase the number and quality of activities available to visitors during their stay and to promote the vitality of the city.

INDUSTRY INVOLVEMENT

RCVB & RASC staff hold leadership roles or are members of more than 20 national and local industry-related associations, groups, councils, commissions, and boards.

ROCHESTER DOWNTOWN ALLIANCE

A vibrant downtown is imperative to creating destination appeal. The RCVB works closely with the Rochester Downtown Alliance to promote the businesses and events that take place near the city center.



ECONOMIC IMPACT

U.S.

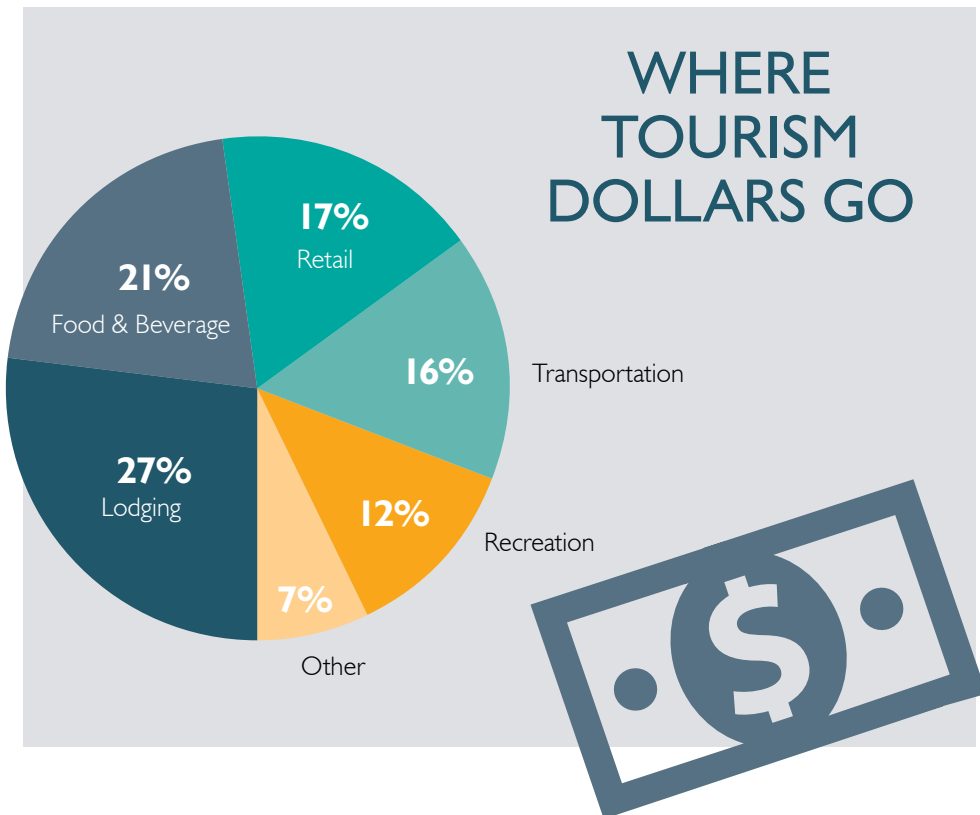
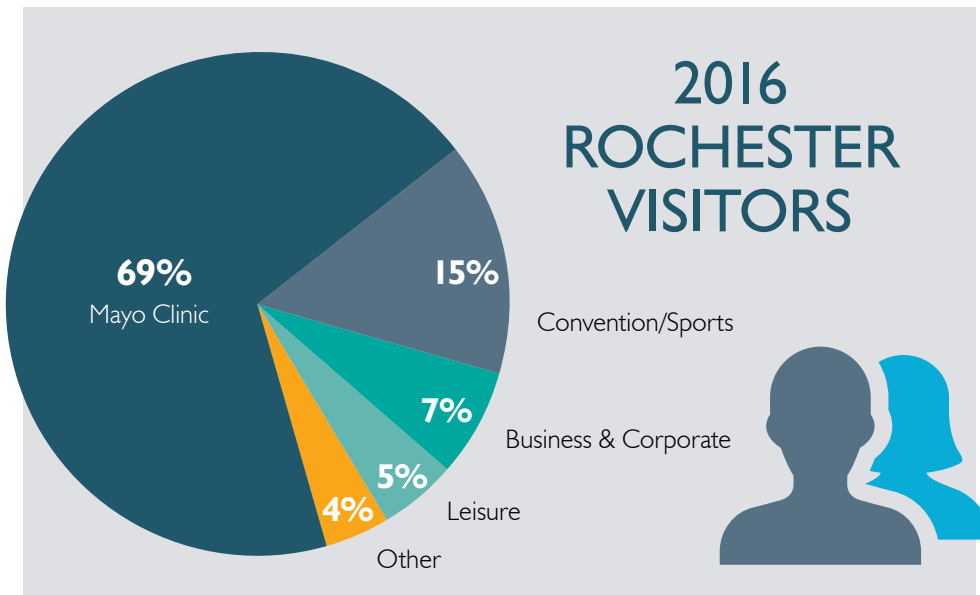
1 of 9 jobs depends on tourism
15.3M jobs supported by the travel industry
\$990.3B direct travel expenditures
\$2.3T economic output generated by travelers
\$248.9B wages of workers employed by hospitality industry
 Source: ustravel.org

MINNESOTA

260K full- and part-time jobs
\$14.4B gross tourism sales
3.5M Minnesota trips
\$5.1B wages of workers employed by hospitality industry
 Source: ExploreMinnesota.com

ROCHESTER, MINN.

2nd largest industry is travel/hospitality/tourism
14,400 full-time hospitality/tourism jobs
3M annual overnight visitors
\$478M visitor spending
\$1.3B overall economic impact of visitors
\$108.06 average daily rate of hotel rooms

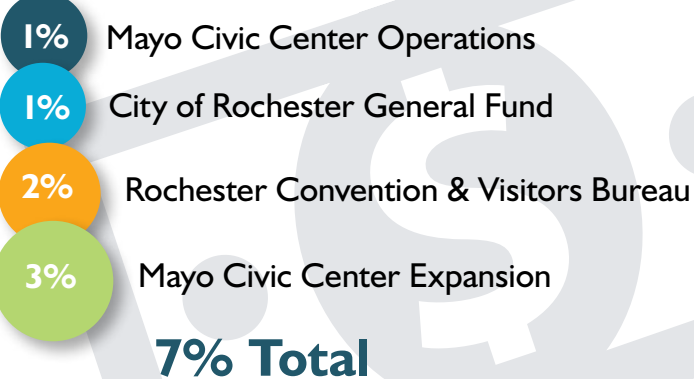


FUNDING

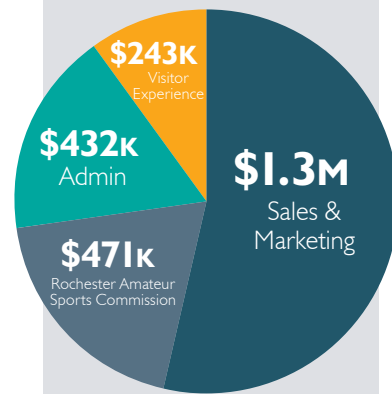
The RCVB is a not-for-profit organization that brings together local businesses that rely on tourism and hospitality for revenue. Begun as a committee of the Rochester Area Chamber of Commerce, the RCVB became its own entity in 1989. **Funding for the RCVB is generated through a lodging tax collected from visitors** to the city. The current lodging tax is 7%, 2% of which funds 100% of the RCVB efforts and operations. No local taxes or property taxes are used.

LODGING TAX REVENUE

Funding for convention and visitors bureaus, including the RCVB, comes from a local lodging tax that is collected from visitors staying in local hotels. Below is an illustration detailing how the Rochester lodging tax is distributed.



2017 RCVB BUDGET



Total
\$2,480,000



DID YOU KNOW?

The hospitality industry saves taxpayers money. Each household in Rochester would pay more than **\$1,600** in additional tax dollars annually without the tax revenue generated by visitors.

RCVB & RASC TEAMS EXECUTIVE/ADMINISTRATION

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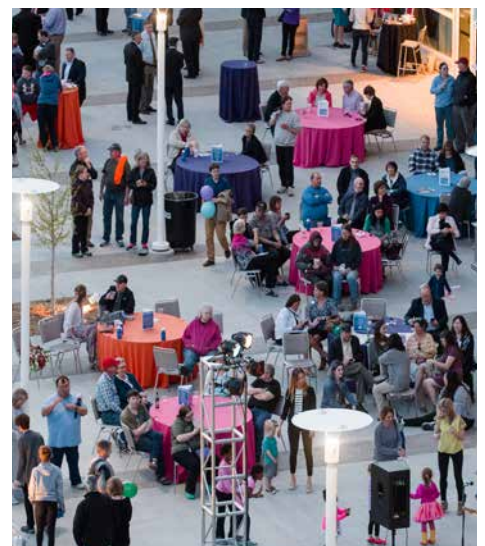
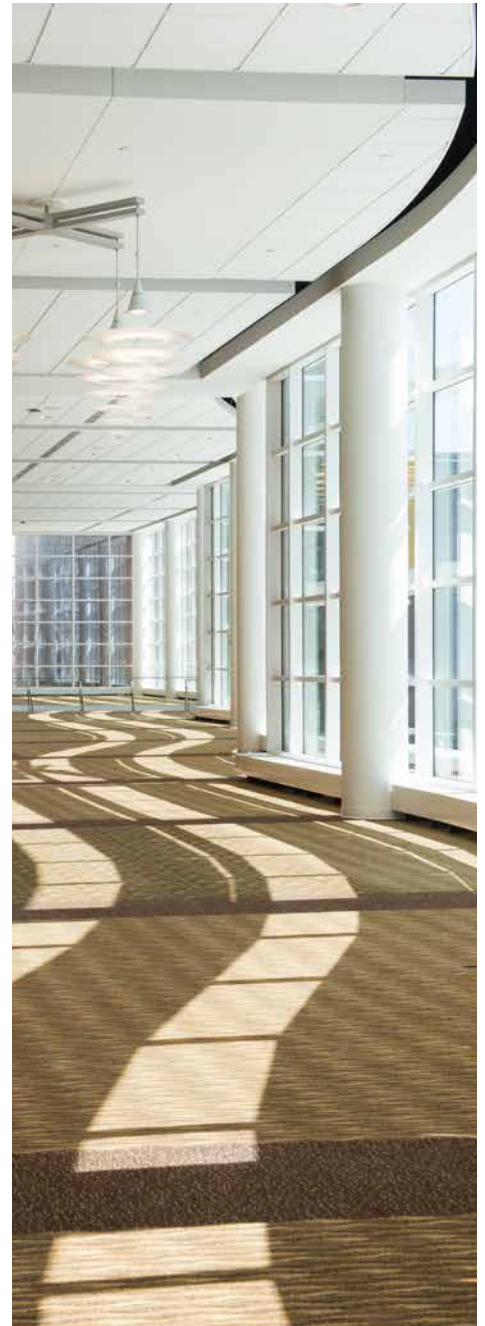
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SUPPORT ROCHESTER!

If you work with a business, organization, or event that you wish to bring to Rochester, please let us know. Community members can serve as wonderful ambassadors for the city, helping us build positive relationships and encouraging more people to get to know our great city. Rochester is well-equipped to host local, regional, and national events, and it would be our honor and pleasure to welcome your group to our city. We appreciate your support!

Contact: Matt Esau, Director of Mayo
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rah rah rochester*mn
more than you know



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