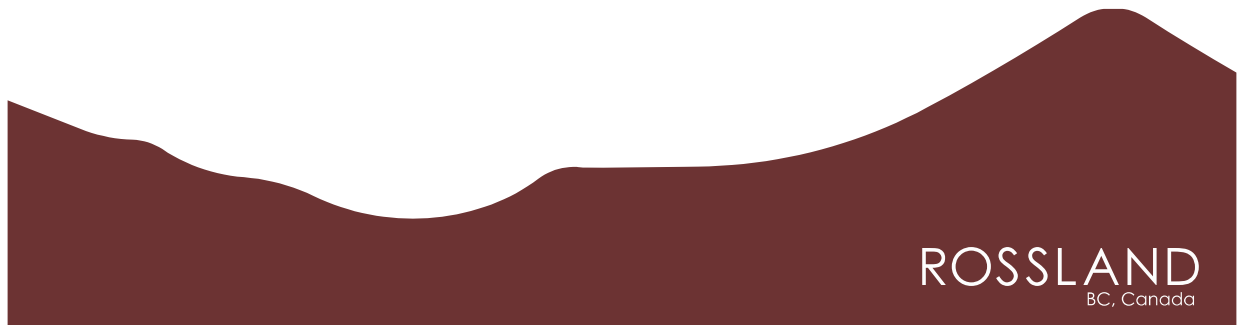




photo: Ryan Flett

# TOURISM ROSSLAND ANNUAL REPORT 2019/2020



ROSSLAND  
BC, Canada

# TABLE OF CONTENTS

## Contents

Strategic Highlights .....	1
Tourism Indicators .....	2
Financial Highlights .....	4
Marketing Project Highlights .....	8
South Kootenay Project .....	12
Looking Ahead .....	13
About Us .....	15



# STRATEGIC HIGHLIGHTS

## Strategic Highlights

The past year has presented many opportunities, new partnerships and some unique challenges for the organization as we continued to work in a collaborative and strategic manner with our stakeholders.

Some of the highlights from this year include:

- Our organization turned 13 years old. We continued to grow steadily and continued building excellent relationships with our local, regional and provincial stakeholders over these years.
- While the COVID-19 pandemic tax deferrals made our total reported accommodation revenue lower than it actually was, it was still more than \$5 million. Our non-peak season accommodation revenue was the highest in our organization's history (\$2.7 million).
- The February and March tax deferrals significantly impacted our Municipal and Regional District Tax (MRDT) was \$127,000, a decrease of 27% from the previous fiscal year.
- Our marketing spending increased significantly to \$226,000.
- We continued working with local and regional stakeholders in a collaborative way and leveraged more than \$83,000 through co-op marketing programs.
- We started working on the South Kootenay marketing project. This enabled our organization to hire Kylie Lakevold as a full-time marketing coordinator. The main program areas we worked on were asset development, branding and the establishment of consumer facing social media channels.
- We continued to leverage our photo and video assets on social media. Our increased focus on digital marketing has helped us to significantly expand our digital reach. While our audience size has increased, it is also important to note that we have engaged and passionate followers which helped our growth.
- We started the development of a new strategic plan for the organization based on dialogue and input from industry partners, government agencies, local and regional organizations and individuals who are passionate about Rossland and our region.

## Tourism Indicators

The tourism industry had a strong 2019/2020 fiscal year based on accommodation revenue. The COVID-19 pandemic did not have significant impact on our visitation until the middle of March, 2020 when RED Resort had to close early. However, our accommodators had the option to defer their February and March MRDT. Therefore, our reported accommodation revenue for February was down by 42% and March was down by 94% compared to 2019. Even considering these reporting discrepancies and the late season COVID-19 disruption, our reported accommodation revenue was \$5.1 million. This includes \$626,000 collected through online accommodation platforms. The total revenue was the second highest in the history of our community, although significantly lower (-22%) than the 2018/2019 fiscal year.



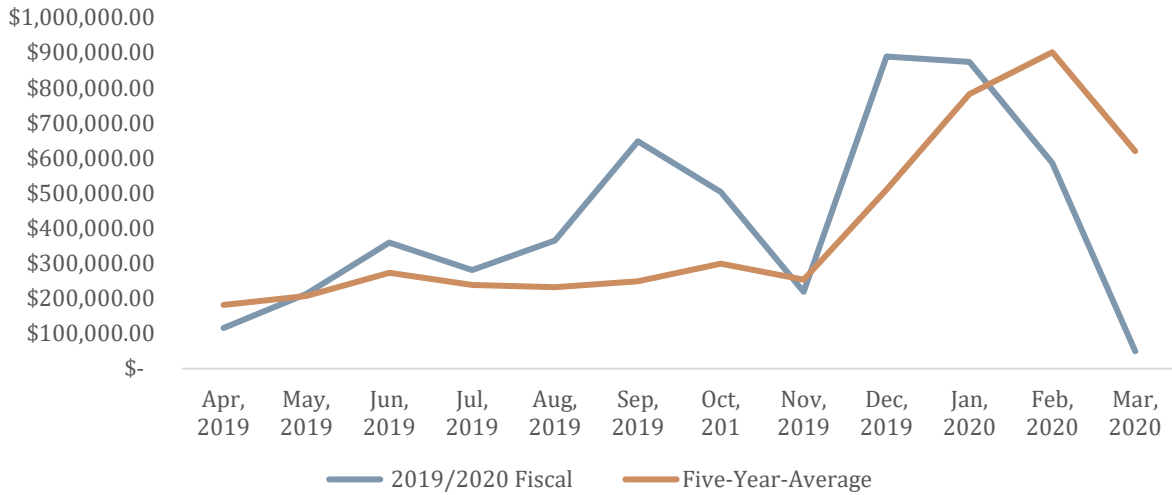
Looking at our non-peak season (April to November) accommodation revenues, we had a 3.4% growth. Total revenue including online accommodation platforms was \$2.7 million. This growth is attributed to the opening of The Josie Hotel and Nowhere Special Hostel, increased investment in non-peak season marketing, continued product development and favorable weather. It is important to note that we had a record October in 2018 due to numerous shut-downs and increased business travel revenues.

Given that accommodators had the opportunity to defer remitting tax revenues (including MRDT) and how COVID-19 disrupted travel, we will see significant revenue decrease in the 2020/2021 fiscal year. While there is a hope of a vaccine to counter the COVID-19 virus, there is also fear of second and third waves of the pandemic. Therefore, it is crucial for our organization and the tourism industry to monitor events closely and remain nimble in our marketing response to secure opportunities as they present themselves. Resources must be relocated to promote regional and domestic travel as long as international visitation is not an option.

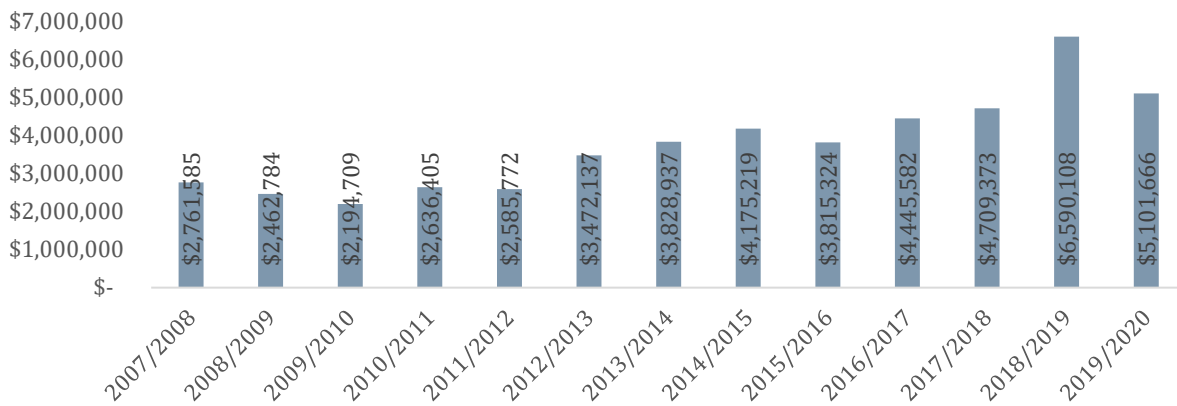
Reported data is based on the accommodation tax remitted monthly by accommodators. However, some accommodators remit on quarterly, or an annual basis. This could slightly skew the monthly reports and comparisons to historical data should be used with caution. Reporting is even more inaccurate after January, 2020 due to the current pandemic.

# TOURISM INDICATORS

## Monthly Rossland Accomodation Revenue



## Annual Rossland Hotel Accommodation Revenue



# FINANCIAL HIGHLIGHTS

## Financial Highlights

2019/2020 was a successful year from our MRDT revenue perspective. Increased hotel revenues and the introduction of Online Accommodation Provider (OAP) MRDT continued to help the financial standing of our organization. Our annual MRDT revenue was \$127,000, down by 27%. This decline is partially attributable to February and March COVID-19 remittance deferrals. Additionally, the provincial change of MRDT administrative fees with the introduction of online accommodation platforms had a significant negative impact for Tourism Rossland. Our administrative cost increased by more than \$5,000.

In our budget, we anticipated continued growth and increased our marketing spend accordingly. Tourism Rossland's marketing budget increased from \$168,000 to \$226,000 during the year (+35%). That being said, we still finished the year with healthy reserves and that reserve was crucial during the first half of the 2020/2021 fiscal year and will help us invest significantly to accelerate the recovery of our industry from COVID-19.

We secured funding to continue our regional marketing efforts to better serve our stakeholders. We partnered with the Trail and District Chamber of Commerce and received a \$100,000 grant from the Rural Dividend Fund for a two-year regional marketing project. We were able to further leverage this seed money with the Columbia Basin Trust (\$30,000) and Destination British Columbia (\$33,200). This funding allowed us to continue building regional photo and video assets, increase our marketing reach and hire Kylie Lakevold as our full-time marketing coordinator.

We continued to restructure some of our programs and services to meet our organizational goals and help our partners delivering exceptional visitor experiences. One of the largest changes was that while we will continue to administer the Resort Municipality Initiative program on the behalf of the City of Rossland, to increase transparency and accountability, the funds were held by the city in trust. This is reflected in our decreased RMI budget.

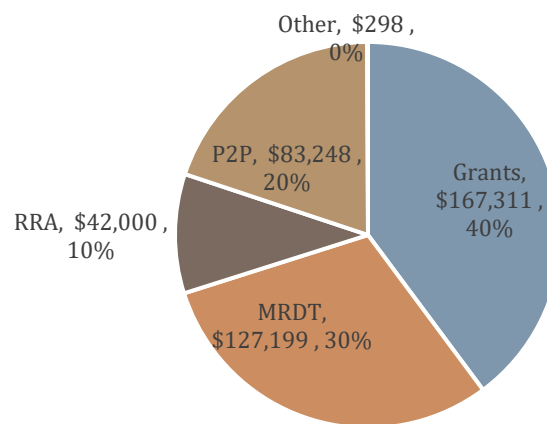
Our Red Resort Association income has remained essentially the same in 2019/2020. This stable and predictable income is essential for our organization. It gives us the opportunity to plan marketing programs ahead and give us funds to leverage with other grants and stakeholder resources.

We continued to create Pay to Play opportunities that allow our stakeholders to access new marketing channels and expand their marketing budget to reach their target audiences. This results in a wider exposure for the whole community. We try to administer the finances of these programs to show leveraged monies. However, sometimes this is not feasible. Therefore, the actual dollar value of Pay to Play opportunities are higher than reported in our financial statements.

# FINANCIAL HIGHLIGHTS

Finally, our operational and general administrative costs increased significantly during the last fiscal year from \$25,000 to \$50,000. This is due to two projects: the administrative cost associated with the Rural Dividend Fund project and our investment in creating a new strategic plan for our organization for the next five years.

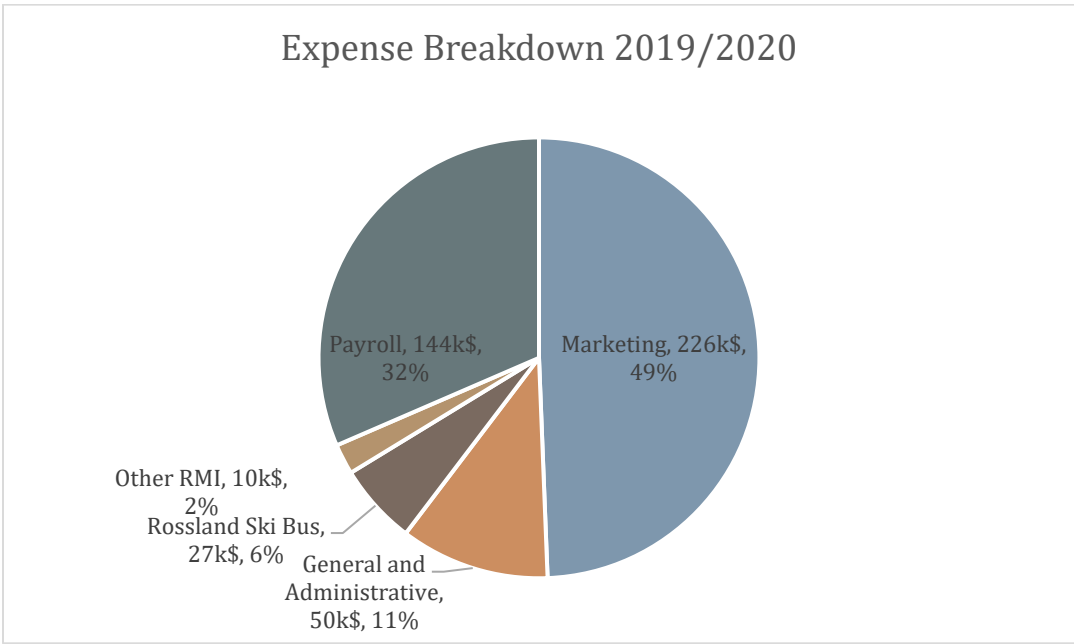
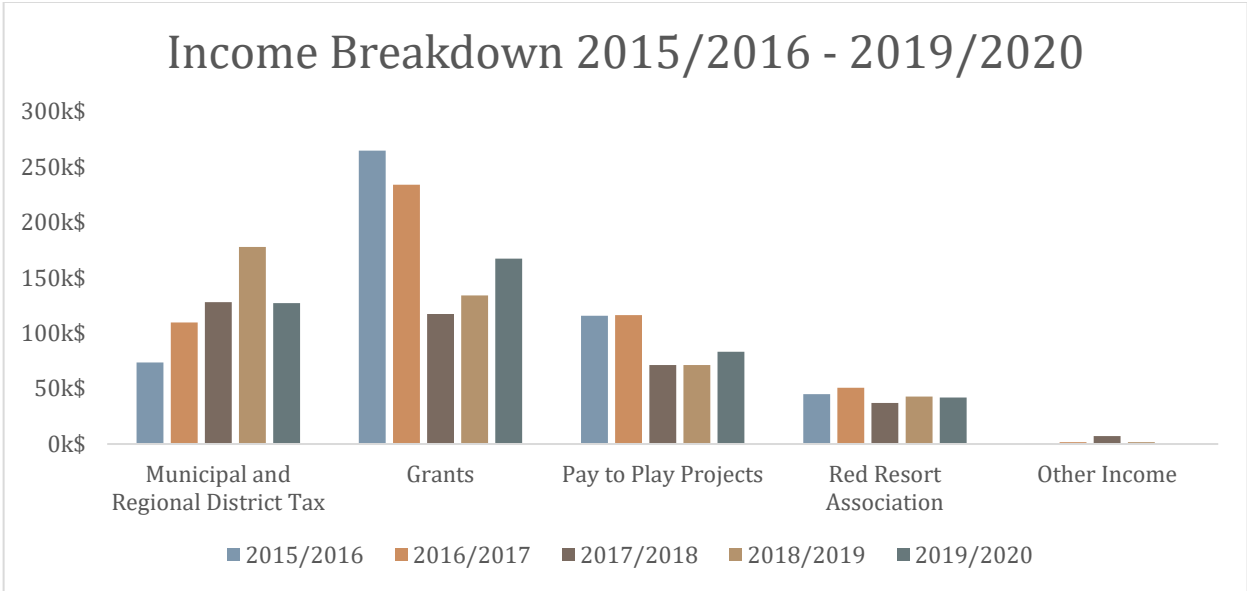
## Income Breakdown 2019/2020



## Income Breakdown Comparison: 2018/2019 - 2019/2020

	2018/2019	2019/2020	% Change
Grants	134k\$	167k\$	25%
MRDT	178k\$	127k\$	-28%
RRA	43k\$	42k\$	-2%
Pay to Play	71k\$	83k\$	17%
Other	2k\$	0k\$	-82%
<b>Total</b>	<b>428k</b>	<b>420k</b>	<b>-2%</b>

# FINANCIAL HIGHLIGHTS



We strive to keep our general and administrative costs as low as possible while increasing our marketing spend. While we kept our general and administrative costs at about 10% of our total budget, this spend includes the cost of developing our new strategic plan, administrative



# FINANCIAL HIGHLIGHTS

costs associated with the Rural Dividend Fund and our investment in community relations and outreach through our Jingle & Mingle event.

## Expense Breakdown Comparison: 2018/2019 – 2019/2020

	2018/2019	2019/2020
Marketing	168k\$ 53%	226k\$ 49%
General and Administrative	25k\$ 8%	50k\$ 11%
Rossland Ski Bus	28k\$ 9%	27k\$ 6%
Other RMI	2k\$ 1%	10k\$ 2%
Payroll	92k\$ 29%	144k\$ 31%
<b>Total</b>	<b>314k\$</b>	<b>457k\$</b>

Our marketing spending increased significantly, but remained approximately half of our total budget. Additionally, our payroll increased with the addition of Kylie Lakevold as a full-time marketing coordinator. It is important to note that Kylie brings a unique skillset to our organization that allows us to do many projects in-house (website maintenance and development, graphic design, social media management, etc.). In the past, these were additional marketing expenses. Also, the payroll cost includes Eric Gonzalez, our Canada Summer Jobs employee.



# MARKETING PROJECT HIGHLIGHTS

## Marketing Project Highlights

We strived to balance our marketing spending and try to encourage increased summer and winter visitation while exploring options for shoulder season activities. Our summer and winter marketing spending during the 2019/2020 fiscal year was 23% and 44% of our total marketing budget. The increased winter marketing spend during the last fiscal year is due to multiple pay-to-play opportunities with our stakeholders.

Our main marketing website ([www.tourismrossland.com](http://www.tourismrossland.com)) generated 121,836 page views with 47,903 unique users. 63% of our users were Canadian, followed by 28% from the United States. Mobile and desktop access were approximately equal during the 2019/2020 fiscal year. Ongoing updates, refinement and new content is essential to keep our website a must-visit for potential travelers.

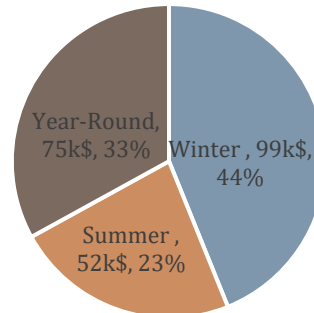


Stories From Our Snowglobe - Part 1: Wake Williams & The Yod...

38 weeks ago · 73K Views

👍❤️😱 507

### Marketing Spend by Season



#### Instagram Statistics

Total Followers	4,820 (+32%)
Total Post Likes	13,473
Total Post Comments	298

#### Facebook Statistics

Facebook Page Likes	12,326 (+25.5%)
Total Post Reach	2,632,397
Total Engagements	121,493

Our Instagram and Facebook channels are one of the most important consumer-facing marketing platforms that we currently use. The increased growth of our social media audiences (+32% for Instagram and +25.5% for Facebook) reflect our financial investment, the timeliness and relevance of our content. It is also a testament of the quality of assets that our photographer and videographers create.

# MARKETING PROJECT HIGHLIGHTS

## Marketing Expense Breakdown

Brochure Program	35k\$	15%
Co-op programs	20k\$	9%
Events	13k\$	6%
Hospitality	3k\$	1%
Photo Development	18k\$	8%
Print Advertising	25k\$	11%
Sculpture program	5k\$	2%
Snow Globe Project	6k\$	3%
Social Media/Digital Marketing	51k\$	23%
Trade Show	9k\$	4%
Video Asset Development	38k\$	17%
Website	5k\$	2%
<b>Total</b>	<b>226k\$</b>	

**Brochure Program (35k\$):** Our print collateral program cost includes the production, physical and digital distribution of all of our marketing collateral. The primary strategy to distribute our print collateral to visitor centres and other key locations is through GoBrochures.com. However, we also distribute brochures via direct mail. During the last fiscal year, we produced the 2020 Rossland Escape Guide, the Heritage Walking Tour Brochure. The cost also includes co-op cost associated with production of the Charles Bailey Booklets (part of our South Kootenay Project).

**Co-op programs (20k\$):** This program area includes all of our cooperative marketing program buy-ins: Canada West Ski Areas Association Alpine Program, Canada West Ski Areas Association Nordic Program (including Kootenay XC), Mountain Biking BC Program (including Kootenay Dirt) and Kootenay Arts.

**Events (13k\$):** We support a variety of local and regional tourism events including the Broken Goat, Canada Day, Rossland Winter Carnival, Rekindle the Spirit of Christmas and Peak Pride 2020. The cost also includes the production of our Tourism Rossland events flags.

**Hospitality (3k\$):** We continued to invest in hosting media and influencers. Many of these media trips were organized by our stakeholders (RED Mountain Resort, The Josie Hotel) or regional and provincial partners (Kootenay Rockies Tourism and Destination BC).

**Photo Development (18k\$):** We continued to strategically develop our amazing photo library. Additionally, we created a priority list of South Kootenay businesses and created photo assets

# MARKETING PROJECT HIGHLIGHTS

available for our organization and industry stakeholders. We used local photographers for all work completed (Ashely Voykin, Dave Heath and Altus Collective).

**Print Advertising (25k\$):** This program includes the design and advertising cost associated with our select stand-alone print advertising in Kooteany Mountain Culture magazine as well as come co-op partnerships with The Josie (Inlander magazine destination advertising) and a large feature in Ski Canada magazine with RED Resort and The Josie.

**Sculpture program (5k\$):** This program is our ongoing collaboration with RCAC to lease our downtown sculptures. It is funded through grants by RCAC, therefore it is not an actual cost for our organization.

**Snow Globe Project (6k\$):** Our lead marketing project for the 2019/2020 winter season was a series of short videos highlighting experiences in our snow globe-like community: the history of alpine skiing with Wake Williams, the Bobby Samuelson bobsled race, Rossland Winter Carnival Rail Jam and fat biking. The Wake Williams video was later licensed by Destination BC and was released on their global channels. We designed and produced a Rossland theme snow globe for a giveaway and it was available through many retail outlets in our community as well. This cost is for the production of snow globes only. Most of this was recovered through retails sales. The production of video was included in the 2018/2019 budget while the social media campaign is included in the social media marketing.

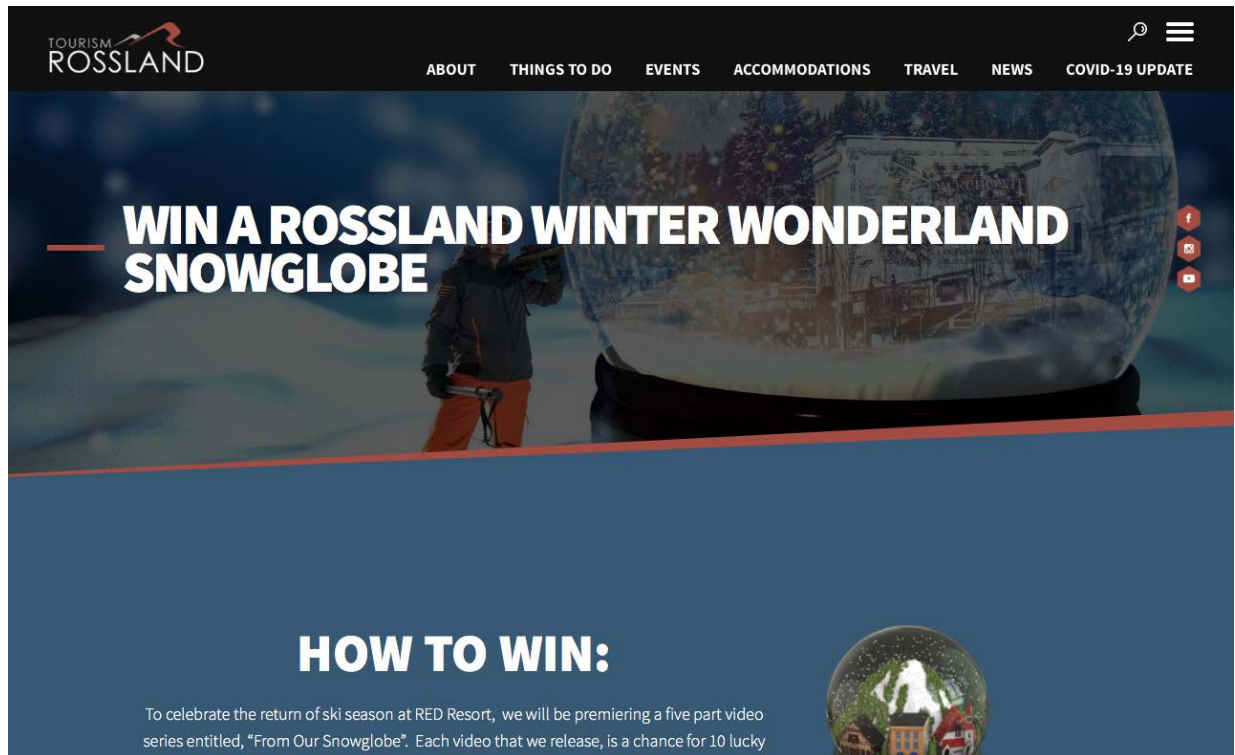
**Social Media/Digital Marketing (51k\$):** the largest of our marketing programs is social media. The cost includes all paid advertising and promotions on our main consumer facing channels (Facebook and Instagram) including the Teton Gravity Research winter sweepstakes (\$19,800) we did with our partners RED Resort and The Josie. Additionally, it includes CrowdRiff, our visual content marketing software subscription (\$12,300). Our rapid social media growth is directly attributable to these investments.

**Trade Show (9k\$):** During the 2019/2020 fiscal year we supported our stakeholders to attend the Spokane Outdoor Show, Spokane Bike Show, Denver Ski Show and provided support for Redstone Golf Resort to attend the Vancouver, Seattle & Spokane golf shows.

**Video Asset Development (38k\$):** Our video program was the second largest marketing program areas for our organization in 2019/2020. Following industry best-practices, we started producing hero content a year in-advance to be able to stay top-of-mind during the trip planning and booking period. The many features and shares of Destination BC and other regional and provincial partners is a testament of the quality of the content we create. This year we worked with Eric Gonzalez, Bohdan Doval and Dane Tudor, all Kootenay locals. We also partners with RED Resort to support the development of the documentary about Rossland and Red Mountain for PBS's Information Matrix.

# MARKETING PROJECT HIGHLIGHTS

**Website (5k\$):** The addition of Kylie Lakevold as a full-time employee to the team enabled us to keep website maintenance and development in-house as much as possible. That being said, our capacity is limited and some development is still outsourced. The cost also includes domain registrations, hosting and security.



# SOUTH KOOTEANY PROJECT

## South Kooteany Project



We worked diligently to secure funding to continue the Lower Columbia Regional Tourism Marketing Project. We partnered with the Trail and District Chamber of Commerce and secured a \$100,000 grant from the Rural Dividend Fund and further leveraged this money with a \$30,000 grant from the Columbia Basin Trust with our existing funding.

Tourism Rossland hired Kylie Lakevold as a full-time marketing coordinator sharing the responsibility of working on this project. Additionally, we made significant progress towards project completion in the following project areas:

- We developed and executed multiple regionally focused marketing campaigns and organized a social media/Google workshop for regional industry stakeholders to increase their online presence.
- Developed relevant photo and video content to highlight regional tourism assets and businesses.
- Created a new regional project brand (South Kooteany) and started consumer facing social media channels for the project (Facebook and Instagram).
- Ensured that the South Kooteany region is represented in various sport, travel and cultural consortia (Kooteany Arts, Kootenay Roadtrip, etc.)
- Supported regional festivals, sporting and cultural events.

Our idea was to leverage the content developed during the 2019/2020 fiscal year during the trip planning season of 2020 to meet project deliverables and increase regional visitation. The COVID-19 pandemic significantly altered our plan and we had to modify our work plan to include the development of the new regional landing page, events calendar and more robust regional travel consortiums.

## Looking Ahead

Tourism stakeholders participated in a ½ day workshop on November 5, 2019 followed by a Board of Directors workshop the following day and developed a new Strategic Plan for the organization. The plan incorporates dialogue and input from industry partners, government agencies, local and regional organizations and individuals who are passionate about Rossland.

While the COVID-19 pandemic fundamentally changed the short-term plans of the organization, the three long-term strategic objectives remain unchanged:

1. Increase visitation and spending in need periods through effective investments in destination sales and marketing
2. Continuously Improve Rossland's Visitor Servicing and Experiential Quality
3. Build a Compelling and Authentic Destination

In order to achieve these objectives, Tourism Rossland will focus on the key growth markets of ski/snowboard enthusiast and mountain bikers. Additionally, the organization will continue to invest in emerging markets with an emphasis on non-peak season visitation (April - November) and supporting tourism events.

During the first half of the 2020/2021 fiscal year the organization's resources were redirected to understanding the impacts of the COVID-19 crisis and conveying appropriate messaging to support public health, safety and ensure the well-being of the tourism industry. Give the importance of domestic travel for this year, our organization will continue to seek partnerships with local stakeholders and develop campaigns targeting Alberta as well as having a continued focus on BC Residents (regional staycations, Okanagan travellers, Lower Mainland family road trips etc.). As the ski season approaches, a critical factor to be monitored will be opening of the border with the U.S. It is unclear if/when the border will reopen to discretionary leisure travel and, if it does, whether the Rossland community will provide the social license to businesses to encourage Americans to travel here. Winter campaigns for BC residents, and Canadian domestic travel for ski season will be prepped and ready to launch.

While developing a budget for the next fiscal year is challenging, we have enough organizational reserves and confirmed provincial funding to maintain and even increase our marketing investment to accelerate the economic recovery of our destination.

Looking ahead to 2021, while there is hope of a vaccine to counter the Covid-19 virus, there is also fear of second and third waves of the pandemic so it will be critical for our organization to continue to monitor events closely and be nimble in our marketing response to secure opportunities as they present themselves. Regional partnerships for touring will be pursued

## LOOKING AHEAD



and resources will be leveraged with complimentary destinations. Tourism Rossland's continued role as an information resource for both travellers and tourism businesses will also remain vital.

Additionally, our organization will remain committed to collaborative regional marketing projects through the South Kootenay program and will maintain our excellent working relationship with other regional city DMO's.

We will continue to manage the Resort Municipality Initiative on behalf of the City of Rossland and we are looking forward to the completion of new infrastructure projects that will help diversify our experiential offerings and provide additional amenities to our visitors.





# ABOUT US

## About Us

Tourism Rossland is Rossland's Destination Marketing Organization and works collaboratively with input from all Rossland tourism stakeholders. The organization is a registered non-profit society which was formed in 2007.

The mission of the organization is to work in a fair and unbiased manner to grow Rossland's year-round tourism economy within the context of the community's vision and values.

Tourism Rossland works collaboratively with funding leveraged through numerous partnerships with tourism industry stakeholders, including the City of Rossland, as well as through Kooteany Rockies Tourism, Destination BC and Destination Canada.

Managed by objectives, Tourism Rossland leads, directs and manages tourism development on behalf of Rossland by building on the existing strengths of local businesses and organizations, by being inclusive in nature, and developing strategic alliances.

The DMO supports local business and industry to improve products that meet changing market demands. By two-way communication, stakeholders will provide input into the process to achieve the objectives.



# ABOUT US

## DIRECTORS OF TOURISM ROSSLAND

As of September 1, 2020

<b>Name</b>	<b>Organization</b>	<b>Position</b>	<b>Email</b>
Jeff Bruce	Redstone Golf		jeff@redstoneresort.com
Doug Jones	Trail and District Chamber of Commerce		d-jones@telus.net
Jane Paterson	MRDT Collectors		jane.paterson@redresort.com
Daniel D'Amour	MRDT Collectors	Secretary	manager@theflyingsteamshovel.com
Nicole Briggs	Red Mountain Resort		nicole@redresort.com
Christine Andison	Red Resort Association (RRA)	Treasurer	christine@redresort.com
Jesse Crockett	RRA		jcrockett@thejosie.com
Vacant	RRA		
John Snelgrove	Restaurants/Cafe/Bars		jsnelgrove@telus.net
Vacant	Retail		
Courtney Jewitt	Rossland Museum	Vice-President	courtney.jewitt@gmail.com
Laura Pettitt	Rossland Arts Council		Laura.bob3@gmail.com
Adele Pratt	Black Jack Ski Club		adelepratt@hotmail.com
Dave Diplock	Kootenay Columbia Trails Society		davediplock@bearenviro.ca

# ABOUT US

## OUR TEAM



### **ANDRAS LUKACS, EXECUTIVE DIRECTOR**

Andras started working for Tourism Rossland in 2017. Previously, he lived in Yellowknife, NT, where he worked in tourism management and planning for the Government of Northwest Territories. He has an extensive background in tourism development, programming and market research. Andras earned a Ph.D. and M.A. from Loyola University Chicago studying leisure networks and digital media.

Originally from Hungary, Andras enjoys living an active outdoor lifestyle with his wife, two young sons and two dogs.



### **KYLIE LAKEVOLD MARKETING COORDINATOR**

In 2007, Kylie packed up her Kootenay family and moved to Calgary, AB in search of new adventures in the digital media world. During her time in Calgary, she worked as a brand manager for one of the top technology companies in Calgary, the chief marketing officer for a digital communications software company and eventually built her own successful marketing consultancy and several software startups.

She prides herself on her ability to get people talking about any project she is working on and is excited to be able to bring these skills, back home, to Tourism Rossland.



### **ERIC GONZALEZ MARKETING INTERN**

Eric was our marketing intern again during the summer of 2019. An amazingly talented videographer and creative artist, Eric has worked on many of our videos that capture the spirit of our community and region. Eric graduated from the University of Calgary in 2018 with a degree in business.