



Tourism Rossland ANNUAL REPORT 2017/2018

ROSSLAND
BC, Canada

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STRATEGIC HIGHLIGHTS

Strategic Highlights

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

Some of our highlights from this year include:

- Our organization turned 11 years old. Tourism Rossland have steadily grown and built great relationships with our local, regional and provincial stakeholders over these years.
- Kristi Calder, marketing manager of Tourism Rossland left the organization in November 2017 to work for the City of Rossland. She did a tremendous job coordinating the Lower Columbia tourism project. Her enthusiasm and knowledge will be greatly missed.
- We had a record setting year based on accommodation revenue in 2017/2018. The total accommodation revenue for our community was \$4.71 million dollars.
- Our monthly accommodation revenue was above one million dollars for the first time in February 2018.
- The 2017/2018 fiscal year was the first one where we collected the 3% hotel tax. This larger revenue provided a tremendous benefit for the organization and our community.
- We finished the first phase of the Lower Columbia Regional Tourism Program project. This contract has allowed us to broaden our marketing reach, develop our regional photo and video bank and work with stakeholders in the Lower Columbia region to promote the area as a tourism destination. Currently the future of the project is unknown due to lack of funding.
- 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. Our Facebook audience grew by more than 25% and we doubled our Instagram followers.
- The third year of our Escape Guide was a huge success. It is an essential trip planning resource for our visitors and a revenue generator for our organization.
- Losing Kristi Calder and finishing the year with only one full-time employee was a challenge. As our destination develops, the planning, execution and administration of our marketing initiatives will require more human resources. Our growing MRDT revenue should be able to cover these expenses.

Tourism Indicators

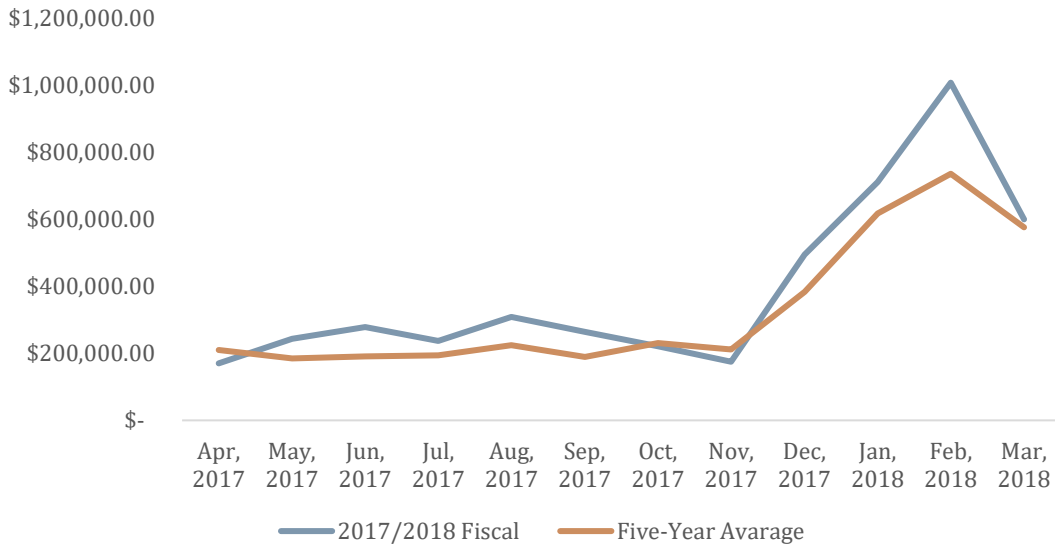
The 2017/2018 fiscal year based on accommodation revenue was a record setting year again for Tourism Rossland. The revenues were consistently higher than the five-year average, except for two shoulder season months (April and November). Additionally, the monthly accommodation revenue surpassed 1 million dollars for the first time in the organization's history in February 2018. Despite the forest fires across the province, we had an excellent and relatively smoke free summer season. The early and abundant snowfall, increased tourism marketing and the favorable US exchange rate helped us to significantly increase our winter accommodation revenue as well. The total revenue for the reporting year was \$4.71 million dollars. This represents a 19.30% increase over the five-year average.

Looking forward, Rossland is well-positioned to grown its accommodation revenue. The highly anticipated opening of The Josie Hotel and the Nowhere Special Hostel at the base on Red will diversify and significantly increase our room inventory. The continued investment in tourism infrastructure and increased marketing will lead to further growth.

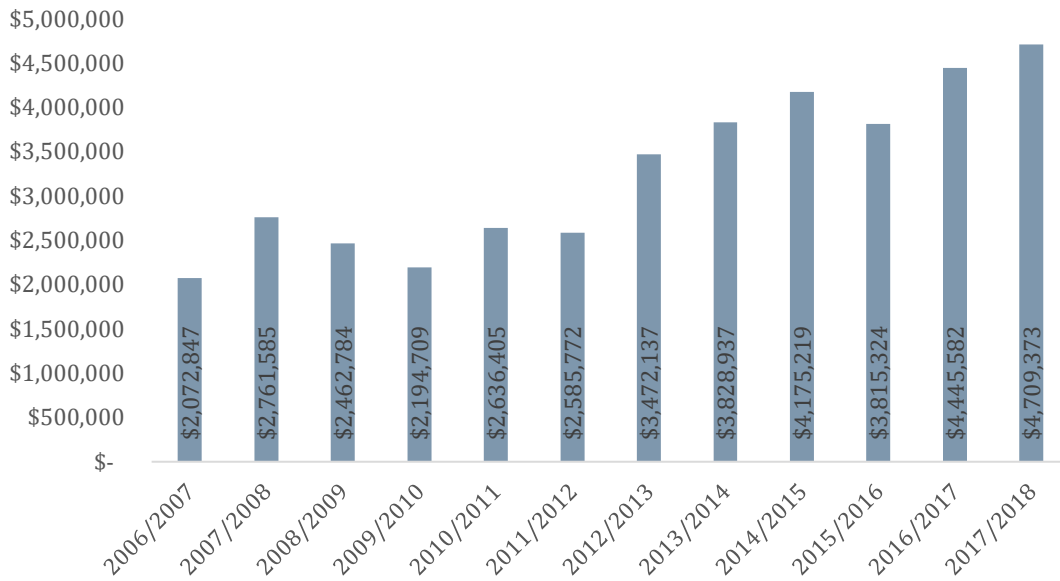
Data is based on the accommodation tax remitted monthly by accommodators. However, some accommodators remit on quarterly, or an annual basis. This could slightly skew the monthly reports and comparisons to historical data should be used with caution.

TOURISM INDICATORS

Monthly Rossland Hotel Accommodation Revenue



Annual Rossland Hotel Accommodation Revenue



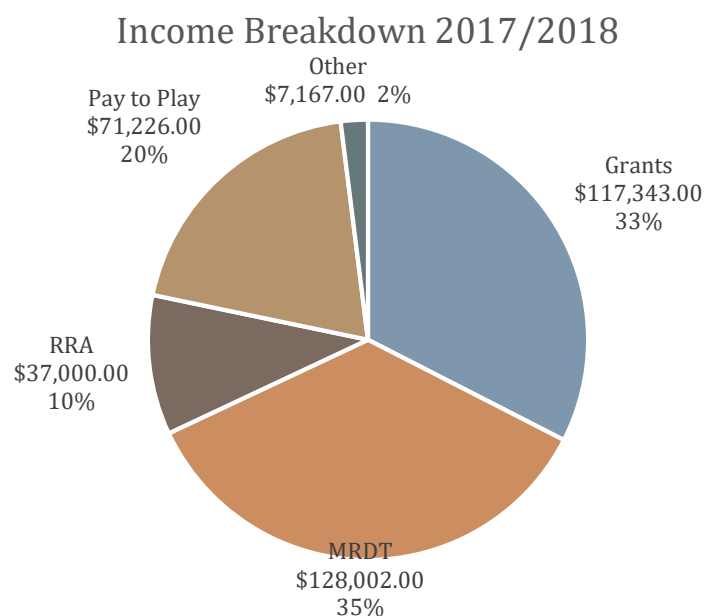
FINANCIAL HIGHLIGHTS

Financial Highlights

2017/2018 was the first full fiscal year where we were collecting the 3% hotel tax (Municipal and Regional District Tax (MRDT)). Given the overall growth of accommodation revenue throughout the fiscal year, our MRDT revenue was up by 16.70%. This additional income is essential for our organization to deliver core program and services and increase our marketing efforts.

This was the last year of the Lower Columbia Regional Tourism Project and the loss of this funding source decreased our grants income significantly. Additionally, we use cash basis as a method of recording transactions for revenue and expenses. This could result in discrepancies. For instance, our 2017 grant from the City of Rossland was recorded for the 2016/2017 fiscal year. That being said, our grant income was still higher than the pre-regional levels. We leveraged these monies in partnership with tourism stakeholders and continued our collaborative regional marketing.

We created numerous 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. At the same time, we evaluated these programs based on the actual return on investment for our community and restructured a few of these initiatives (for instance Kootenay Golf Trail). As our funding increases, we will continue to create these opportunities for our stakeholders.

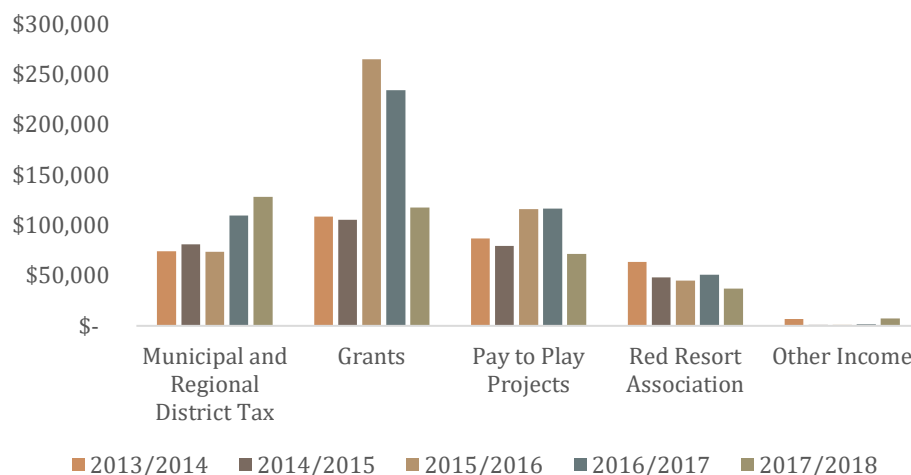


FINANCIAL HIGHLIGHTS

Income Breakdown Comparison: 2016/2017 - 2017/2018

	2016/2017	2017/2018	% Change
Grants	\$ 233,948.00	\$ 117,343.00	-49.84%
MRDT	\$ 109,680.00	\$ 128,002.00	16.70%
RRA	\$ 50,824.00	\$ 37,000.00	-27.20%
Pay to Play	\$ 116,396.00	\$ 71,226.00	-38.81%
Other	\$ 1,687.00	\$ 7,167.00	324.84%
Total	\$ 512,535.00	\$ 360,738.00	-29.62%

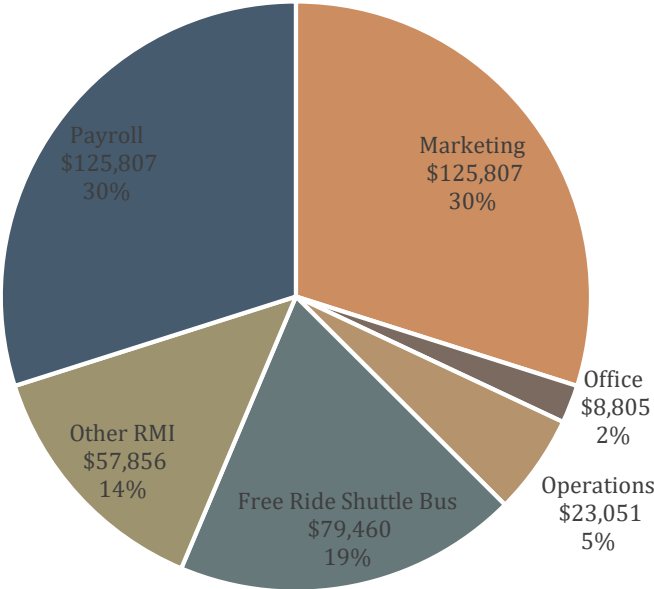
Income Breakdown 2013/2014 - 2017/2018



Given the changes in the organization (the departure of Deanne Steven and Kristi Calder), we were more conservative with our spending during the 2017/2018 fiscal year. Additionally, we wanted to establish a small reserve fund for the organization to be able to take advantage of last-minute marketing opportunities. The Lower Columbia Tourism Marketing Project was also running out of funding and we restructured the Kootenay Golf Trail marketing consortium. This resulted in significantly decreased marketing spending and pay to play income.

FINANCIAL HIGHLIGHTS

Expense Breakdown 2017/2018



Looking at the various aspects of our budget as a percentage of the whole, it is important to note that our that our operational costs are markedly higher than usual due to the amortization cost of our website. Nonetheless, our goal is still to keep is to keep overhead (i.e. HR, Office and Operational) costs as low as possible.

FINANCIAL HIGHLIGHTS

Expense Breakdown Comparison: 2016/2017 - 2017/2018

	2016/2017	2017/2018
Marketing	\$ 182,012 40.8%	\$ 125,807 29.9%
Office	\$ 11,920 2.7%	\$ 8,805 2.1%
Operations	\$ 12,139 2.7%	\$ 23,051 5.5%
Free Ride Shuttle Bus	\$ 85,776 19.2%	\$ 79,460 18.9%
Other RMI	\$ 3,114 0.7%	\$ 57,856 13.7%
Payroll	\$ 150,739 33.8%	\$ 125,807 29.9%
Total	\$ 445,700.00	\$ 420,786.00

Our organization was able to decrease our office expenses and controlled for the website amortization, our operations costs also decreased slightly. Kristi Calder left our organization during the fall of 2017, therefore our payroll cost decreased as well. It is also important to note that payroll expenses include a lot of marketing work on social media, marketing development, planning and coordination. Currently we are unable to separate these costs.

A final note on HR: these costs include all staff that was on payroll for part of the 2017/2018 fiscal year (Kristi Calder, Eric Gonzalez and Andras Lukacs). Liz Day manages our social media accounts and works as a contractor. The costs related to her services is included under marketing.

PROJECT HIGHLIGHTS

Project Highlights

One of our goals as an organization is to increase the tourism traffic during summer and our shoulder seasons, and our marketing spend is reflective of that.

Brochure

Distribution: total cost - \$3,319. Our 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, therefore some of that cost is included in our operational budget.

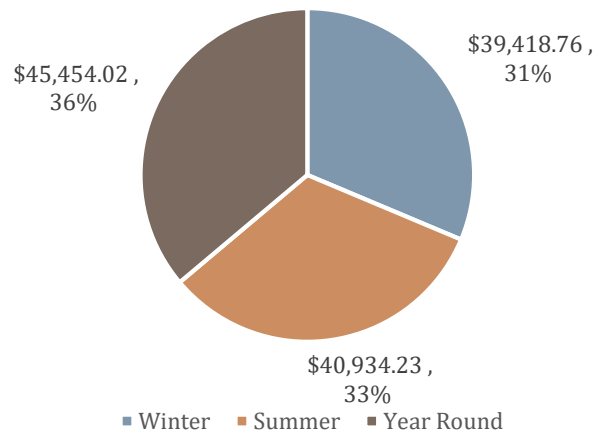
Regional Events Marketing: total cost- \$21,277. Part of the LCCDTS initiative, we have been able to increase our marketing for regional events considerably. This project sunset in December, 2017. For more details, see the Lower Columbia Regional Tourism Project section.

CWSAA Alpine Ski Marketing: total cost- \$13,139. The actual cost to Tourism Rossland for this was \$6,570 since we cost shared with RED Mountain Resort. Destination BC matched our contribution for the total campaign budget of \$26,278. This was the first year when we were able to do a full digital program promoting Rossland, predominantly via the Red Dictionary campaign.

Social Media Management: total cost - \$12,277. Liz Day was hired to develop a social media strategy, manage our social media channels and engage with our growing audiences. The cost also includes pay social media advertising.

Photo and Video Development: total cost - \$19,460. Eric Gonzalez did an amazing job developing new video assets for our organization during the summer of 2017. The cost of Eric's work is part of our HR budget. The above expenses for photo and video projects represent the additional investments we made.

Marketing Spend by Season

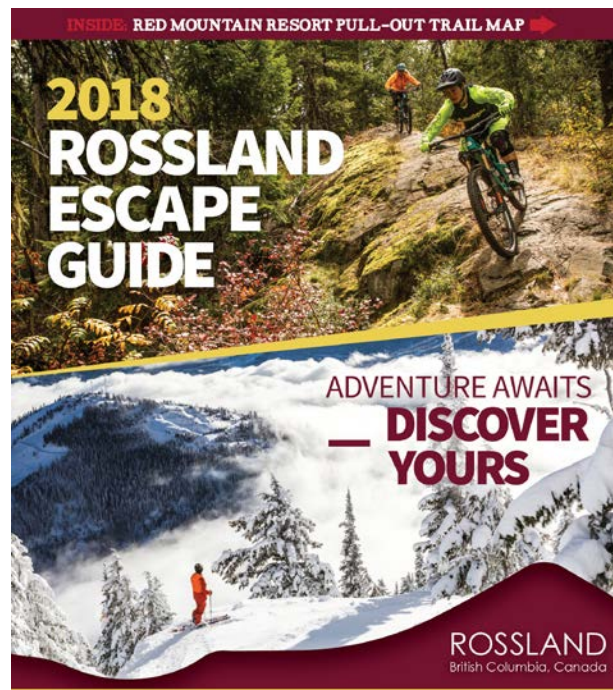


PROJECT HIGHLIGHTS

Rossland Escape Guide: total cost - \$15,236. The advertising sales income of this project was \$22,950. Therefore, it was a revenue generator for Tourism Rossland again. Given the tremendous success of this project – both in terms of revenue and distribution – we will continue with this model in the future.

Fat Biking Brochure: total cost - \$1,134. We designed and printed a new fat biking brochure for distribution through visitor centres and other key contact points with visitors.

Visitor Centre Kiosk - Museum: total cost - \$1,299. Software renewal cost associated with the electronic kiosk at the Rossland Museum. The device provides a live feed from the Tourism Rossland website.



Kootenay Golf Trail: total cost - \$8,154. Tourism Rossland is holding the funds in trust for this consortium of seven golf courses and three DMOs. Previously we participated in a Destination BC funded golf consortium. However, we decided that the return on investment was not adequate and tried a smaller and more localized approach. We continued hosting a marketing website, created a coupon book, started a social media channel and attended golf shows. Birchbank and Redstone’s annual membership fees for this consortium were paid via the grant from the LCCDT.

Kootenay Mountain Culture: total cost - \$5,138. We offered a pay-to-play opportunity for our tourism stakeholders where they were able to be part of a double page destination spread in the winter and summer edition of the magazine.

Kootenay Rockies Touring Guide: total cost - \$1,538. We bought a 1/3-page ad in this publication promoting our existing brochures and print collateral.

BC Mountain Bike Group Marketing: total cost - \$1,575. This is our annual membership with the organization. Member benefits include a listing on their website and inclusion in their marketing campaigns and trade shows. Cost shared with Destination BC, who pays half the real value of the membership. True value of membership is \$3,150.

PROJECT HIGHLIGHTS



Kootenay Dirt Camping: total cost - \$1,167. We continued our involvement with the development and promotion of the kooteanydirt.com regional mountain biking website.

“The Moment” Mountain Bike Marketing Campaign: total cost - \$3,150. We supported the marketing of the “The Moment” mountain biking film. This documentary is about the history of the sport in British Columbia and features Rossland. The marketing campaign involved a social media contest and a film tour.

Snow Travel Expo Australia: total cost - \$1,557. We cost shared the registration fee for the trade show with Big Red Cats. Actual cost to Tourism Rossland was \$779.

Spokane Outdoor Show: total cost - \$661. We cost shared registration to this trade show with Kootenay Gateway, Revolution Cycles and The Josie Hotel.

Trail Visitor Guide: total cost - \$472. We placed a 1/4-page ad in this publication promoting our own visitor guide.

Media and Influencer Hosting: total cost - \$2,862. We started putting more emphasis on hosting travel media and important social media influencers.

Nordic BC Membership: total cost - \$1,538. We were able to create and promote a regional cross-country skiing portal (kooteanyxc.com).

LOWER COLUMBIA REGIONAL TOURISM PROJECT

Lower Columbia Regional Tourism Project

Marketing the Lower Columbia region through the Lower Columbia Regional Tourism Project in 2017/2018 was a continued success. We used a combination of funds from the Columbia Basin Trust (CBT) Community Directed Funds (CDF), Tourism Rossland, Destination BC (DBC) and partner cost-sharing contributions to execute a variety of programs. The goal of this initiative was to target existing tourists to our area and encourage them to stay longer and spend more. This was accomplished through a variety of projects:



Support large regional events: We supported a variety of large, annual, regional events including car shows, sporting events, festivals, arts and culture events are more. To do this, we captured high quality photos of the events to use for promotion, created promotional videos, boosted Facebook events, created Google ads, distributed posters and more.

Develop a regional photo bank: We have worked to create a photo bank full of high resolution photos of our various tourism assets in the region including restaurants, accommodation, attractions, retail, events and more. These photos have been used in print advertising, digital advertisements, sent to journalists to be included in stories, used by Cities for community banners and more.

Develop a video bank: We also worked to develop a video bank highlighting the various tourism businesses, activities and assets in our region. These videos have been used on various digital platforms (websites and social media).

Regional events calendar: We have worked with various event organizers to create a one-stop-shop events calendar of everything happening in the region. This calendar is a great resource for visitors, for event organizers when booking new events and for businesses when scheduling front-line staff (to anticipate peak periods).

Lower Columbia website: We created the www.visitlowercolumbia.com website. This serves mainly as a landing page to highlight each community in our region, and provides links to the existing websites and channels with more detailed information for potential visitors.

Kootenay Golf and Adventure Trail: The Kootenay Golf and Adventure Trail brings together seven golf courses in the Kootenays, including Redstone Resort and Birchbank Golf Club in the Lower Columbia region. The trail encourages visitors to view the Kootenays as a golf destination with scenic courses, high quality accommodation and a variety of “adventures” to participate in off the greens.

LOWER COLUMBIA REGIONAL TOURISM PROJECT

One-on-one Online Marketing: We worked directly with restaurants, hotels, attractions, retail locations and more to create online profiles with Google, Trip Advisor and other social channels. These profiles are the pillars of modern trip and activity planning for tourists.

While the program was successful and the need to develop and market the region as a complete tourism destination is clearly demonstrated, our organization was unable to find funding to continue the program by the end of the 2016/2017 fiscal year.

Looking Ahead

This is a very exciting time for our organization and town. The various destination development project and smart marketing investments by the local tourism industry are paying dividends. We anticipate further visitation growth in the future. The strategic aim of Tourism Rossland remains the same: to continue to promote Rossland as an authentic, funky ski town with tremendous local flavor. At the same time, we will continue our efforts to focus on the summer and shoulder seasons and position ourselves as a truly four-season destination. While we will focus on promoting our core tourism products, we will strive to explore new markets and products to ensure that we are an interesting and vibrant destination that appeals to a variety of different travelers.

The completion of The Josie, a boutique hotel on the ski hill will change our tourism landscape significantly and will open new markets for our tourism products. Additionally, Nowhere Special Hostel will be an amazing addition to our accommodation sector and will help diversify and grow our visitor base further. These new hotels will also increase our marketing reach by expanding our MRDT income.

The introduction of MRDT on short-term rentals will also help increase our marketing efforts. The exact implementation of this new legislation is still unknown. This change will provide us with the opportunity to work with our short-term rental businesses and form strategic partnerships with them.

The province is also working on refreshing the Resort Municipality Initiative funding guidelines. It appears that the program will continue and our funding will further increase. This program is essential for us to be able to participate in various resort development initiatives, such as the Rossland Ski Bus, Spokane Shuttle Bus, downtown beautification and improvement projects. We will work on a new resort development strategy during 2018 that will govern our infrastructure projects for the next three years.

We are looking forward working the City of Rossland and the new council after the fall municipal elections. As our visitation and tourism labor force is expanding, we have to pay more and more attention to the issues of affordable housing and transportation initiatives.

Finally, we will continue to work with our regional stakeholders in a collaborative manner. The first two-year phase of the Lower Columbia Regional Tourism Project was a tremendous success. This initiative allowed our organization to adopt a more regional perspective and promote the Lower Columbia region. While we do not have funding to continue the program at this time, we are looking at various funding sources and models. We are hopeful that the regional project will continue in 2018.

About Us

Tourism Rossland is Rossland's Destination Management 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.

Managing 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 product to 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, 2018

Name	Organization	Position	Email
Cary Fisher	Redstone Golf	President	cary@redstoneresort.com
Audry Durham	Trail and District Chamber of Commerce		executivedirector@trailchamber.bc.ca
Jane Paterson	MRDT Collectors		jane.paterson@redresort.com
Daniel D'Amour	MRDT Collectors		dandamour@gmail.com
Nicole Briggs	Red Mountain Resort	Secretary	nicole@redresort.com
Christine Andison	Red Resort Association (RRA)	Treasurer	christine@redresort.com
Mark Bell	RRA		mbell@thejosie.com
Vacant	RRA		
John Snelgrove	Restaurants/Cafe/Bars		jsnelgrove@telus.net
Trish Dyer	Retail	Vice-President	info@mountainnugget.com
Courtney Jewitt	Rossland Museum		courtney.jewitt@gmail.com
Laura Pettitt	Rossland Arts Council		Laura.bob3@gmail.com
Carol Cooper	Black Jack Ski Club		Cooper.carol19@gmail.com
Scott Forsyth	Kootenay Columbia Trails Society		scotfor@gmail.com

ABOUT US

OUR TEAM



ANDRAS LUKACS, EXECUTIVE DIRECTOR

Andras just finished his first year as Executive Director. 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 his dog.



KRISTI CALDER MARKETING MANAGER

Kristi came to Rossland in 2004, armed with a Commerce Degree in Travel and Tourism, and several years marketing experience in corporate environments. In Rossland, she has gotten to know the community through her work with a number of start-up and not-for-profit organizations. In her free time, she enjoys exploring the surrounding mountains on her snowboard and mountain bike with her husband and two young daughters. Kristi left the organization in November, 2017 to work for the City of Rossland.

ABOUT US



ERIC GONZALEZ VIDEOGRAPHER

Eric is our fabulous summer student who has been working with us for five summers. An amazingly talented videographer and creative artist, Eric has worked on many of our videos that capture the spirit of our community. Eric is set to graduate from the University of Calgary in 2018.