

Results

MINNEAPOLIS

Meet Minneapolis

July 9, 2014

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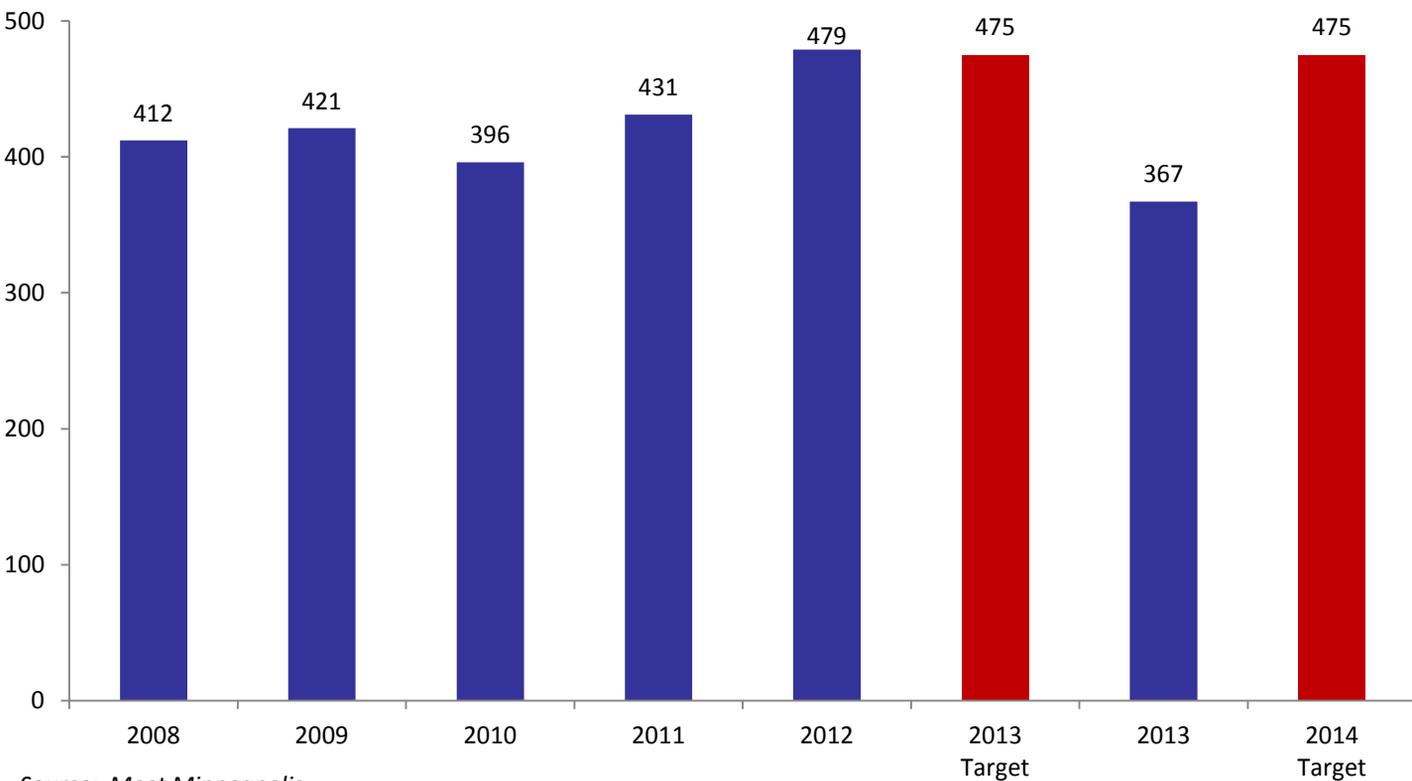
Measures in regular text are "influence" level. These are measures that the department's work influences but does not control. Measures in italics are "control" level. They represent the programmatic or operational activities of the department.

Glossary of Terms

Term	Definition
ADR	Hotel Average Daily Rate (<i>room revenue divided by rooms sold</i>)
Definite Room Nights	Number of definite room nights confirmed by Meet Minneapolis for future years
DMO	Destination Marketing Organization, e.g. Meet Minneapolis. Organizations chartered to market a destination to tourists and meetings & conventions.
Earned Media	Or ' <i>free</i> ' media refers to publicity gained through promotional efforts other than advertising, as opposed to ' <i>paid</i> ' media, which refers to publicity gained through advertising. Earned media is activity related to a company or brand that is not directly generated by the company or its agents but rather by other entities such as customers or journalists
Events in the year for the year	Events booked in the same year as they are to be held
Media Impressions	A measure of the number of times an article or advertisement is seen by consumers
Pace Target	Number of definite room nights that should be confirmed as of a particular point-in-time for future months or years based in the last five years of historical data
Pace Percentage	Definite room nights booked to date as a percentage of the definite room nights that should be confirmed by a particular point-in-time based in five years of historical data
Partnership Revenue	The amount of revenue collected by Meet Minneapolis through membership fees and partner sponsorships
Room Nights Consumed	Hotel room nights booked by Meet Minneapolis and subsequently used by hotel guests
Room Nights Booked	Future hotel room nights booked by Meet Minneapolis
RevPAR	Hotel Revenue per Available Room (<i>room revenue divided by rooms available</i>)
TAP	Trends Analysis Projections, LLC
Tentative Room Nights	Number of tentative room nights pending for future years

Minneapolis Hospitality Industry

Meeting and Convention Room Nights Booked (in thousands)



Source: Meet Minneapolis

Why is this measure important to the Minneapolis hospitality industry?

Sold room nights are the primary source of revenue for a critically important member group – downtown hotels. Meeting and convention room nights benefit both short and long-term hotel occupancy. Additionally, sold room nights bring economic vitality to the downtown restaurant, entertainment and retail businesses, and tax revenue to the Minneapolis Convention Center Fund.

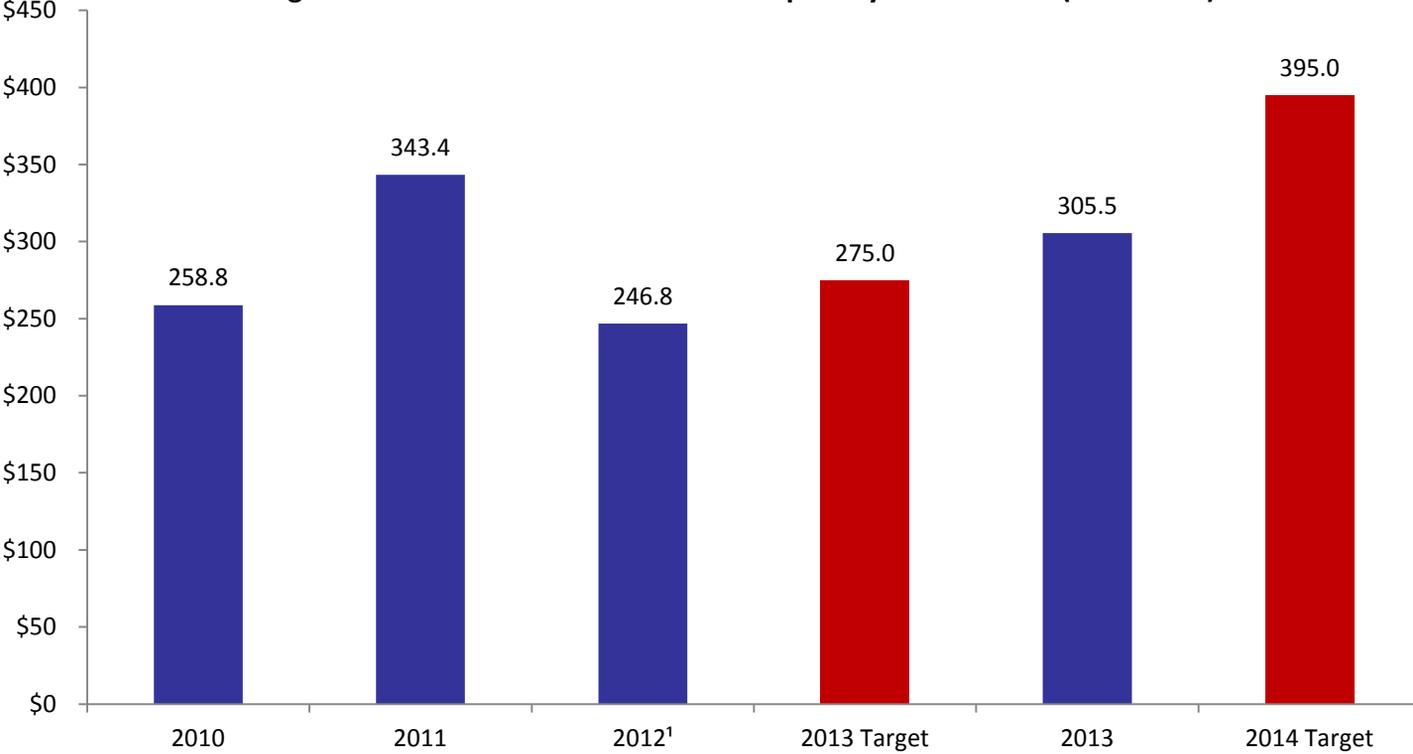
What will it take to make progress?

Meet Minneapolis is currently executing the following strategies:

- 1) Focus on high-yielding market segments (e.g. health/medical and scientific-engineering) with customized content on the strength of their respective industries in Minneapolis and the reasons for bringing future meetings here
- 2) Establishment of *Sports Minneapolis* to effectively focus on major events such as the Super Bowl and Final Four as well as smaller events to fill 'need' periods utilizing the new multi-purpose stadium and Target Center
- 3) Aggressive application of the convention support fund to ensure that Minneapolis remains competitive
- 4) Increase sales team accountability for more than just the 'end result' such as prospecting and tentative room night generation
- 5) Leverage summer interns and the addition of a new Business Development Manager to improve work processes for the sales team and provide greater depth to our database and prospecting efforts

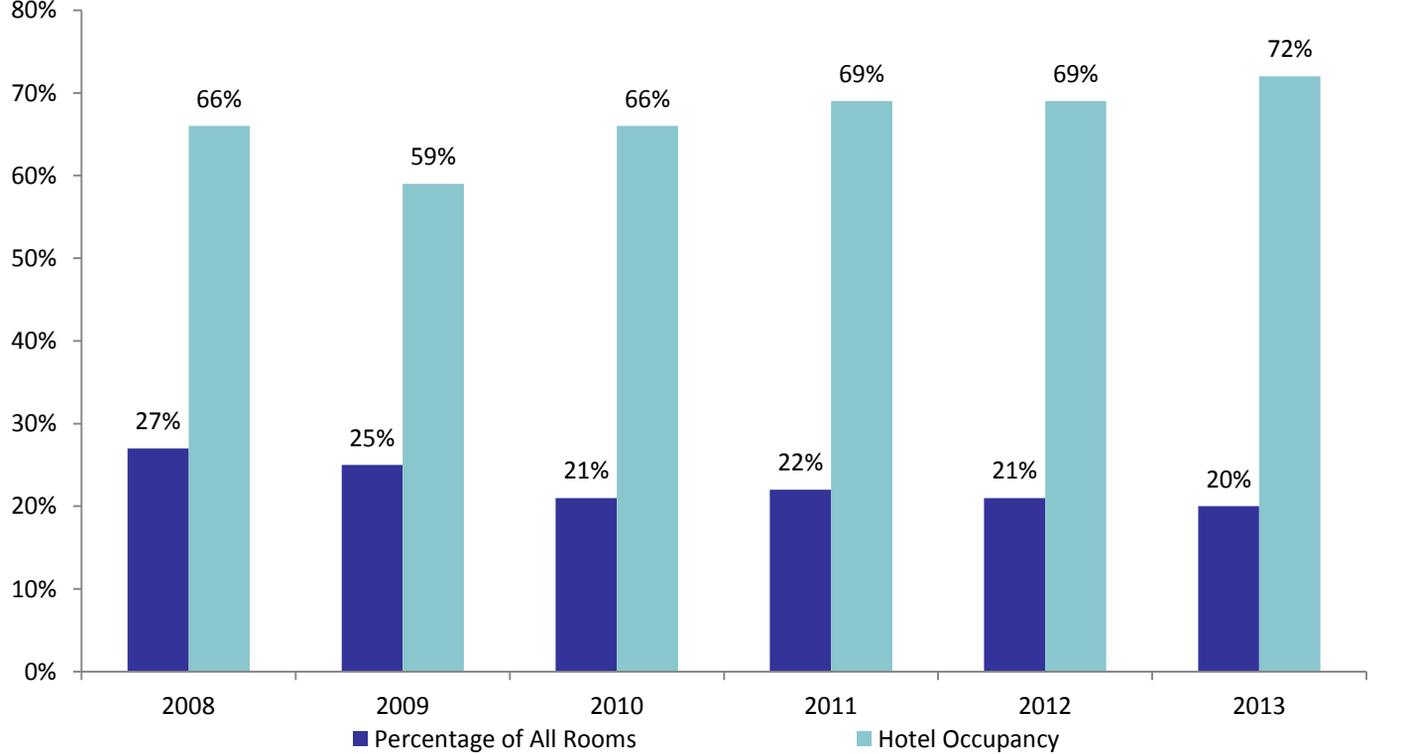
As of July 1st, these tactics will contribute to the sales team completing the first half of the year ahead of the year to date goal.

Meeting and Convention Future Economic Impact by Year Booked (in millions)



Note:
 1. Method of estimation changed in September 2012 resulting in a more conservative value.
 Source: Meet Minneapolis

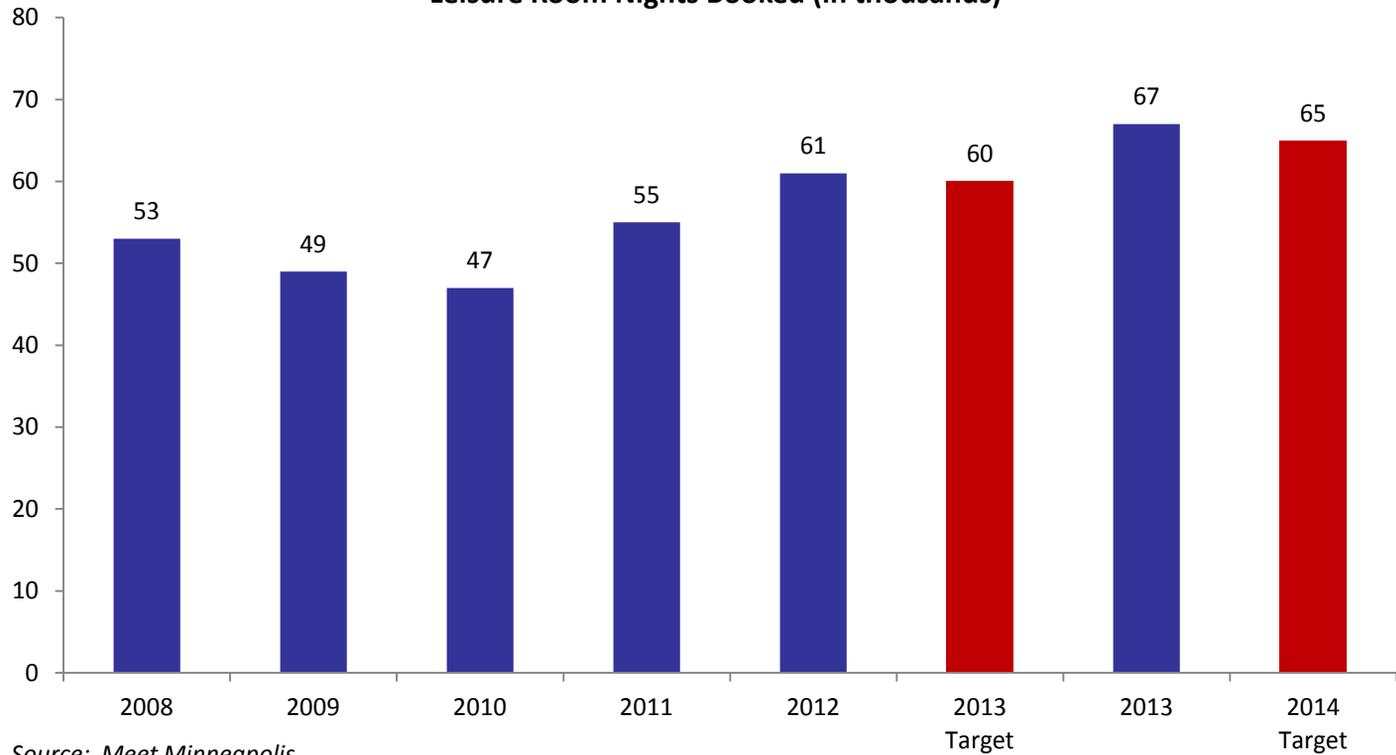
Meeting and Convention Room Nights Actualized by Meet Minneapolis as a Percentage of All Hotel Room Nights and Hotel Occupancy



Sources: Smith Travel Research and Meet Minneapolis

Minneapolis Tourism Industry

Leisure Room Nights Booked (in thousands)



Why is this measure important to the Minneapolis tourism industry?

Leisure room nights are important to filling the gaps between meeting and convention room nights. They provide needed weekend business and increase occupancy during off-peak periods, particularly the holiday season and first quarter.

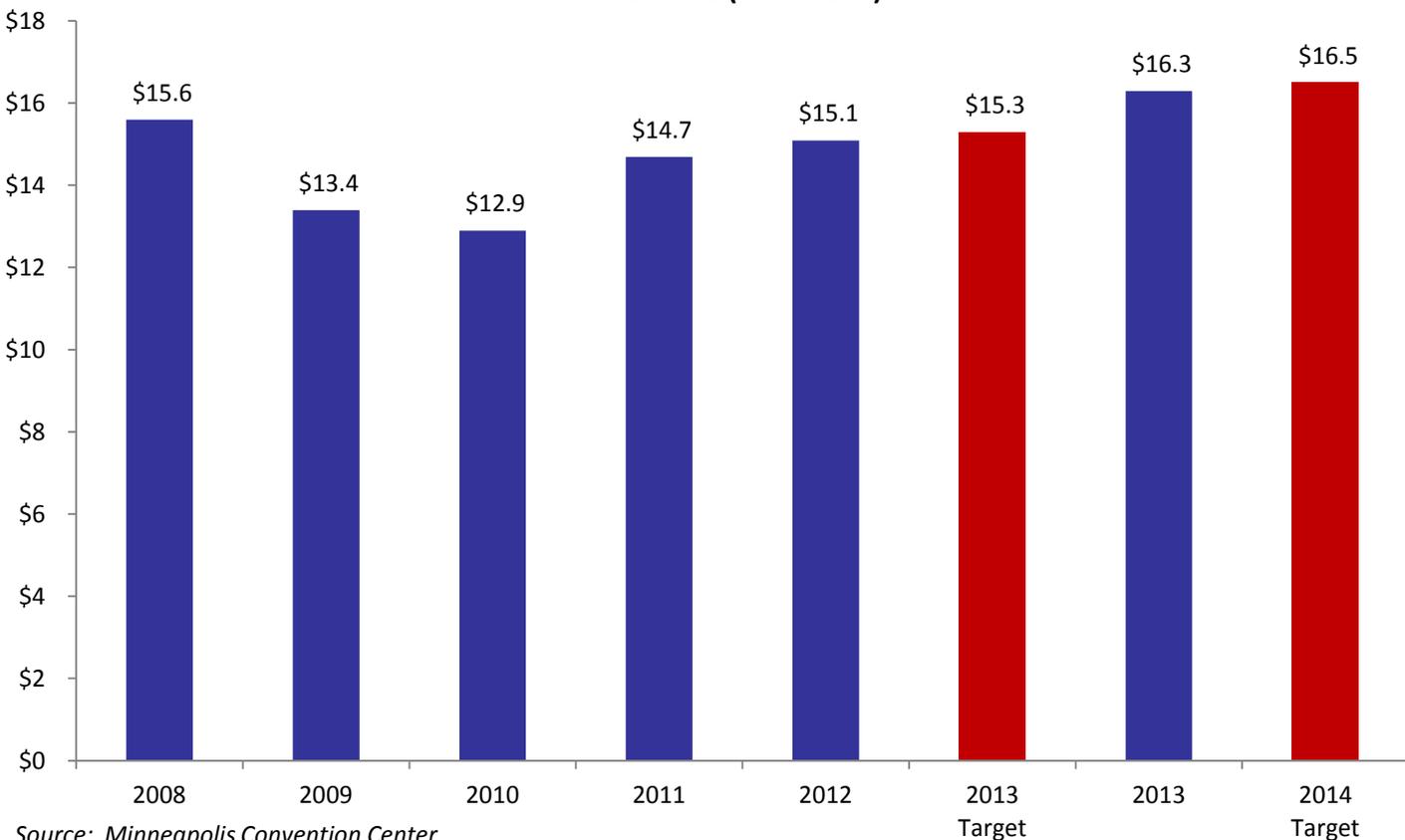
What will it take to make progress?

Meet Minneapolis is currently executing the following strategies to increase tourism in Minneapolis:

- 1) Developing client incentive programs to retain group tours in downtown hotels
- 2) Participating in a metro-wide cooperative marketing campaign targeting Winnipeg
- 3) Partnering with local festivals (i.e. *Pride and FinnFest, to date*) to capture online hotel booking through their websites
- 4) Building a relationship with Condor Airlines (*Germany*) to promote new non-stop service from Frankfurt
- 5) Leveraging new *'Minneapolis Signature Experiences'* for the small group market
- 6) Developing foreign language landing pages on the Meet Minneapolis website
- 7) Hiring of a new international sales manager with 27 years of experience that will leverage relationships with international clients, airlines, marketing organizations and tour operators

Minneapolis Convention Center

Total Revenue (in millions)



Source: Minneapolis Convention Center

Why is this measure important to the success of the Minneapolis Convention Center?

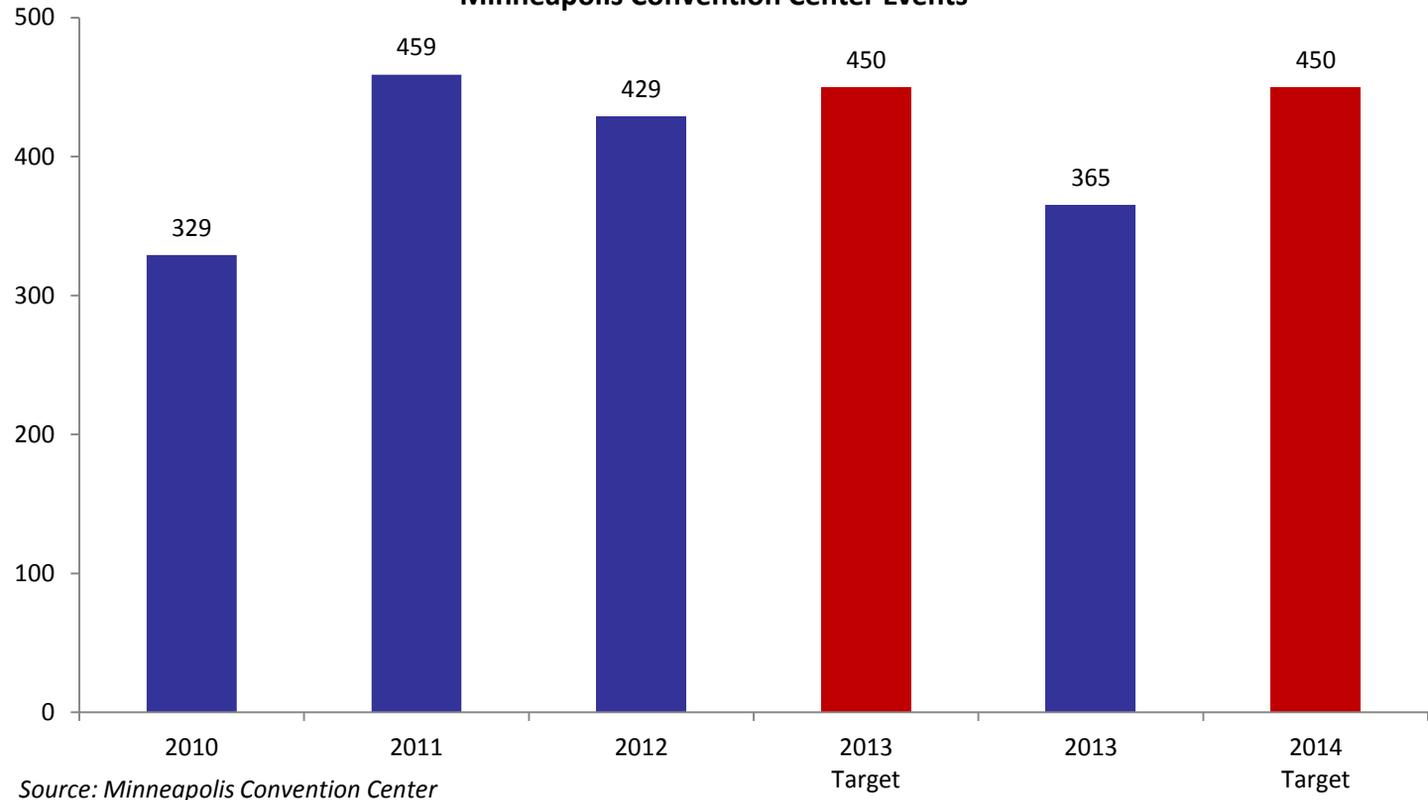
The convention center relies on rental revenues as well as ancillary revenue such as labor, audio-visual, and food & beverage commissions. Rental revenue rates have been flat due to post-recession industry competition. Ancillary revenues were developed to capture incremental revenue. The center has worked to add services needed by its clients.

What will it take to make progress?

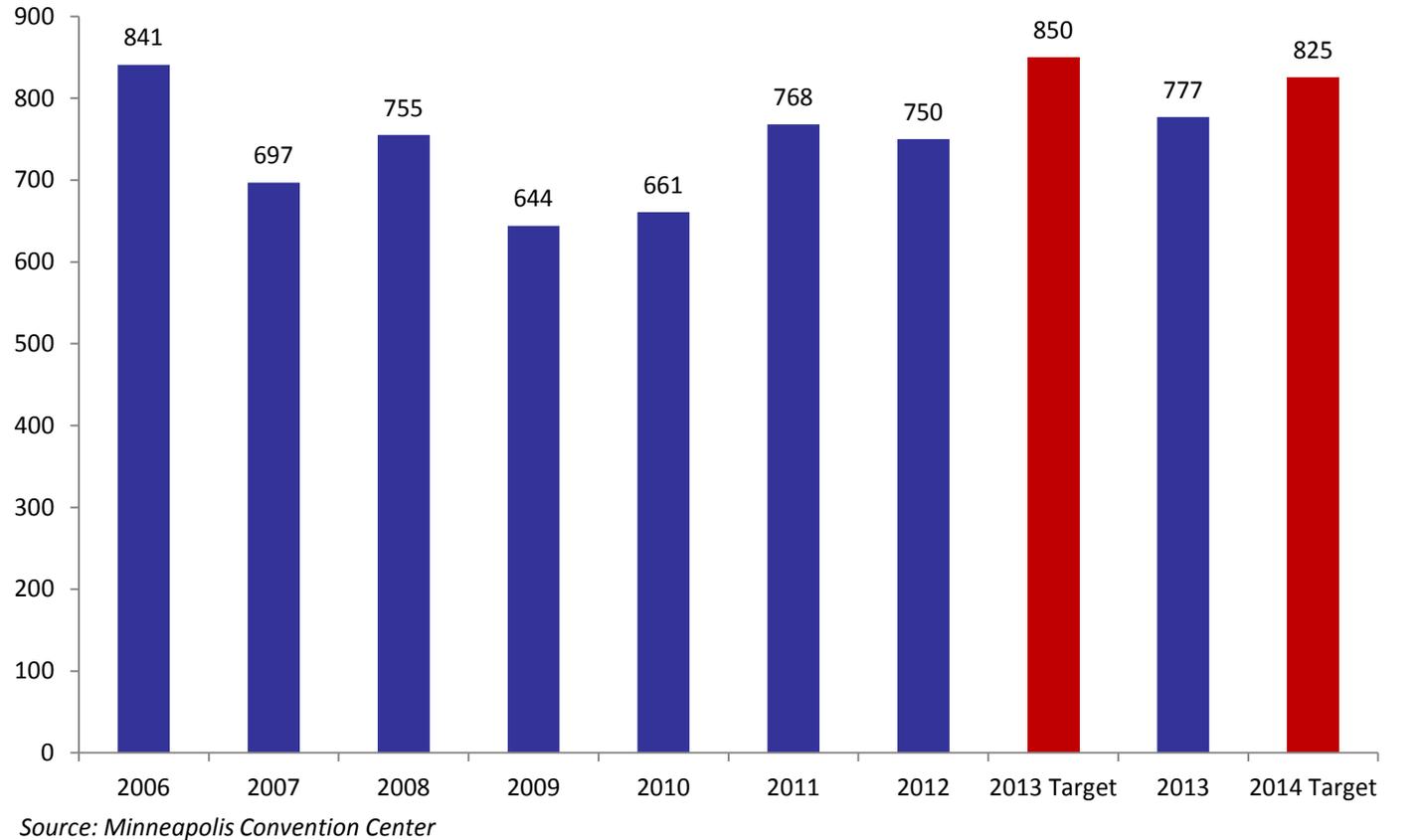
Meet Minneapolis is currently executing the following strategies:

- 1) Yield Management: identify 'need' months by monitoring the monthly revenue forecast and building occupancy
- 2) Corporate Vertical Markets: each sales team member heavily targets his or her respective vertical market (*industry*)
- 3) Ancillary Cost: focus not only on room rental revenue but also audio-visual, IT networks, and food & beverage sales through 'up-selling', as well as, sponsorship opportunities
- 4) Local Industry Groups/Tradeshows: attend monthly local planner meetings to network

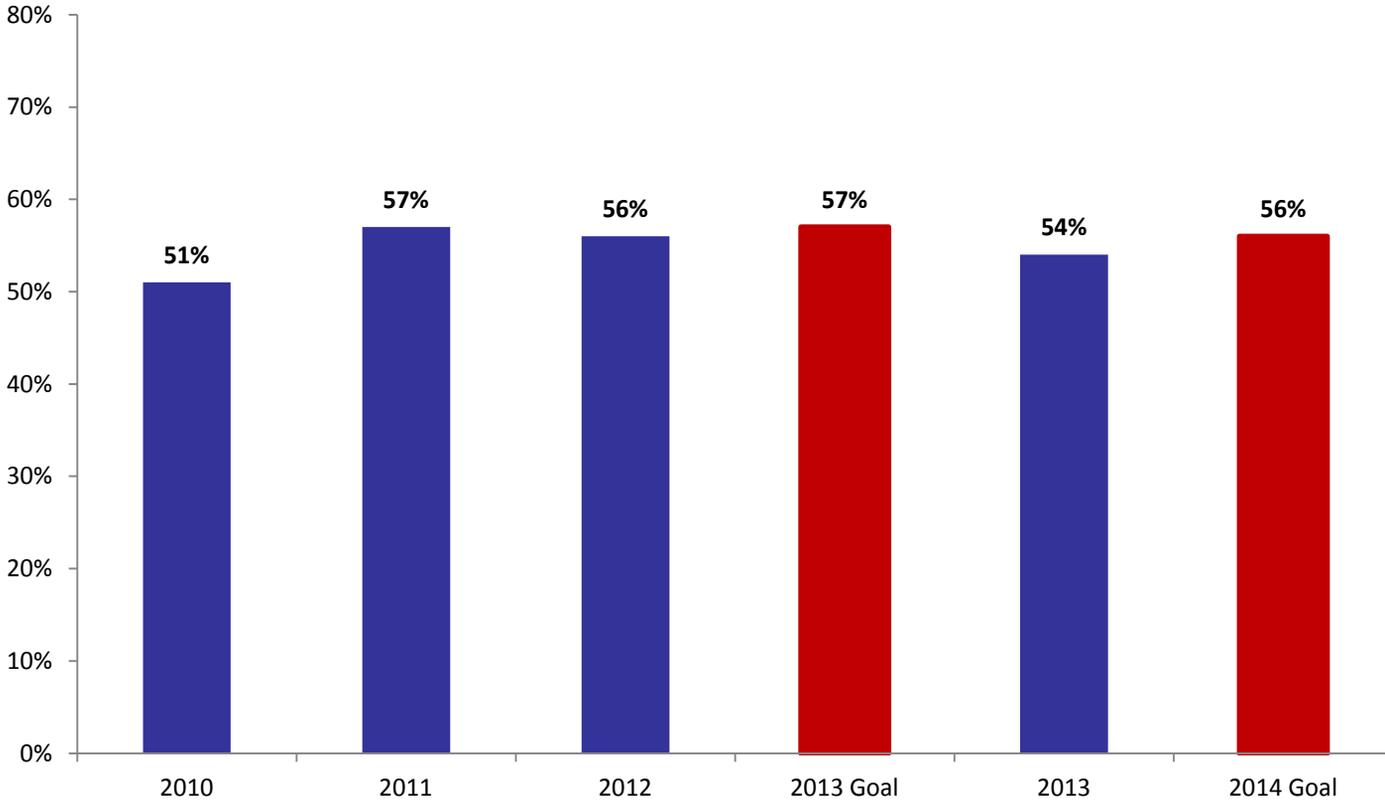
Minneapolis Convention Center Events



Minneapolis Convention Center Attendance (in thousands)



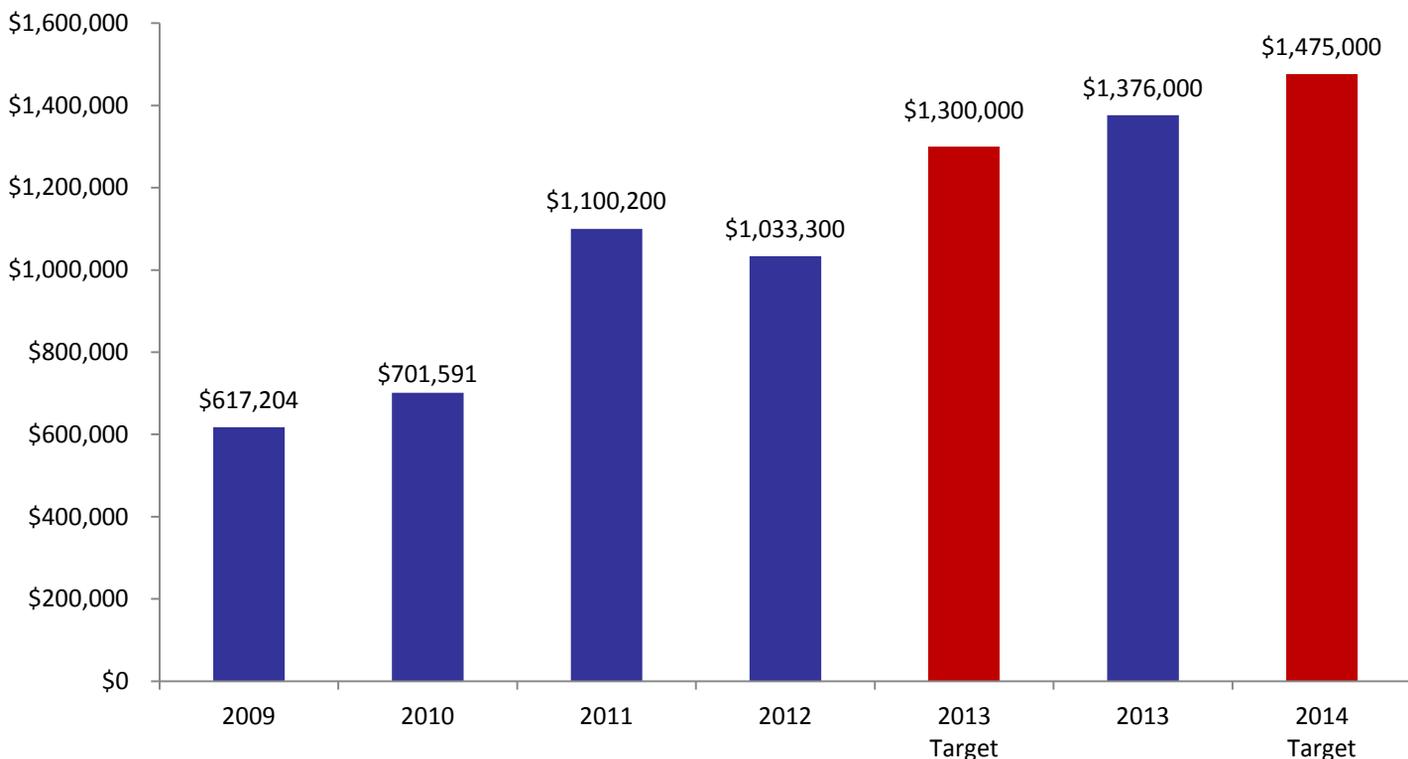
Minneapolis Convention Center Occupancy



Source: Minneapolis Convention Center

Destination Marketing and Partnership

Partnership Revenue



Note: The amount of revenue collected through membership fees and partner sponsorships.

Source: Meet Minneapolis

Why is this measure important to destination marketing and sponsorship?

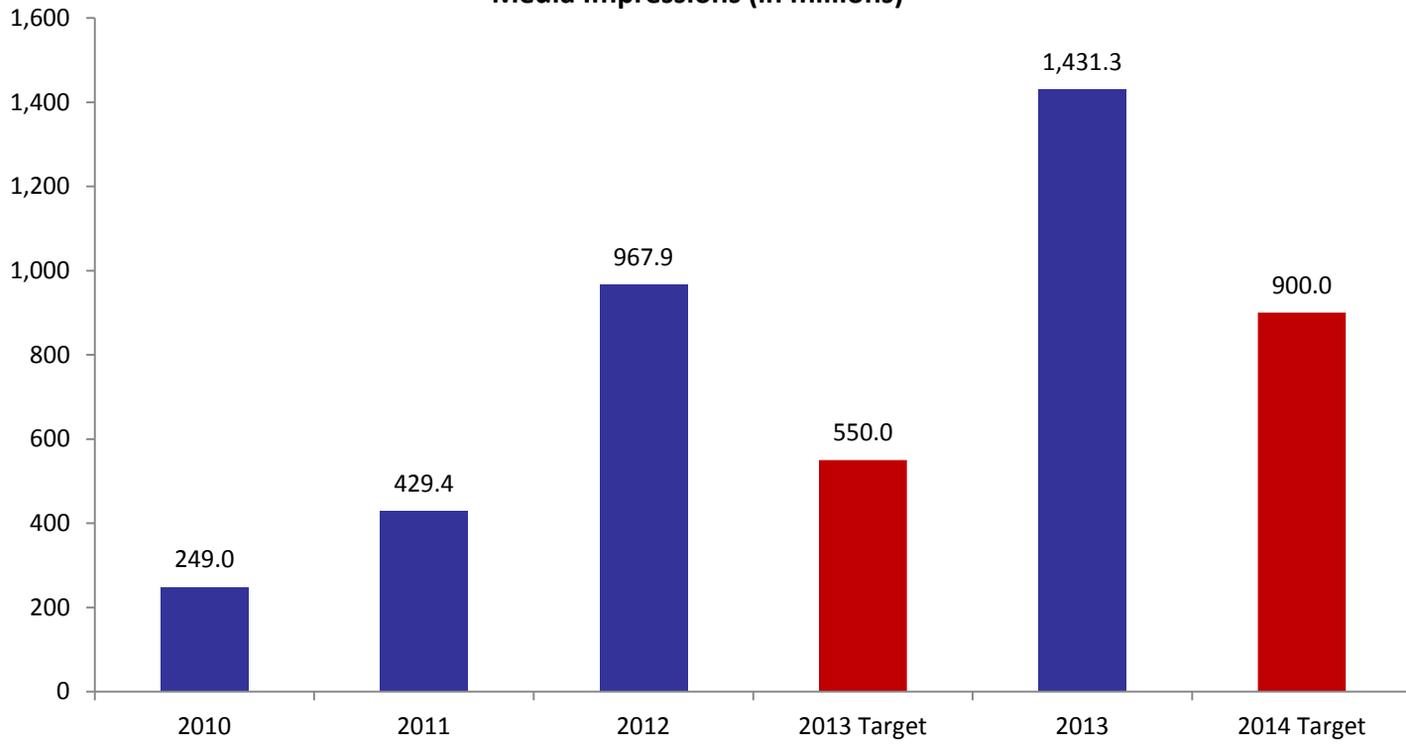
Partnership revenue is the primary source of **private** revenue for Meet Minneapolis (MM). Partnership revenue complements public funding and is critical to the achievement of organizational strategic objectives. It is generated through memberships and sponsorships among the Minneapolis business and hospitality communities.

What will it take to make progress?

Meet Minneapolis is currently focusing on four strategies to increase partnership revenue.

- Partner co-operative marketing activities:
 - Leisure travel promotions
 - Meeting planner promotions
 - Website packages
 - Wedding packages
- MCC sellable assets, which provide sponsorship opportunities:
 - Link Ups: digital displays connected to comfortable, semi-private seating areas
 - Cornerstone: promotes local businesses and their impact on their respective industry
 - Plaza: green space for community gathering events
- Implementing sales campaigns for new partner outreach across the metropolitan area to attract new restaurant and retail partners
- Enhanced member retention efforts

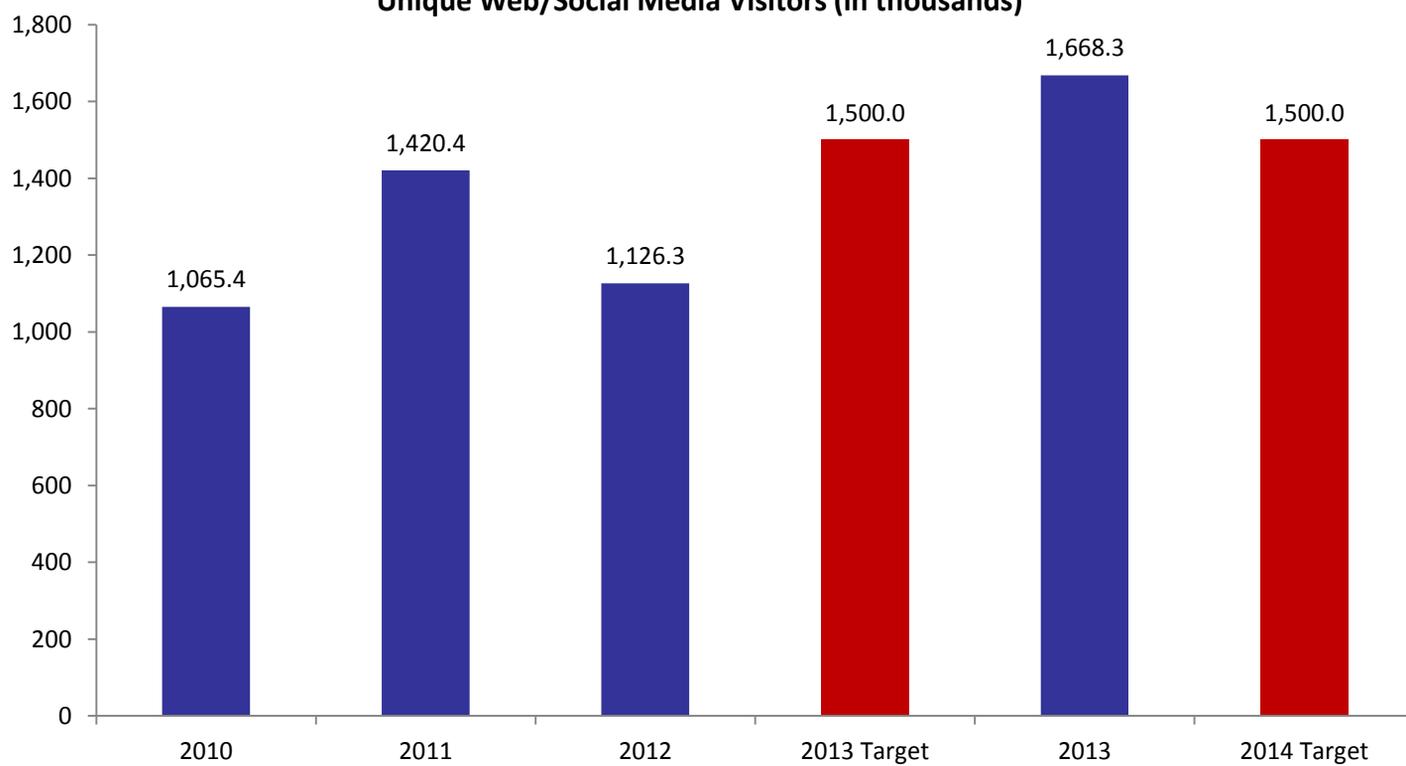
Media Impressions (in millions)



Note: Media impressions is a measure of earned media, also known as free media

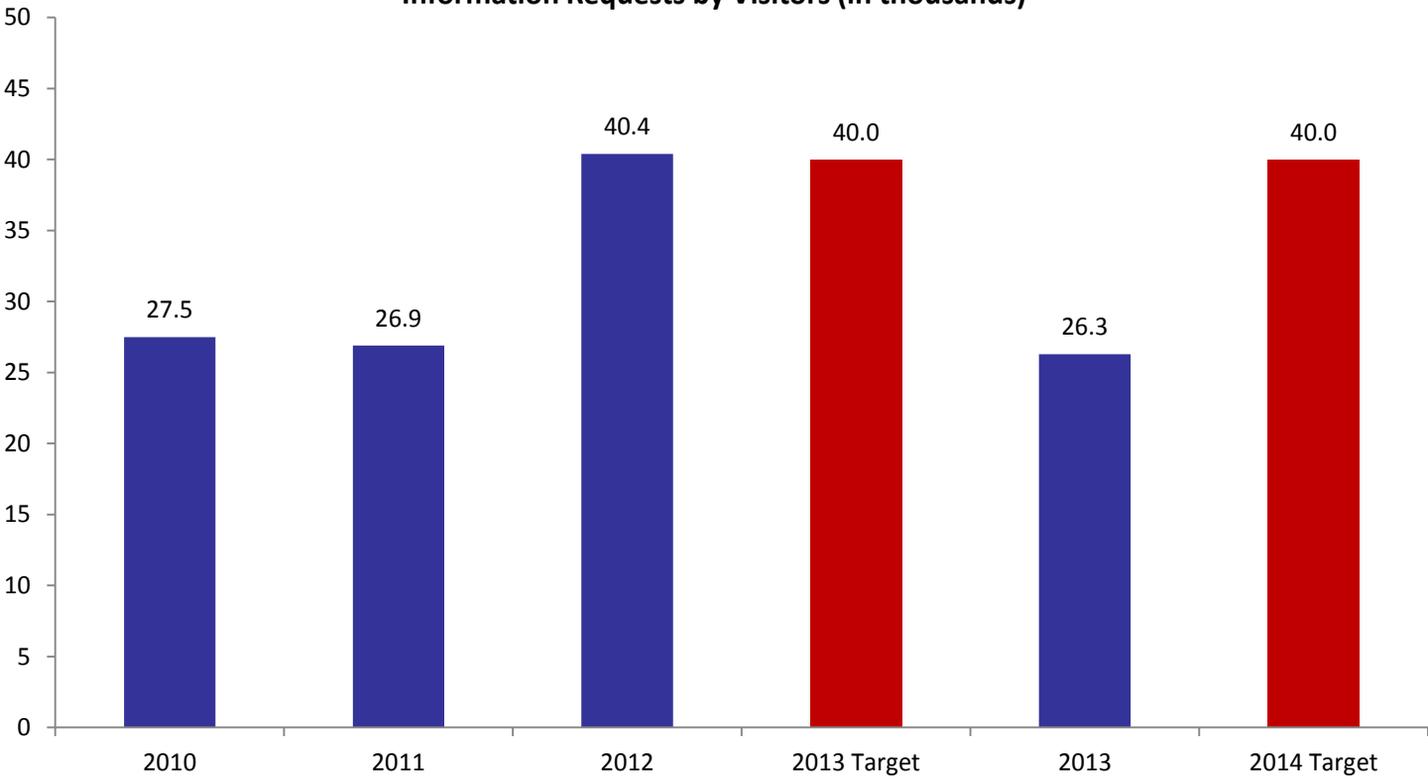
Source: CISION

Unique Web/Social Media Visitors (in thousands)



Source: Google Analytics

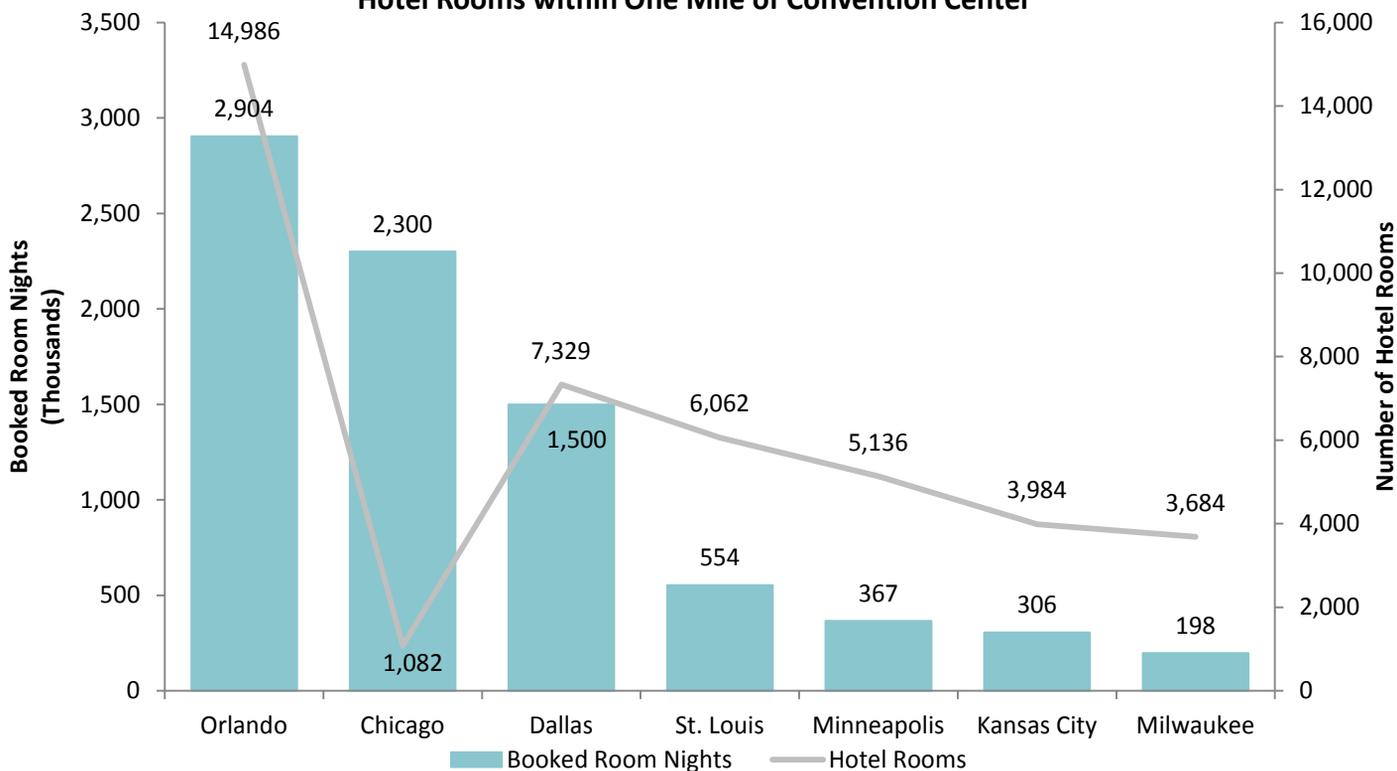
Information Requests by Visitors (in thousands)



Source: Meet Minneapolis

Meet Minneapolis Peer Set Comparison

Meeting and Convention Room Nights Booked in 2013 (in thousands) and Number of Hotel Rooms within One Mile of Convention Center



Sources: Respective Destination Marketing Organizations, Convention Hotels Guide.com and Trip Advisor.com

Why is this measure important to peer set comparisons?

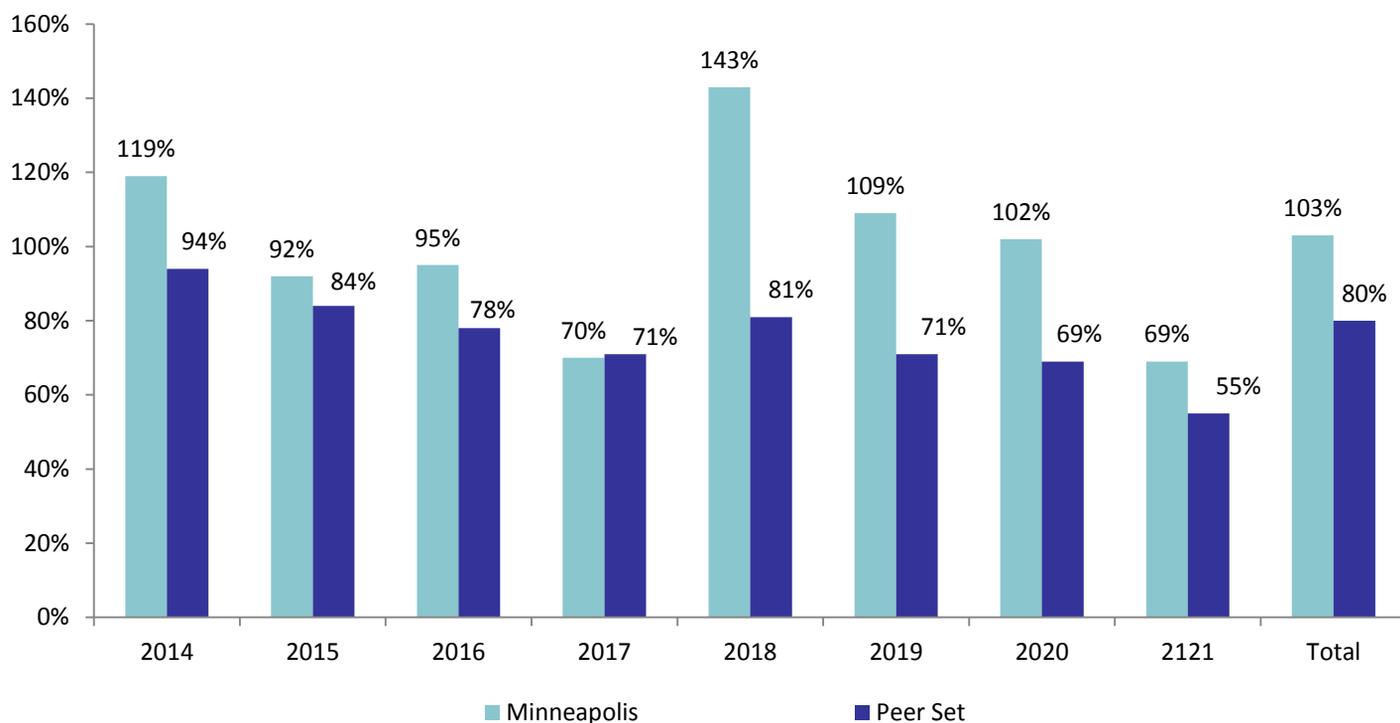
Booking hotel room nights is the primary service provided by Destination Marketing Organizations (DMO) to their respective communities, most importantly, meeting and convention room nights. DMOs compete directly with one another for this business and the competition has increased significantly since the recession: financial concessions demanded by the meeting planners, hospitality infrastructure development by cities, shorter lead times for booking business, etc. Thus, this measure serves as a very important means to monitor the performance of MM relative to its peer set.

What will it take to make progress?

Advancing in the peer set requires:

- 1) Increasing the awareness of Minneapolis as a meetings destination
- 2) Driving new business in the lucrative health/medical and scientific/engineering/technical/computing market segments through the 'pilot' targeted sales programs
- 3) Identifying and aggressively pursuing events for chronic hotel need periods (holidays, weekends, etc.)
- 4) Securing an agreement from the hotel community to commit rooms for meetings and conventions
- 5) Leveraging the City's new infrastructure development, such as the upcoming Minnesota Vikings' stadium, Target Center, Nicollet Mall, Light Rail Train, and residences
- 6) Leveraging the 'halo effect' of the Super Bowl win and the Major League Baseball's 'All Star Game'

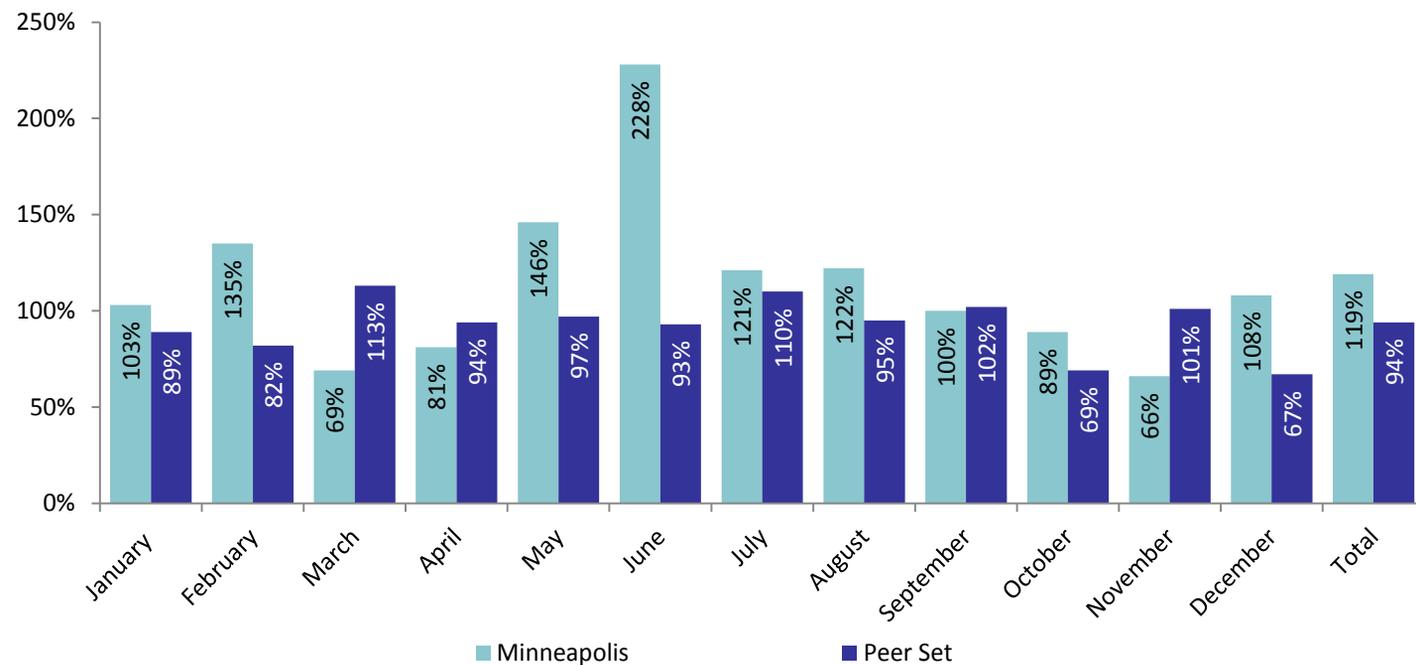
Meeting and Convention Room Nights Booking Pace by Year



Note: Peer Set includes: Chicago, Dallas, Denver, Indianapolis, Kansas City, Milwaukee, Minneapolis, New Orleans and St. Louis

Source: Trends Analysis Projections, LLC (TAP) as of April 30, 2014

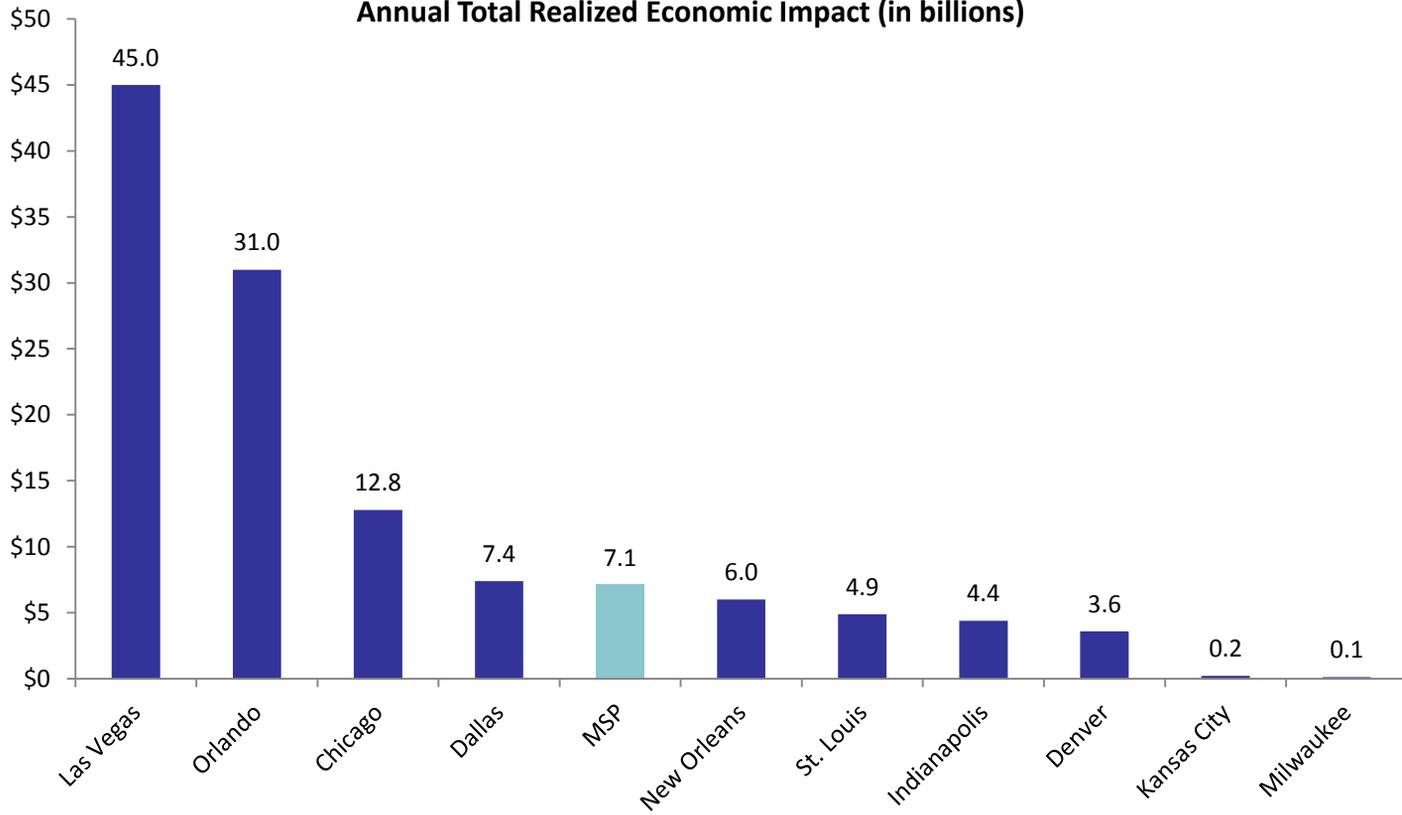
Meeting and Convention Room Nights Booking Pace by Month (2014)



Note: Peer Set includes: Chicago, Dallas, Denver, Indianapolis, Kansas City, Milwaukee, Minneapolis, New Orleans and St. Louis

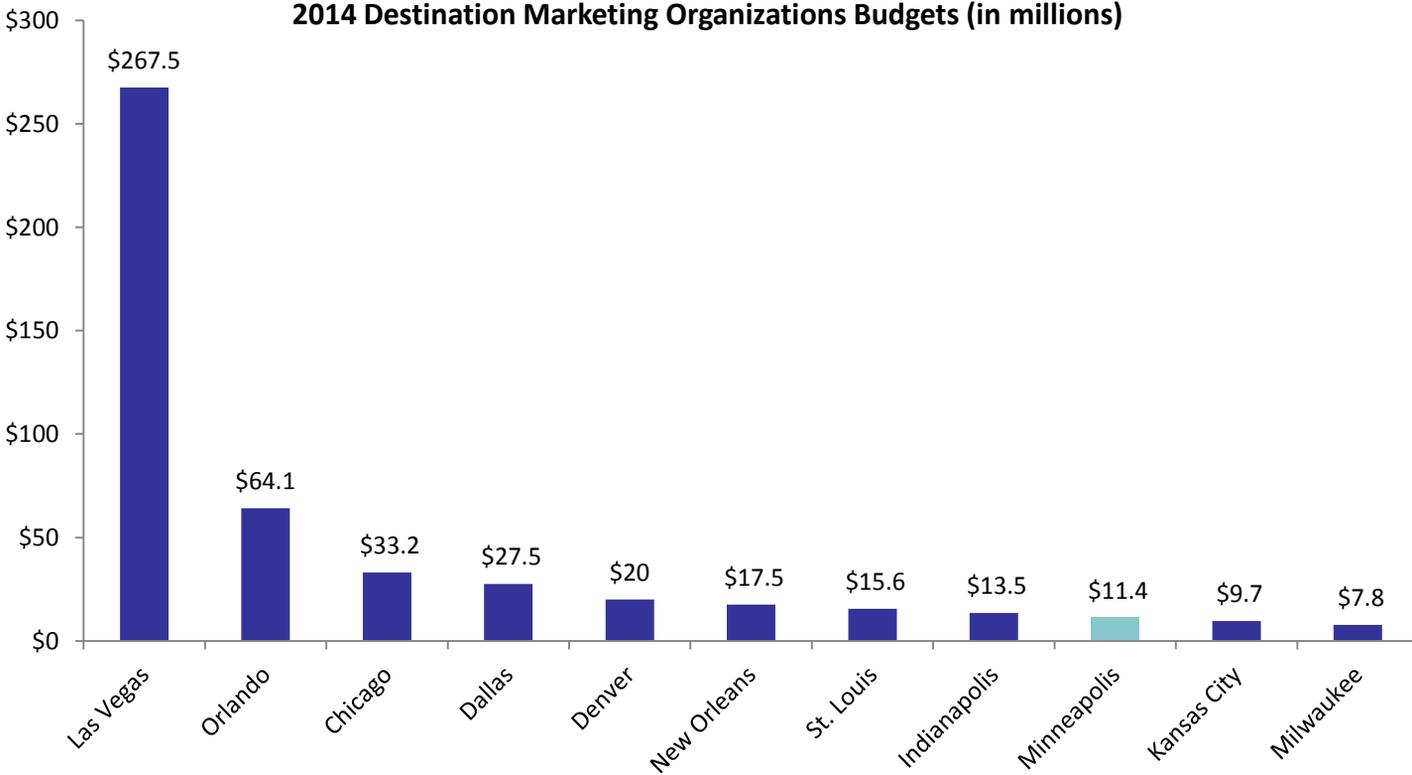
Source: Trends Analysis Projections, LLC (TAP) as of April 30, 2014

Annual Total Realized Economic Impact (in billions)



Sources: Respective Destination Marketing Organizations (2012 or 2013)

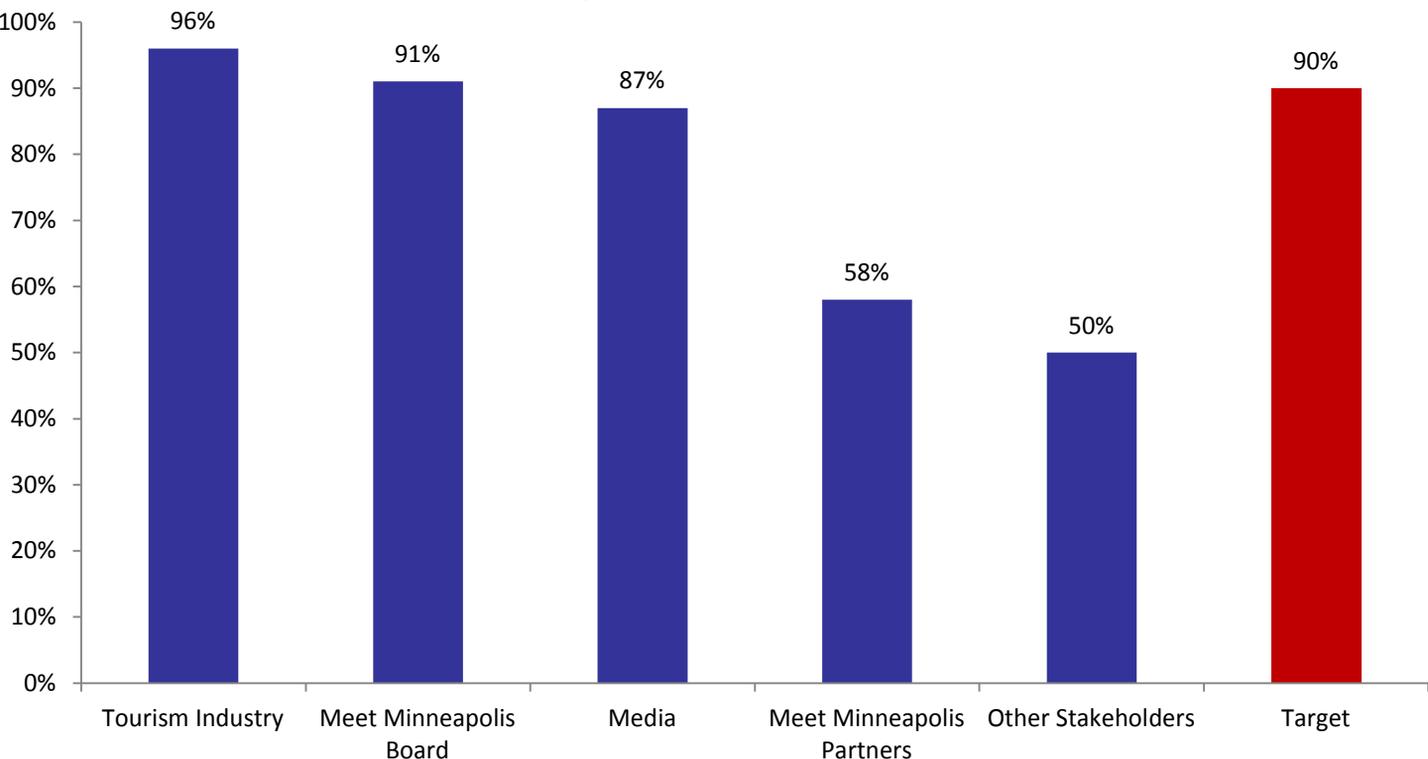
2014 Destination Marketing Organizations Budgets (in millions)



Sources: Respective Destination Marketing Organizations

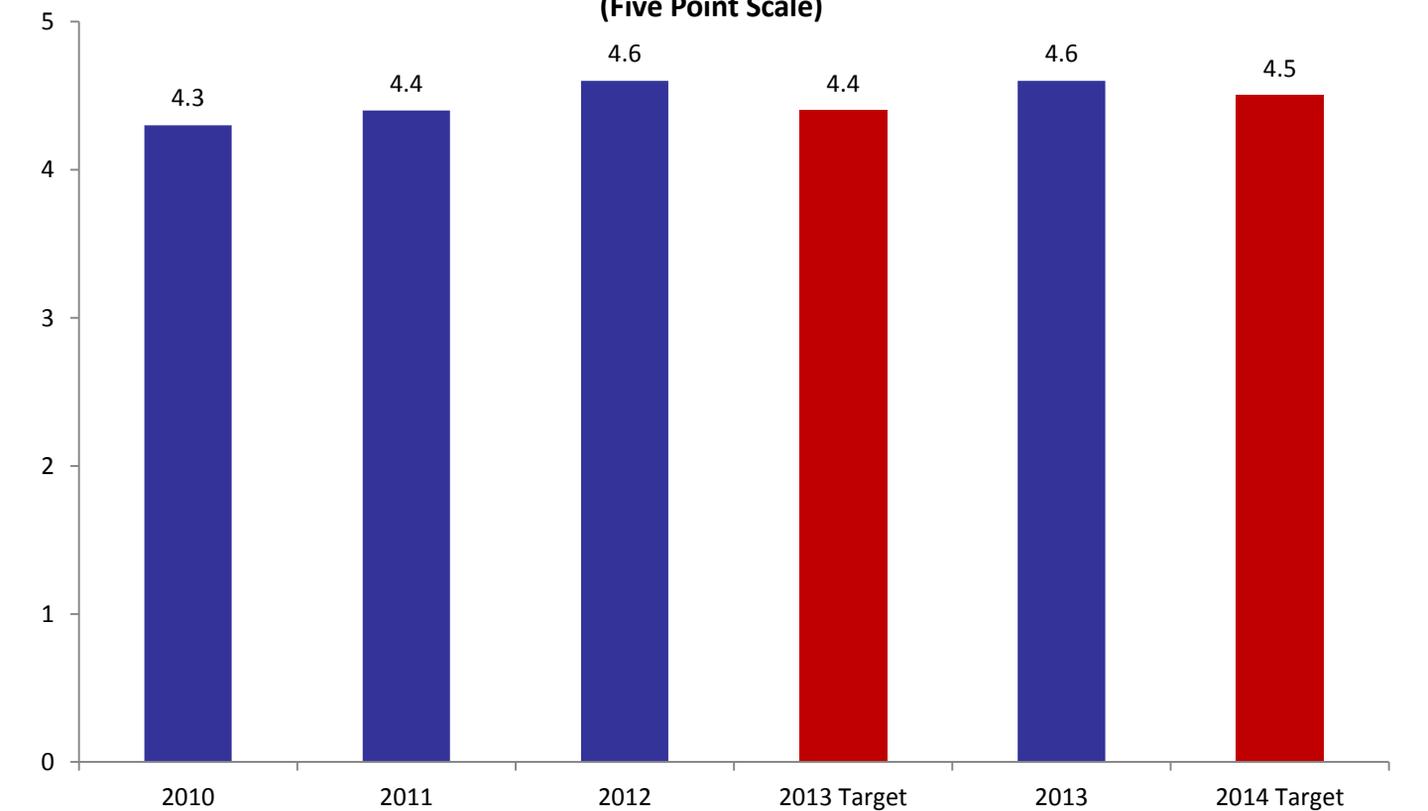
Customer Satisfaction

Meet Minneapolis Customer Satisfaction, 2013



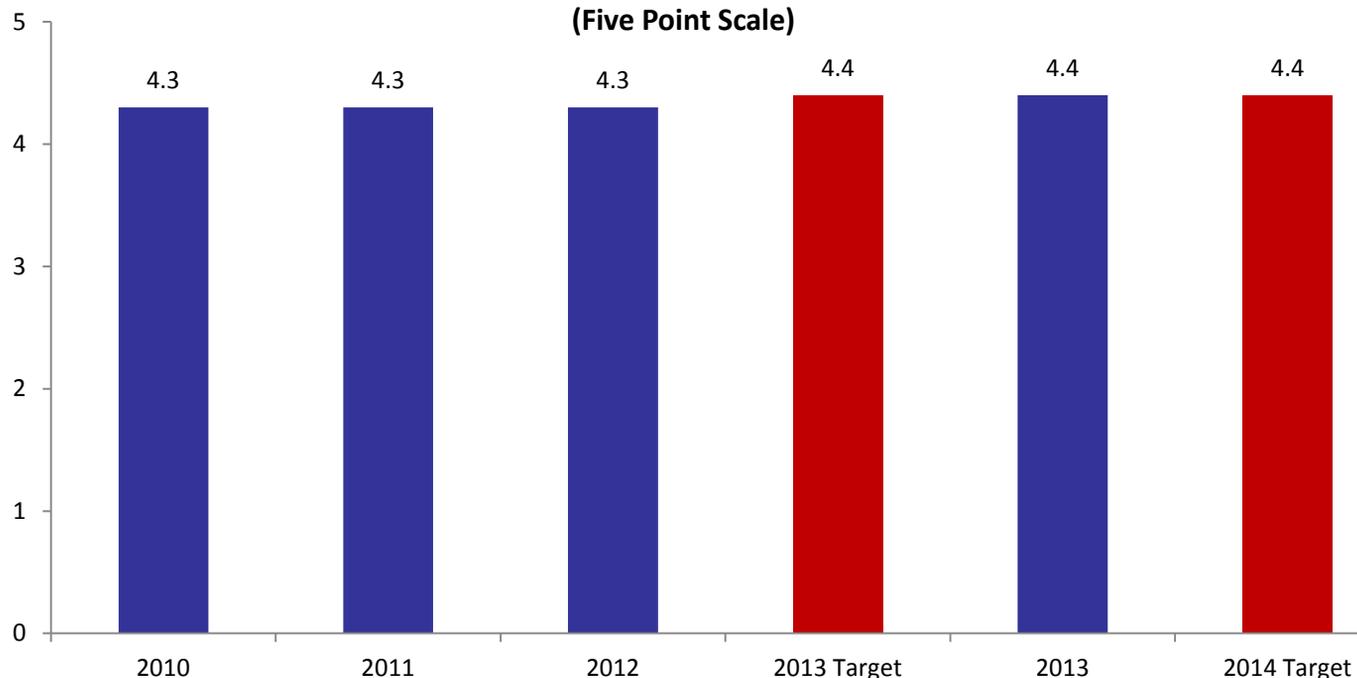
Source: Meet Minneapolis

Meet Minneapolis Destination Services Customer Satisfaction (Five Point Scale)



Source: Minneapolis Convention Center

Meet Minneapolis Sales Team at Minneapolis Convention Center (Five Point Scale)



Note: Most sales team members are Meet Minneapolis employees who are assigned to the Minneapolis Convention Center
Source: *Minneapolis Convention Center*

Why are these measures important to customer satisfaction?

Maintaining customer satisfaction in the era of social media is important for all organizations and is especially critical to service organizations such as MM. Meet Minneapolis' Destination Services and the sales team based at the MCC have been measuring customer satisfaction for a number of years, and the entire MM organization began doing so in 2013. This information allows the MM staff to monitor its performance from the perspective of the customer, determine customer expectations, and identify opportunities for improvement. All of this learning better equips the organization to deliver continuously improving customer service and, ultimately, greater customer satisfaction.

What will it take to make progress?

Meet Minneapolis is currently executing the following strategies:

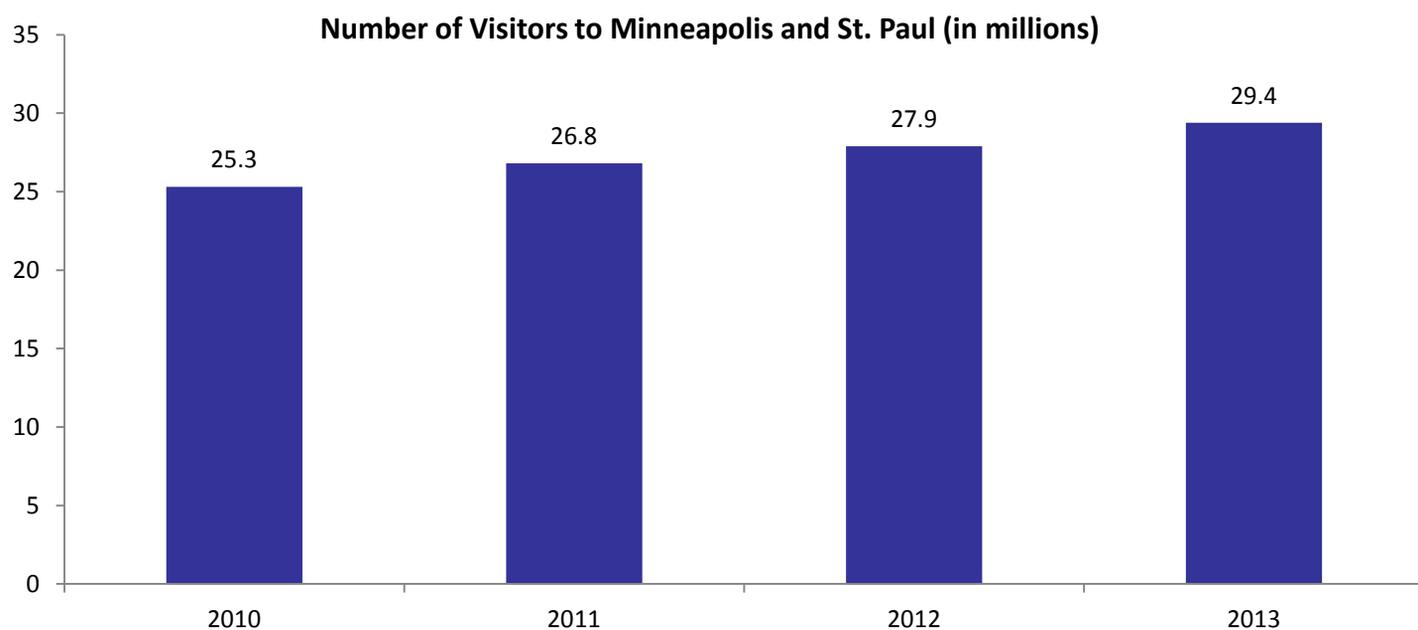
- 1) Increasing customer understanding of the role and responsibilities of the organization through the CEO's new weekly *'Meet Minneapolis Minute'* e-newsletter to partners
- 2) Developing a similar communication vehicle for the Board of Directors
- 3) Generating more leads for partners through innovative new programs such as:
 - *Sports Minneapolis* department solely focusing on securing sporting events of all types and sizes
 - *'Pilot'* sales programs targeting the lucrative health/medical and scientific/engineering/technical/computing market segments
 - *'Need Period Sales/Marketing Plan'* to identify and aggressively pursue events for chronic hotel need periods (*holidays, weekends, etc.*)
 - *Developed a customer service training program for the Minneapolis hospitality industry*

Appendix

Appendix

Performance Measure	2013 Annual Goal	2013 Actual	2014 Annual Goal
Room Nights Booked (in thousands)	475	367	475
Economic Impact (in millions)	\$275.0	\$305.5	\$395.0
Lead to Definite Conversion	26%	24%	26%
Survey – Destination Services	4.4	4.6	4.5
Leisure Hotel Leads	550	332	450
Non-Hotel Leisure Leads	650	647	650
Tour Programs Developed	100	99	100
MCC Revenue (in millions)	\$15.3	\$16.1	\$16.5
MCC Bookings	450	365	450
MCC Attendance (in thousands)	850	779	825
MCC Occupancy (Percentage Full)	57%	54%	57%
Survey – MCC Sales	4.4	4.4	4.4
Partnership Revenue (in thousands)	\$1,300.0	\$1,376.0	\$1,475.0
Media Impressions (in millions)	550	1,431	900
Unique Web /Social Media Visitors (in thousands)	1,500.0	1,668.3	1,500.0
Information Requests by Visitors (in thousands)	40	26	40

Sources: Meet Minneapolis, Trends Analysis Projections, LLC (TAP), Minneapolis Convention Center, CISION, Google Analytics



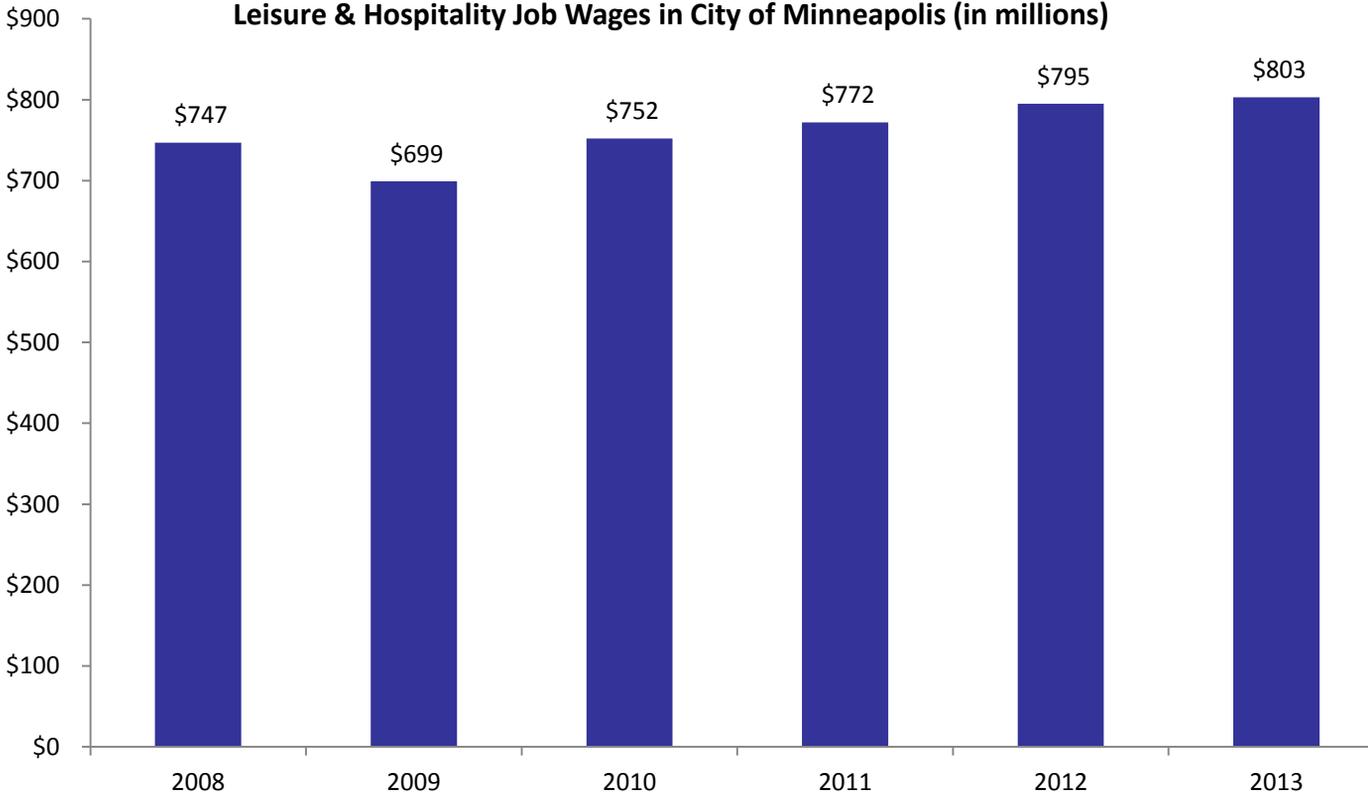
Source: D.K. Shifflet & Associates, Ltd.

Leisure & Hospitality Jobs in City of Minneapolis



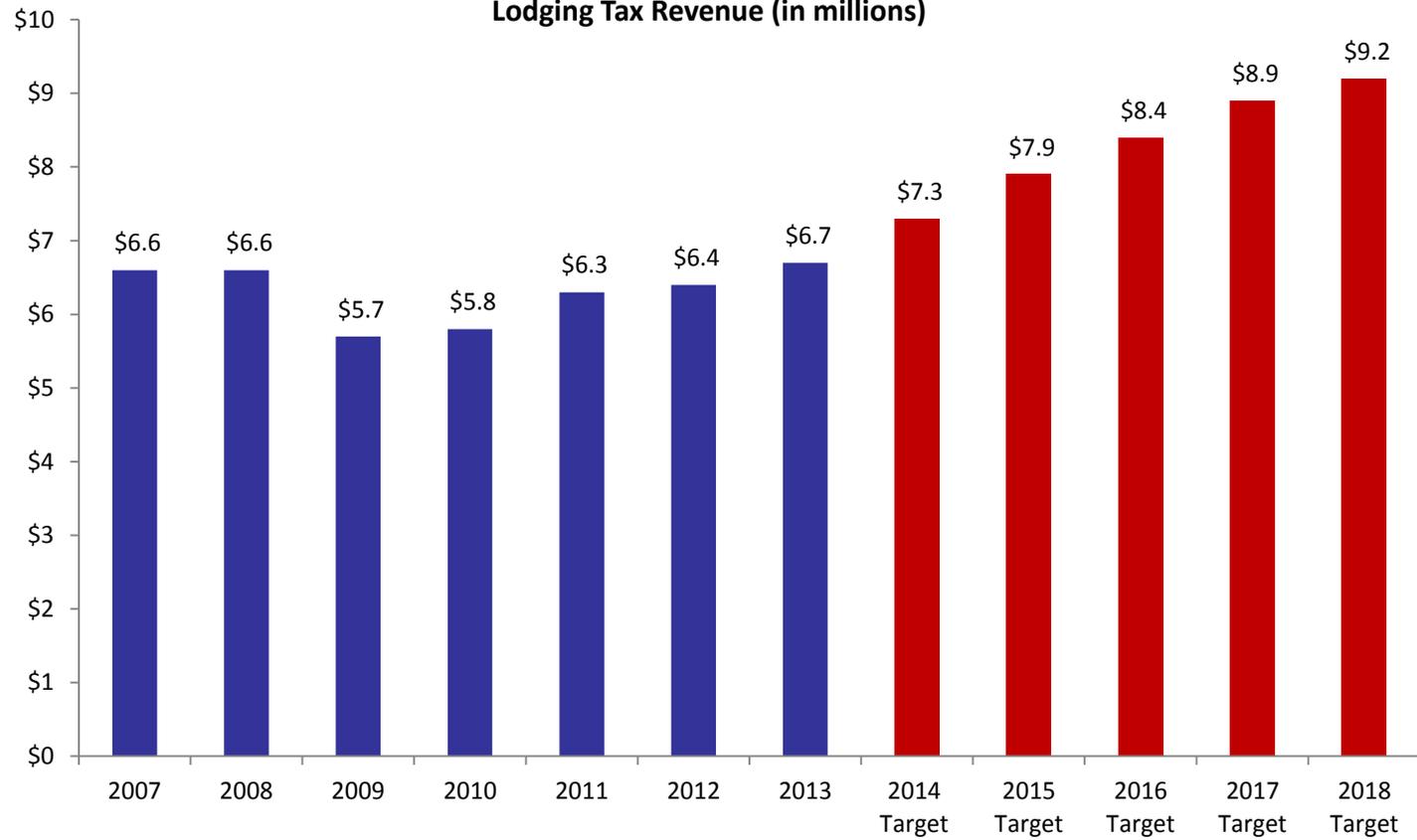
Source: Minnesota Department of Employment and Economic Development

Leisure & Hospitality Job Wages in City of Minneapolis (in millions)



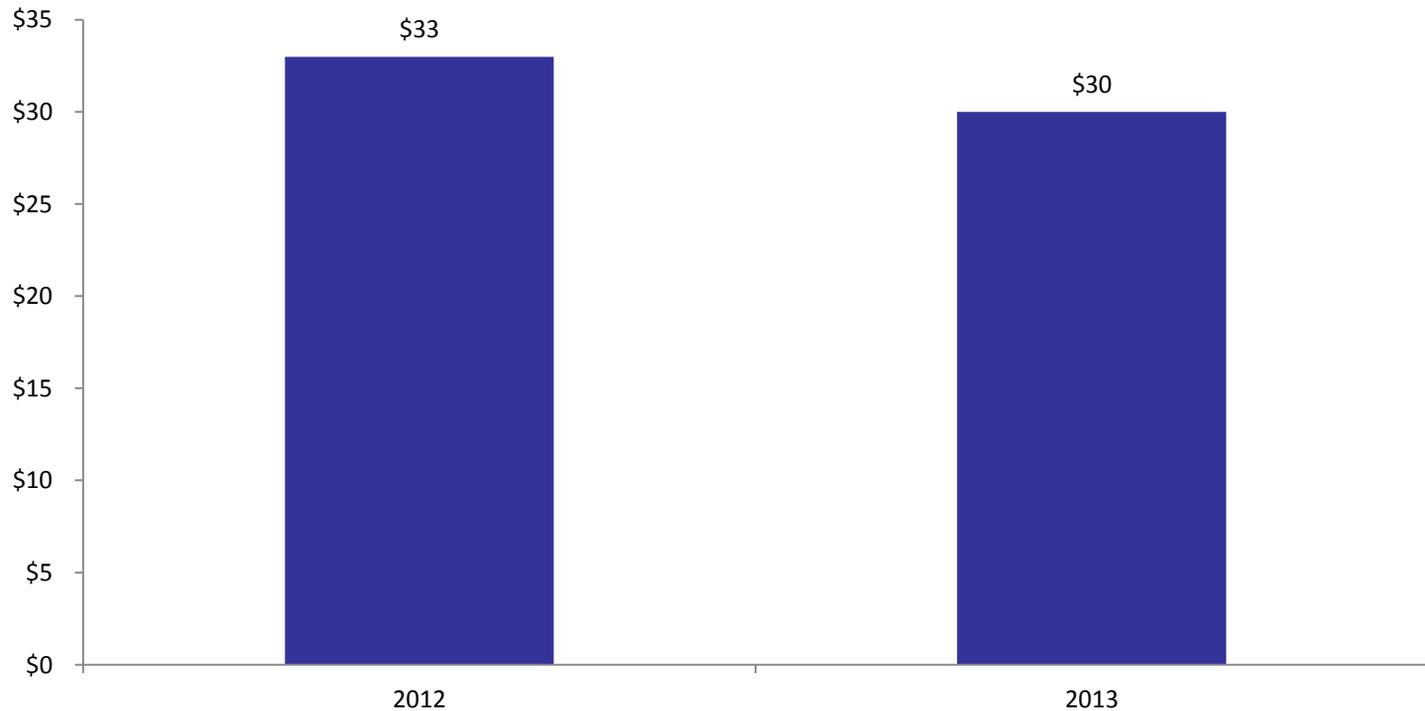
Source: Minnesota Department of Employment and Economic Development

Lodging Tax Revenue (in millions)



Sources: City of Minneapolis, Meet Minneapolis, Smith Travel Research, Inc. and PKF Hospitality Research LLC.

Meet Minneapolis Return on Investment (ROI)

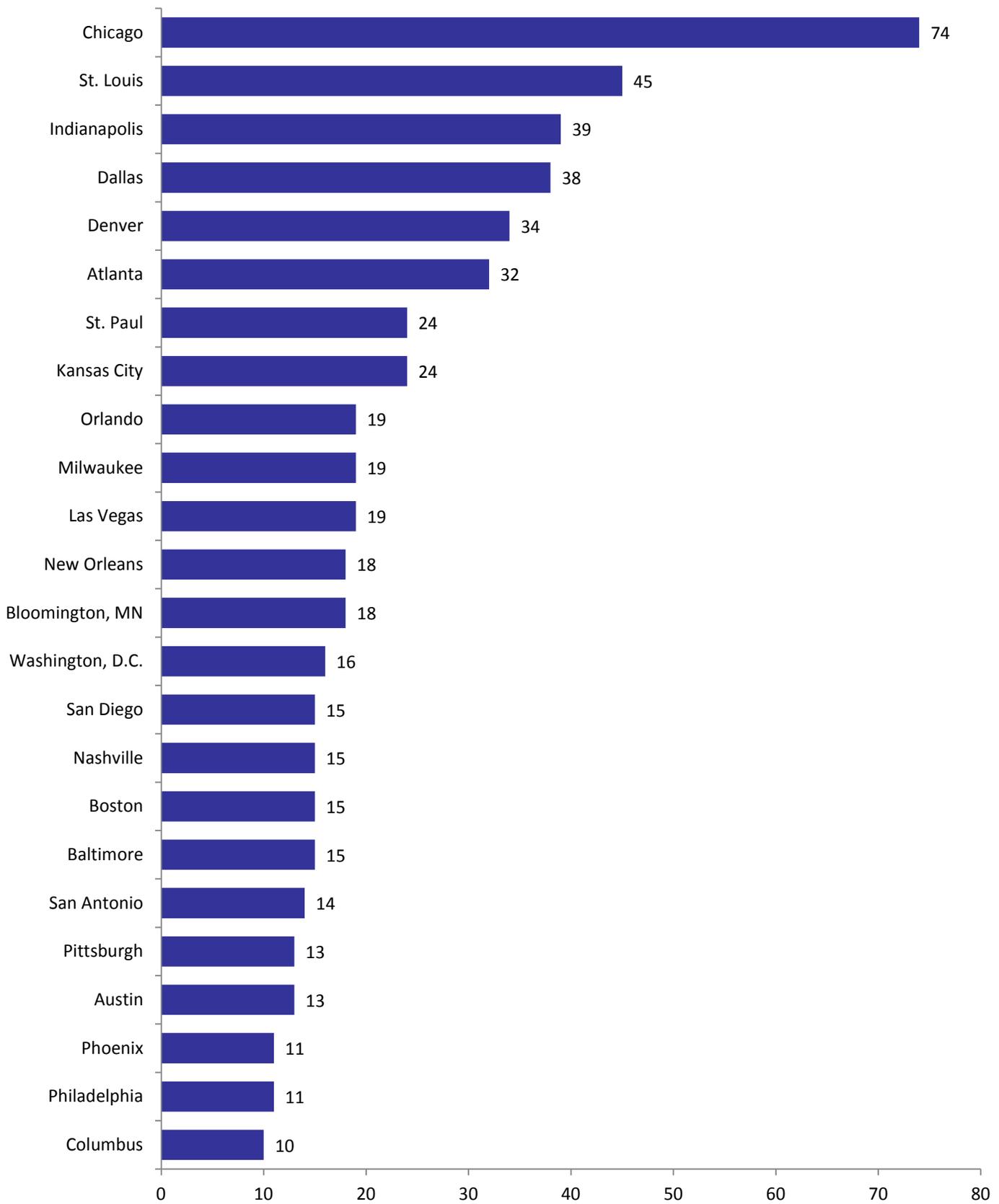


Source: Meet Minneapolis

Results Minneapolis: Meet Minneapolis

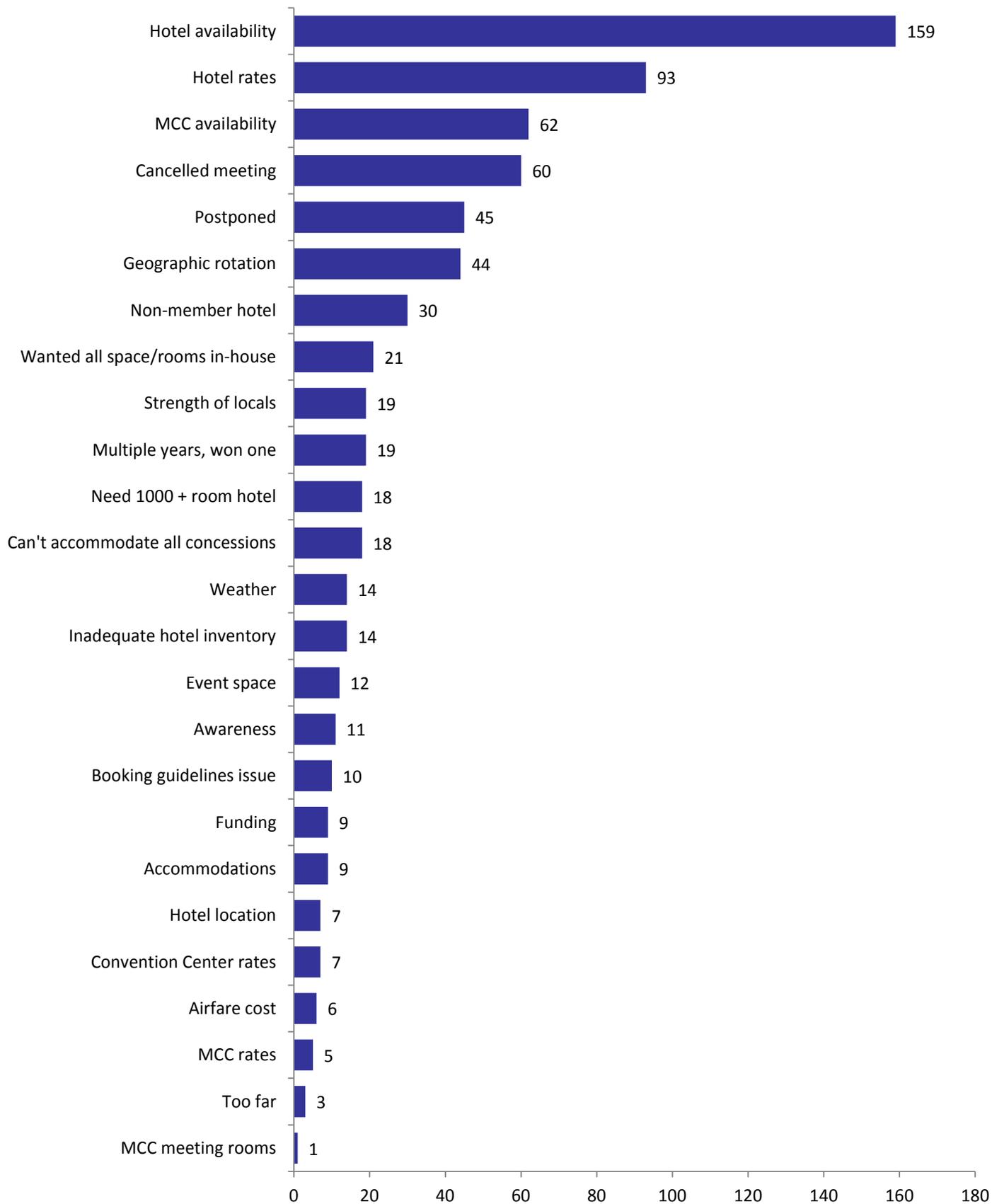
July 9, 2014

Cities to Which Meetings Lost 2011-2013 Number of Meetings



Source: Meet Minneapolis

Reasons Meetings Lost 2011-2013 Number of Meetings

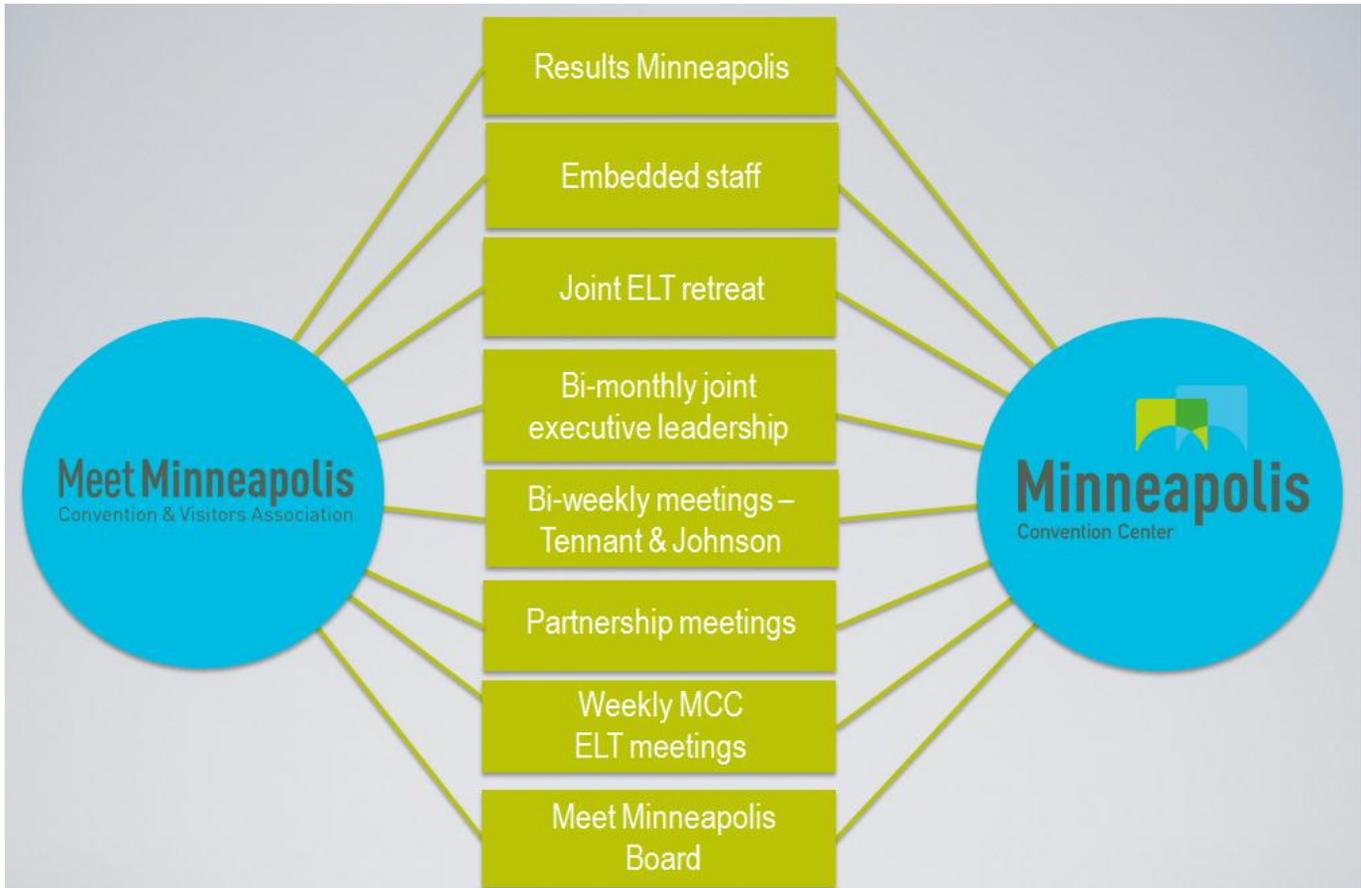


Source: Meet Minneapolis

Results Minneapolis: Meet Minneapolis

July 9, 2014

ONE TEAM



Meet Minneapolis IMPACT

calendar | print | by | help

BOOKINGS

Room Nights (000s)

111 / 475

Number of meeting and convention room nights booked at Minneapolis

LEADS

Leisure Leads

170 / 450

Number of leisure leads produced for Meet Minneapolis hotels.

INDUSTRY PERFORMANCE

STR: Minneapolis, Chicago, Dallas, Denver, Indianapolis, Kansas City, Milwaukee, New Orleans, St. Louis

0.00 41.50 83.00

CALENDAR

July 3-4 Red, White and Boom

July 11-12 Basilica Block Party | Basilica of St. Mary

July 15 2014 MLB All-Star Game | Target Field

[More Events](#) [Google](#)

MCC REVENUE

Revenue (\$M)

\$7.5 / \$16.5

Amount of Minneapolis Convention Center revenue. Figures shown in \$ millions.

SPONSORSHIP

Collected Revenue (\$000s)

\$561 / \$1,475

Amount of revenue collected through membership fees and partner sponsorships.

EXECUTIVE SUMMARY

Nathan Hermiston, National Account Executive

Marketing Research is a key area that the Sales & Marketing department at Meet Minneapolis is using to continue our theme of precision and intensity in 2014. We continue to use in-cresed data and technology tools to ensure we are making the most educated and accurate business decisions that we can.

Two exciting measureables Meet Minneapolis has instituted in 2014 is benchmarking our conversion rates and then comparing that with what is in our current tentative room night funnel. Based on our benchmarked conversion rate, we know exactly how

HOW TO GET INVOLVED

Meet Minneapolis
Convention & Visitors Association

Amy Freese
Director of Partnership Marketing
amyf@minneapolis.org
612.767.8040

OUR MISSION TO MARKET, SELL AND MAXIMIZE THE VISITOR EXPERIENCE OF MINNEAPOLIS FOR THE ECONOMIC BENEFIT OF OUR COMMUNITY.

Minneapolis
City by Nature