



#TourismStrong






# Where We Were

# Where We Were

**Over the last 5 years the City of Madison has increased investment in Destination Madison**

- Room Tax Study conducted by the City of Madison in 2013 supported increase of room tax investment in tourism sales and marketing to attain competitive level of funding
  - As a result, a multi-year contract with increasing investment in Destination Madison intended provide steady increase in funding was implemented from 2015 to 2018 with a renewal option.
  - At a critical juncture in the City's finances, an increase in room tax from 9% to 10% in 2018 supported by hoteliers was implemented contingent on the City's commitment for continuing to grow investment in Destination Madison. The contract was extended to 2023
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# Where We Were

**The increased investment allowed us to expand our team and strategically invest in initiatives in our core work:**

## **Convention and Events Sales:**

- Additional Sales Managers
- Additional Client Services Manager
- Expanded Sales Initiatives

## **Marketing and Communications:**

- Additional Marketing and Public Relations staff
  - Investment in new website
  - Investment in immersive experience development
  - Expanded media outreach and engagement
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# 2019 Economic Impact: Dane County

**\$1.4 BILLION**

DIRECT SALES

**\$2.3 BILLION**

TOTAL SALES

**22,603 JOBS**

SUPPORTED BY TOURISM



**FOOD/BEVERAGE**

**\$385 MILLION**

**28.3%**



**LODGING**

**\$356 MILLION**

**26.2%**



**RETAIL**

**\$280 MILLION**

**20.6%**



**TRANSPORTATION**

**\$169 MILLION**

**12.4%**

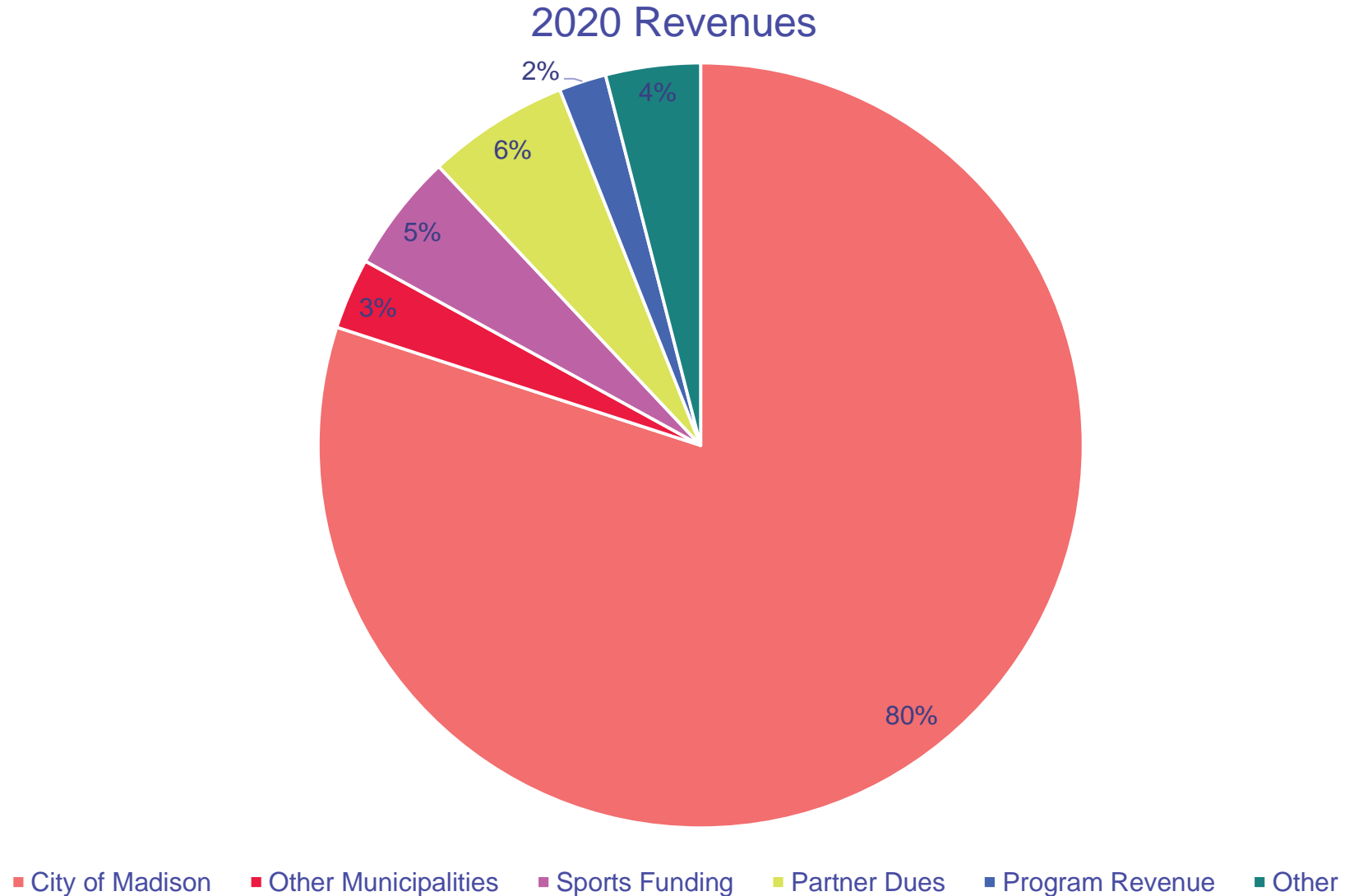


**RECREATION**

**\$170 MILLION**

**12.5%**

# Destination Madison Revenue Sources



# Where We Are Today

# **Actions we have taken to mitigate costs for 2020:**

- **Personnel:** \$1.3 million reduction in budget
  - Staff reductions effective March – 8 full time, 4 part time
  - Furloughs for all remaining staff
- **Programs and Operations:** \$1.2 million reduction in budget

**Overall reduced 2020 expenses by \$2.5 million — 35% of total budget**

**As we move forward into 2021 it will be necessary to reinstate sales and marketing programs that we curtailed in 2020**





# 2020 Conventions and Events\*

	Attend	Direct S pending	Total Rooms
Total Convention Sales / Services # Events to occur in 2020 = 81	91,899	\$37,166,399	74,752
Total Sports # Events to occur in 2020 = 35	117,050	\$27,407,719	44,613
All Events that were to occur in 2020 = 116	208,949	\$64,574,118	119,365

\* Includes 21 conventions and 3 sports events at Monona Terrace

# Greater Madison Tourism Today



**To date 58 conventions and sporting events that we contracted for have cancelled:**

- Loss of \$37.7 million in direct spending
- Over 73,800 hotel room nights
- Over 111,000 visitors to our destination

**We have seen longstanding local events that attract many visitors to Madison cancel:**

- WIAA State Boy's Basketball/Golf/Tennis/Softball
- UW Commencement
- Wisconsin Film Festival
- Sugar Maple Musical Festival
- Great Taste of the Midwest
- Paddle & Portage
- Midwest Horse Fair

# Retaining Business

**We have been working diligently to retain conventions and events where possible**

- Eight events, including the Wisconsin Governor's Conference on Tourism, have rescheduled for 2021
- An additional event rebooked for 2024



# Where We Are Going



# **Recovery: Next Six to Eighteen Months**

## **Travel segments and anticipated recovery sequence:**

- Leisure within reasonable drive time
- Business traveler
- Group events (e.g. conventions, sporting events, festivals)

**Destination Madison current marketing initiatives will pursue regional leisure visitor opportunities while parallel sales efforts will pursue convention and event business that have long lead times to secure**

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# Where We Are Going

**Our convention and events sales team works years in advance of an event to secure commitments.**

For all confirmed events – the average number of days from lead to event are:

- Ave lead date to Event Date 465.98

For Monona Terrace contracted events – the average number of days are:

- Ave lead date to Event Date at MT 1039.66



# Recovery: Next Six to Eighteen Months

## Objectives for Recovery


1. Help get industry people back to work
2. Attract regional leisure travelers who support our local restaurant and retail businesses
3. Collaborate with industry and community partners on opening and recovery strategies
4. Promote the destination brand
5. Engage our clients to secure convention and event business for 2021, 2022 and beyond

**Safety for community, employees and visitors are at the forefront of our work**

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# Recovery: Next Six to Eighteen Months

## Readiness messaging will focus on safety:

- Building consumer and resident confidence and trust in safety of our community and local businesses
  - Work with partners to demonstrate flexibility in meeting visitor and client needs and expectations
  - Communicate our destination safety practices: cleanliness, hygiene
  - Foster and encourage responsible visitor behaviors
  - Ensure a welcoming destination
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# **Resilience: We are #TourismStrong**

**Visitors are critical to lead our community economic recovery forward.**


**And Community support is crucial:**

- Continue to support local businesses that are “open”
- Keep Your Meetings Home: Host your business meetings and conferences in Madison
- Welcome visitors to our community

**We are poised to reimagine and rebuild the tourism economy and connect visitors safely to the community.**



# Investing for the Future

- Investment in Destination Madison today will generate economic impact in future years as business travel, conventions and events recover
  - The City's future share of room tax is at risk without investment in destination marketing
  - Supporting the recovery of tourism gets people back to work in the community
  - Destination Madison is the only entity whose key focus is to drive room tax generation and serve as a catalyst to local economic recovery
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# Destination Madison: Our Roles

- Recovery for Economy
- Return on Investment
- Responsible Stewards
- Reputation of Destination
- Resilience for industry and community







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