

2021

ANNUAL REPORT

CINCINNATI USA CVB



CINCINNATIUSA
CONVENTION & VISITORS BUREAU

COME BACK. FOR THE COMEBACK.

2021 was a year unlike any other. Covid variants Delta and Omicron fueled the continuation of a global pandemic that disrupted every aspect of our tourism, convention and hospitality industries. But our strategic foresight and financial prudence in 2020 created a strong foundation on which to build a comeback strategy for 2021 and beyond. Through it all, our region's collective commitment to restoring our vibrant visitor economy never wavered. This annual report provides an overview of that commitment, the specific initiatives we pursued in the face of a complex and ever-changing business landscape, and a summary of outcomes against our planned goals for the year.

Creating Economic Impact in Uncertain Times

Overcoming the devastating impact of the 2020 Covid shutdown was a monumental challenge. Consider that in 2020, 166 of 215 booked convention groups cancelled, creating a loss of 173,000 attendees and nearly \$61 million in expected direct economic impact. Future uncertainty also led to 11 groups preemptively cancelling for 2021. Despite the sizable hole we started from and the challenges in 2021 brought on by the stops and starts of an unpredictable pandemic, we exceeded our goals in several key economic metrics.

- Contracted Room Nights: Achieved 101% of goal. Room nights contracted in 2021 will generate **\$105 million** in spending in future years.
- Lead Generation: **Achieved 107% of Goal**; nearly 380,000 room nights.
- Hamilton County hotel room revenue: **77% increase** over 2020 revenue, per year-end STR data.
- Market Share: Increased to a **106.3 index** vs. Cincinnati's competitive set markets

A Creative and Consistent Sales Approach

Despite ongoing meetings-industry challenges, our sales efforts were strategically focused on rebooking and layering in new business.

Early in 2021 (January to April), Covid restrictions still limited groups to 300 attendees, so the team moved annual conventions to later in the year, rebooked large conventions into future years and safely hosted several youth sports groups, including Dayton Jr, AAU and We Build You Play volleyball groups, Cincy Flames, Beyond the Stars, Ohio Elite Soccer, Ohio Players Basketball and All Star Cheer. From June to December, large conventions returned, including the National Private Truck Council, Moose International, Mennonite Church, Midwest Homeschool, Pure Romance, Academic Advising Association and the American Bankers Association.

We hosted key industry meetings that provided excellent exposure for our region and our partners, including the HSMAI Ohio Chapter meeting at the new TQL Stadium. In October

the National Coalition of Black Meeting Professionals met in Cincinnati. Attendees from that organization plan meetings and events that represent more than \$50 million in economic impact.

We hosted these groups while also delivering extraordinary service and safe, memorable experiences to our visitors, receiving a **93.3% in excellent meeting planner service scores** from our 2021 conventions.

Restoring Confidence in Travel through Marketing Efforts

We secured \$2 million in CARES Act funds from Hamilton County for a regional, multi-channel “safe restart” marketing push. The CVB partnered with Cincinnati Experience and the Cincinnati USA Regional Chamber on a creative campaign themed “Get Your Cincy On!” The campaign delivered millions of impressions to potential travelers, and the CVB supplemented the efforts to directly influenced the booking of 20,400 room nights and 6,500 tickets by promoting the region through online travel agencies.

The meetings portion of the Hamilton County CARES Act investment included new safety videos and messaging for meeting planners, promotional offers, email campaigns, safety equipment and new virtual tour features for local venues to continue selling through travel restrictions.

Marketing the Destination through the Strength of Partnership

In 2020, our CVB and meet NKY (the Northern Kentucky CVB) created a strategic memorandum of understanding to deliver on our shared mission of boosting regional leisure tourism. In 2021, we took critical next steps in the partnership by developing a new regional tourism brand as the foundation for a new web site and marketing campaign. The tourism brand work was finalized in October, as was the strategic merger of a unified customer relationship management tool to strengthen our regional industry database and sales approach. We worked together to plan and participate in key industry trade shows and host client events, from Cvent Connect and Connect Marketplace to IMEX and Holiday Showcase.

Building Momentum for Diversity, Equity & Inclusion in the Industry

The CVB’s strategic Diversity & Inclusion department amplifies the region’s vibrant diverse experiences. We launched nine unique event and experience activations around key meetings and conventions, creating a welcoming visitor experience that fully with integrated with our community and residents. Those activations – which generated leads

for more than 40,000 hotel room nights – were highlighted during the weekend that would have been the Cincinnati Music Festival, when we hosted the first concert at the Andrew J. Brady Center. In the midst of a pandemic, the outdoor event had triple the attendance of previous events. Other strategic diversity highlights in 2021 included:

- We led and completed the first competitive set Multicultural Study for Black and Hispanic leisure travelers for the Cincy Region. The study revealed key insights on how to market and attract within these communities.
- We completed work with MMGY Global to obtain competitive benchmarking data.
- We co-led, created and planned the inaugural Welcome Week with COMPAS Cincinnati, attracting more than 300 attendees, and partnered to create the inaugural Cincy Sambroso event during Latin Food Week.
- Our 2021 spend with MBE, WBE, LGBT, and Veteran-Owned businesses totaled \$249,819 (7.55% of applicable spend).

Financials

The CVB's main source of income, the hotel occupancy tax in Hamilton County, dropped 60 percent in 2020. To overcome the budget shortfalls in 2021, we dramatically reduced spending and year-end operating expenses reflected a positive variance to the budget of \$766,870 below budget. We secured \$1.7 million from the City of Cincinnati ARPA Funds, plus another \$2.0 million from Hamilton County ARPA Funds. These funds served as revenue replacement as strategic sales and marketing efforts ramped up throughout the year.

In 2021, we fulfilled our contracts with the City of Cincinnati and Hamilton County. Our most recent audit was presented without comment or exception and accepted by our Executive Committee. Financial statements are available upon request.

Coming Back. Looking Forward.

In 2021, our region came together to overcome unthinkable challenges and lay the foundation for a destination comeback that will drive our economy for the next decade and beyond. Strategic planning and progress continue on the building of a new headquarters hotel, expansion of our convention center and redevelopment of our entire convention district. In 2021, we brought back three more staff members from furlough and hired six new employees, and we will continue to grow our team during 2022. We strengthened our regional partnerships, surpassed our sales goals in an unpredictable market, and captured more market share from our competitive set cities despite significant decreases in our expenses and promotional spending.

The comeback has not been easy. But the passion and dedication of our staff, board members, partners and hospitality industry peers has sparked encouraging results for our region.

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525 Vine Street, Suite 1200
Cincinnati, OH 45202

CincyUSA.com