



**ROYAL
ONTARIO
MUSEUM**

BUSINESS PLAN

FISCAL 2019-20

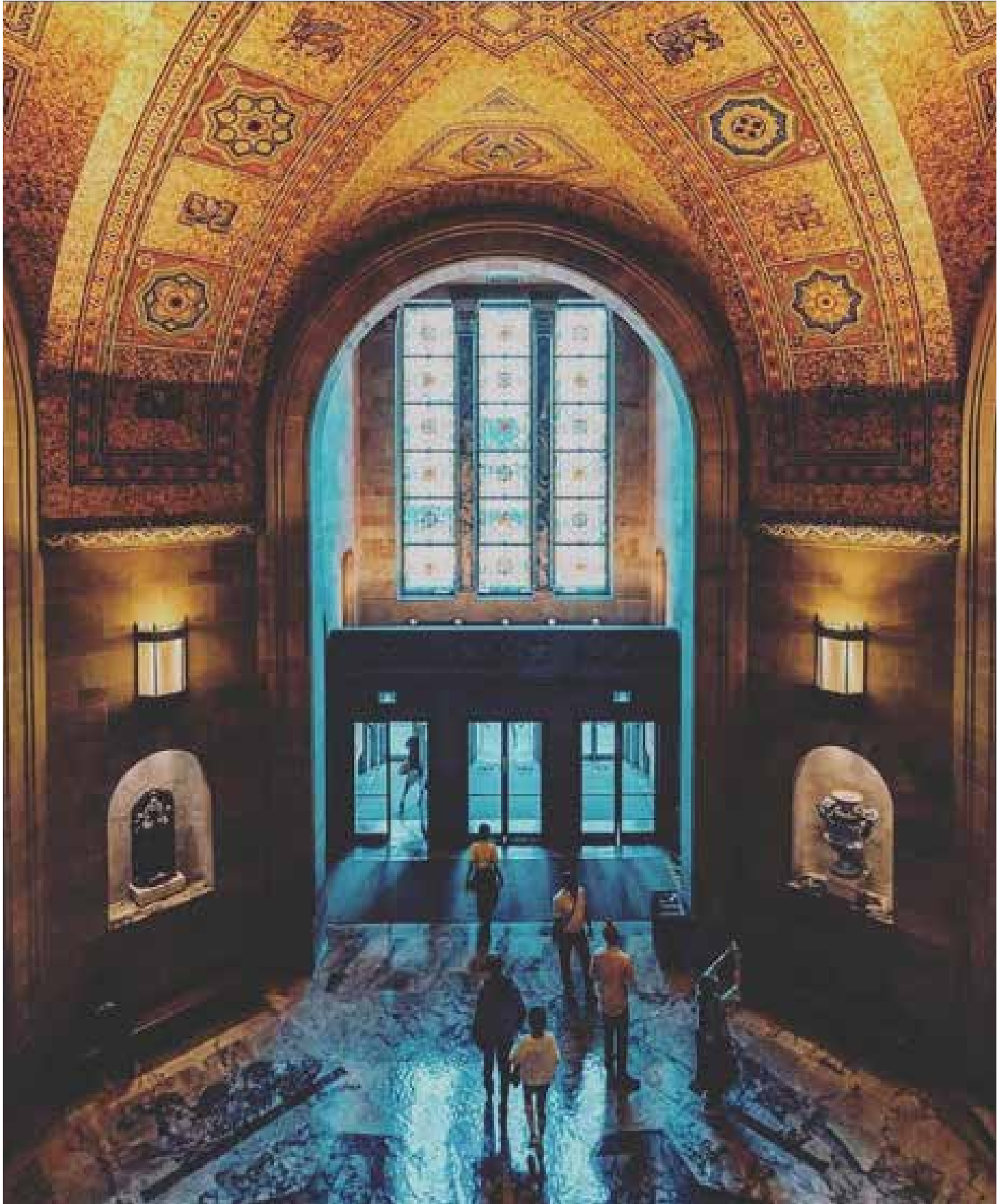


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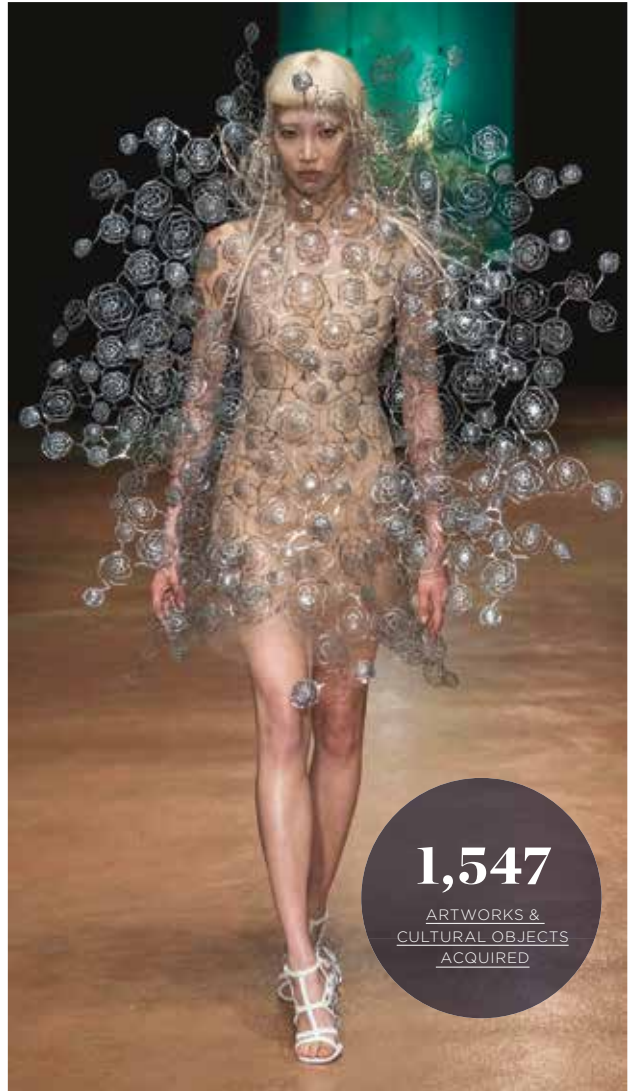
1 | BUILDING ON SUCCESS by the numbers*

For more information see the ROM's [annual highlights online](#).

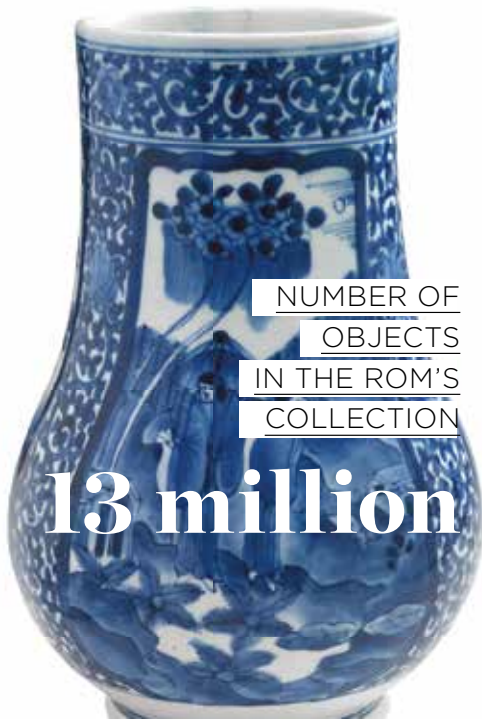
1.44 million
people visited the
Museum last year



107,000
STUDENT SCHOOL VISITS



1,547
ARTWORKS &
CULTURAL OBJECTS
ACQUIRED



NUMBER OF
OBJECTS
IN THE ROM'S
COLLECTION

13 million



**THE BLUE WHALE STORY
DREW 285,416 VISITORS**

*Data as per 2017-2018



“
IT IS MY HOPE THAT MY RESEARCH WILL PROVIDE A BETTER UNDERSTANDING OF THE CAUSES AND CONSEQUENCES OF MASS EXTINCTIONS IN GENERAL
 ”
 — Dr. David Evans

NUMBER OF COUNTRIES VISITED BY ROM STAFF FOR RESEARCH

17



2 | EXECUTIVE SUMMARY AND KEY PRIORITIES

The ROM is a beloved institution recognized globally for its multidisciplinary collections, groundbreaking research and iconic architecture. As Canada's largest and most comprehensive museum, the ROM plays a vital role at a local, national and international level advancing knowledge, encouraging learning and inspiring a greater understanding of the world around us. This is an exciting time for the ROM as the institution charts a new way forward – one that is redefining what it means to be a great museum in the 21st century. Located in the most culturally diverse city in the world, the ROM is becoming an ever more outward-facing museum, committed to building greater capabilities in engagement, inclusion, interdisciplinary thinking, digital practice and innovation. In Fiscal 2019–20, the Museum will implement its 10-year strategic plan in incremental phases, and through this process will ensure the Museum is well-positioned for sustainable growth and long-term success.

The ROM works closely with the Ministry of Tourism, Culture and Sport (MTCS) to ensure that the Museum operates within the framework required for provincial agencies of Ontario. The Museum appreciates the support of the Province and is dedicated to using the resources provided by the people of Ontario efficiently and maximizing access to our collections, research, and staff.

THE FOLLOWING ITEMS SERVE AS AN OVERVIEW SUMMARY OF THE ROM BUSINESS PLAN FOR FISCAL 2019–20:

- ✎ The ROM has prepared a balanced budget for Fiscal 2019–20, which includes initiatives, that if successful, could generate a surplus for the year.
- ✎ Total attendance is projected to be 1.3 million visitors. The attendance figure includes 100,000 free visits through the ROMCAN partnership with 100 non-profit community organizations.
- ✎ For Fiscal 2019–20, total revenue is projected to increase, largely due to General Admission revenue, driven by increased attendance.
- ✎ The attendance is driven by the permanent galleries and the following large and medium sized ticketed exhibitions slated for the 2019/20 season: *Zuul: Life of an Armoured Dinosaur*, *Treasures of a Desert Kingdom*, *Bloodsuckers*, *It's Alive* and *The Cloth that Changed the World: Indian Chintz*. A number of smaller exhibitions will round out the program and, when combined with multi-platform programming strategies, will help ensure the ROM meets its attendance target.
- ✎ For Fiscal 2019–20, total expenses are projected to increase due to vacant and strategic positions being filled and contractual labour wage increases, along with various other expenses related to handling increased attendance and multi-platform programming strategies.
- ✎ The ROM is committed to generating an operating surplus by maximizing its operations and developing new revenue opportunities to offset the risks that impact admissions and other ancillary revenue.
- ✎ Long-term debt continues to be paid down and new strategies are being developed to help accelerate the reduction of debt.





KEY FISCAL PRIORITIES IN 2019–20 ARE TO:

- Deliver strong attendance results from an exhibition program that appeals to a wide audience.
- Increase the awareness of and access to our research and collections and fundraise for new endowments.
- Increase new membership and retain existing members.
- Continue to refine and develop the exhibition strategy to broaden the ROM's reach and appeal to new audiences. To increase self-generated income for reinvestment, the ROM is expanding its travelling exhibition program, which will leverage and further build the ROM's brand globally with other leading institutions.
- Continue to refine approaches to increase school group attendance and deliver on the Museum's educational mission.
- Continue to fundraise for the Museum's key priorities, execute the remaining elements of the Welcome Project, and plan for the next major capital campaign.
- Accelerate the digital strategy to ensure the ROM stays relevant in a mobile-connected world facing increased competition for visitor dollars.
- Develop and implement a strategic business plan to support the roll out of the ROM's new 10-year strategic plan.

FOR FISCAL 2019–20, CLEAR AND SPECIFIC STRATEGIES HAVE BEEN DEVELOPED ACCORDING TO THE FOLLOWING BUSINESS PLANNING CRITERIA:

- Increase revenue related to paid admission, membership, donations, sponsorship, and ancillary services.
- Deliver visitor attendance of 1.3 million visitors annually.
- Differentiate the ROM experience for our visitors.
- Reduce and control expenses and find efficiencies to save money and resources.
- Fully fund building improvements and self-fund strategic capital by implementing projects with high impact and short time frames for payback.
- Further the case for increased investment in the ROM.
- Improve organizational productivity and staff satisfaction.
- Invest in areas required to deliver Fiscal 2019–20 priorities.

3 | MUSEUM MANDATE

The ROM's mandate as defined by the ROM Act: The collection and exhibition of objects, documents, and books of any kind to illustrate and make known to the public the natural history of Ontario, Canada, and the world; the collection and exhibitions of objects, documents, and books of any kind to illustrate and make known to the public the history of humankind in all ages; the promotion of education, teaching, research, and publication in any or all fields related to the objects of the Museum as referred above. This mandate is consistent with the Ministry of Tourism, Culture and Sport mandate to support a strong and stable culture sector that will help build a creative and innovative knowledge-based economy.



3.1 GOVERNANCE

The Board of Trustees is the governing authority for the Museum, with powers vested in it by the Legislature of Ontario. The Board is responsible for the institution, its policies, its operational continuity and well-being, and the various assets that it holds in trust for the people of Ontario, to whom it is ultimately responsible.

Museum staff have duties, responsibilities, and opportunities and from time to time will encounter ethical dilemmas and conflicts that must be resolved, considering both the needs of the institution and the broader public interest. In this regard, the ROM shall be guided by the Conflict of Interest Act and the Canadian Museum Association's Ethical Guidelines.

3.2 PRIVATE SECTOR FUNDING

The Royal Ontario Museum Foundation, which operates under the business name ROM Governors, was incorporated under the Corporations Act (Ontario) on July 1, 1992, to coordinate all private-sector fundraising activities undertaken on behalf of the Royal Ontario Museum and its affiliates.

The objective of the ROM Governors is to raise funds to be available for enhancing exhibitions and public programs, research, acquisitions, and capital projects of the ROM.

The ROM Governors is accredited under the Imagine Canada Standards Program.

3.3 MISSION AND VISION

OUR MISSION

We are here to transform lives by helping people to understand the past, make sense of the present, and come together to shape a shared future in which people flourish in concert with the natural world.

To realize this end, we build and share global collections, create knowledge, inspire learning, encourage gathering, and spark exchange on topics within the intersecting worlds of art, culture, and nature that matter to people and communities.

OUR VISION FOR THE FUTURE

The ROM will become a distinctly 21st Century Museum. We will be known globally for expanding the boundaries of knowledge, innovation in the way such knowledge is presented, and public relevance within the intersecting worlds of art, culture, and nature. We will be universally recognized as Canada's leading museum and as one of the foremost cultural institutions anywhere in the world.

3.4 COLLECTIONS AND RESEARCH VISION

The ROM's collections are international in scope, culturally diverse and uniquely multidisciplinary. In a global city with extensive diasporic populations, the museum's all-encompassing collection is a major point of differentiation: few institutions anywhere have the same breadth of objects, artifacts, and specimens that span the intersecting worlds of art, culture and nature. The Museum also plays a vital role as a resource to scholars and institutions, with loans from the ROM's deep collection seen in museums around the world from Nanjin and Berlin to New York and Los Angeles.

The ROM's curators and global research programs are robust and internationally renowned. Today, more than 30 ROM curators are actively engaged in research projects across Canada and in 26 other countries. ROM curators are regularly published in prominent academic journals. This research is the foundation for the Museum's public and educational program, and the basis of the ROM's galleries and exhibitions. Research findings and discoveries increasingly become the narratives the Museum shares with visitors. Because of this backbone of original research and world-leading scholarship, the ROM is considered one of the world's pre-eminent cultural institutions, helping our visitors understand themselves and the world around them.



4 | OVER-ARCHING STRATEGIC GOALS

With the implementation of a new strategic plan underway in 2019–20, the ROM is poised to take on an even greater leadership role as one of the leading 21st century museums in the world. To achieve the goals set out in the strategic plan, a robust business plan – a financial roadmap and time line that charts the path forward will be completed by the end of the fiscal year 2019. A facilities master plan and capital campaign plan will be developed as part of the inter-related steps to realize the Museum’s strategic goals.

The pursuit of the Strategic Plan’s four over-arching goals and related initiatives will be integrated into our operational plans and budgets over the next 10-year period to ensure the successful completion of the plan:

- Dramatically increase our relevance to the people of Toronto and Ontario and our centrality to the life of our community.
- Ascend to the very top tier of leadership in the global museum field
- Transform our facility so that it welcomes and inspires all our visitors and delivers a distinctly 21st century museum experience
- Significantly build our talent base and financial strength commensurate with the needs of a great 21st century Museum.



KEY STRATEGIC INITIATIVES

TO ACHIEVE THESE GOALS, THE MUSEUM WILL UNDERTAKE THE FOLLOWING INITIATIVES AGAINST EACH STRATEGY:

Strategic Objective 1:

DRAMATICALLY INCREASE OUR RELEVANCE TO THE PEOPLE OF TORONTO AND ONTARIO AND OUR CENTRALITY TO THE LIFE OF OUR COMMUNITY

- Execute new programs and exhibitions strategies and overachieve on attendance and profitability goals.
- Develop compelling content for the key attendance periods: summer, winter holidays and March Break.
- Refine our education strategy and increase school group attendance.
- Enhance our approach to membership through better data analysis, improved communications and direct marketing.
- Build audiences for program formats including ROMSpeaks and ROM Camps.
- Develop a new inclusion strategy for Education, Membership, Events and Exhibitions.



Strategic Objective 2:

ASCEND TO THE VERY TOP TIER OF LEADERSHIP IN THE GLOBAL MUSEUM FIELD

- Reach the final milestones for the five-year collection management system (CMS) implementation, which will result in greater access to the ROM's world-leading collections.
- Conduct leading-edge research and scholarship in Canada and around the world with new discoveries and the advancement of knowledge.
- Continue to build the Museum's collections as top-tier in North America and the world.

Strategic Objective 3:

TRANSFORM OUR FACILITY SO THAT IT WELCOMES AND INSPIRES ALL OUR VISITORS AND DELIVERS A DISTINCTLY 21ST CENTURY MUSEUM EXPERIENCE

- Continue to implement the Welcome Project strategy including the completion of the Helga and Mike Schmidt Performance Terrace and the Reed Family Plaza to deepen engagement and increase access to the Museum
- Accelerate the digital strategy to deliver best-in-class onsite and online experiences.



Strategic Objective 4:

SIGNIFICANTLY BUILD OUR FINANCIAL STRENGTH AND ORGANIZATIONAL CAPACITY COMMENSURATE WITH THE NEEDS OF A GREAT 21ST CENTURY MUSEUM

- Continue to manage cash flow and pay down long-term debt.
- Seek out new revenue streams and continue to maximize ancillary operations.
- Build short-payback, high-ROI business cases for IT infrastructure.
- Implement digital infrastructure investments to increase efficiency and effectiveness of the ROM's operations.
- Complete high priority building maintenance projects.
- Continue to redefine the approach and use of benchmarking and metrics to find new efficiencies and paths to long-term sustainability.
- Work collaboratively with the ROM Governors to deliver philanthropic priorities.
- Successfully recruit and onboard new strategic hires to deliver on goals
- Pilot a new performance appraisal system
- Upgrade the payroll system with an integrated Human Resources Information System
- Begin negotiations with OPSEU Full Time and Part Time and SEIU employees

5 | OVERVIEW OF CURRENT AND FUTURE PROGRAMS



5.1 PROGRAM STRATEGY

The ROM's public program goals will be realized in Fiscal 2019–20 through a strategy that creates the following formats. These initiatives will help establish the ROM as a focal point for cultural and community engagement:

TUESDAY EVENING ROMSPEAKS ADULT TICKETED LECTURES:

- Compelling, sold-out lectures, debates, and discussions on current topics and world issues, including new experimental formats, which illustrate the ROM's thought leadership. The nature of the programming will foster many program partners to broaden the ROM's reach into new and emerging audiences.

FRIDAY NIGHT LIVE:

- Spring and fall season, totaling 19 nights a year for the well-established Friday Night Live event that appeals to a younger demographic.

DAYTIME GALLERY ACTIVATION:

- ROM volunteer live-gallery activation every weekday during opening hours, including tours and object handling.
- Additional daily staff and volunteer facilitation in the two Hands-on Galleries for public and self-guided school visits. The pattern of activation will change throughout the year depending on the mix of education visitors, families, and tourists.

THURSDAY DAYTIME LECTURES:

- A program of lectures for those who want to delve deeper into specific subject areas, ROM research, ROM exhibitions, and gallery content.

ROM CONNECTS AND FAMILY FUNDAYS:

- Large-scale themed Friday nights and Sundays, with extensive events for family audiences on the weekend, and parallel programming for an adult audience.
- These weekends will involve community engagement where relevant, taking forward the success of Heritage Days and affinity groups, as well as building on the strengths of the Museum's collections.

IN-GALLERY ACTIVITIES EVERY WEEKEND:

- A guaranteed level of in-gallery activity (i.e., Hands-on Galleries), every weekend (excluding Big Weekends and holiday programming).
- Ticketed weekend programs such as Saturday Morning Club.

PEAK VISITATION PERIODS—FAMILY HOLIDAYS:

- Large-scale family programming will run during March Break, the December holiday period (ROM for the Holidays), Family Weekend, and the summer holidays.

ROMU: Full-day Adult Weekend Workshops

- A hands-on program that offers adults with a keen interest in specific subject matter the chance to explore curatorial topics and current research with ROM curators, educators and visiting scholars. Lunch included.

BABY & ME:

- New parents and caregivers enjoy intriguing museum topics and tours. Attendees participate in lively conversation and post gallery tour reception all in a baby-friendly environment.

ROMKids JUNIOR:

- Toddlers accompanied by a parent or caregiver enjoy creative play-based interactive activities while building social interaction with other families in a classroom and gallery setting.

5.2 ROM LEARNING

The work of the ROM Learning department is a central function of the Museum and directly meets the Museum’s educational mandate. Every day, through school visits, Hands-on Galleries, and outreach, ROM Learning inspires wonder and nurtures discovery by engaging students, teachers, families, and other public in the stories of the ROM’s encyclopaedical collections. In 2019–20, the ROM expects more than 112,000 students and teachers to visit the Museum. Learning will continue to anticipate and respond to the needs of our diverse audience, and promote curiosity, discovery, and teaching in a rapidly changing educational landscape.

ROM LEARNING WILL:

- Facilitate sustained learning through a well-rounded slate of educational initiatives to augment existing programs.
- Deliver exemplary on-site, online, and outreach experiences that provide a continuum of learning in response to the changing educational landscape and the needs of educational users.
- Utilize progressive modes and methods of museum teaching and engagement that are relevant and accessible.
- Establish a flexible and adaptable departmental culture that supports responsive teaching and learning.
- Develop new initiatives that support student learning throughout the province of Ontario
- Continue to build out educational program offerings to serve the diversity of our communities, as well as ensure increased access to our programs



6 | RESOURCES NEEDED TO MEET GOALS AND OBJECTIVES

Financial Support:

The Museum has developed a balanced budget for Fiscal 2019–20. The Fiscal 2019–20 operating plan does not include a contingency. A surplus is projected in the subsequent years of the plan. For Fiscal 2019–20, the management team has adopted reasonable assumptions to create the financial plan and the intent is to overachieve on these targets to improve flexibility and liquidity.



6.1 GOVERNMENT FUNDING

The Fiscal 2019–20 plan assumes that the annual Provincial operating grant is consistent with historical levels.

The amount of the annual Provincial capital grant for infrastructure repair and rehabilitation for Fiscal 2019–20 is anticipated to be approximately \$7.2 million based on the need to address the backlog of maintenance projects.

Other infrastructure systems that are not included in the Provincial Asset Management database have recently been identified as requiring capital funding for replacement. An example is the Museum's phone system, which is on a platform that is no longer supported, and is a critical aspect of our operation to support visitor enquiries.

6.2 PHILANTHROPIC PLAN

Established in 1992 as The Royal Ontario Museum Foundation, the office of the ROM Governors is responsible for all philanthropic activities in support of the Museum's highest priorities. Its work enables the ROM to better serve its diverse and ever-changing community by fostering long-term, sustainable relationships of exceptional value both to the institution and its donors.

The office of the ROM Governors is supported by an independent Board that provides leadership in a wide range of philanthropic activities supporting ROM programs, research, collections, galleries, exhibitions and outreach programs.

The ROM Governors aim to maintain stable support in Fiscal 2019–20. Philanthropic priorities will include planning for a new comprehensive campaign.



6.3 SELF-GENERATED INCOME

The Museum will self-generate 63 percent of its revenue in Fiscal 2019–20 on an adjusted basis.

6.4 PEOPLE

Full-time staffing levels are not expected to change during the course of this plan—with the exception of a short-list of transformative new hires designed to help ensure our ability to meet strategic objectives. The Museum has experienced challenges with respect to the attraction and retention of top talent. As a result, the Museum has improved its pay structure and pension and believes that those initiatives will help the ROM achieve its short term and long-term goals. ROM employees continue to be passionate about their work and the ROM. The working relationship with all three union groups is positive and respectful.

Museum leadership will continue to work with staff to re-engineer processes and streamline workflows in order to reduce workloads and to ensure that resources are available to support the Museum's priorities.

7 | RISK IDENTIFICATION AND UPDATE

RISK:
ADMISSIONS REVENUE
SHORTFALL

RISK DESCRIPTION:
There is potential risk of Museum not achieving the attendance targets as planned.

RISK LEVEL:
Medium

UPDATE:
The ROM will continue to develop initiatives to increase attendance.

RISK:
CREDIT FACILITY

RISK DESCRIPTION:
The Museum must operate within the limits of a credit facility and the Museum cannot operate if the line of credit is exceeded.

RISK LEVEL:
Medium

UPDATE:
Management continues to develop plans to improve liquidity and has made progress by reducing the cash indebtedness balance to zero with a cash balance of \$0.4M at the end of Fiscal 2017–18. At the end of Fiscal 2016–17 the balance was \$0.7M.

RISK:
EMERGENCY INFRASTRUCTURE
REPAIRS

RISK DESCRIPTION:
The asset management survey completed by the Province has identified the deferred repair and rehabilitation requirements at the Museum.

RISK LEVEL:
Medium

UPDATE:
The Museum has prioritized its repair and rehabilitation projects and will address the highest priority items in Fiscal 2019–20.

8 | ENVIRONMENTAL SCAN



8.1 INTERNAL ENVIRONMENTAL SCAN

ROM STRENGTHS AND OPPORTUNITIES

- ✎ Category leading brand awareness and strong positive overall image.
- ✎ Dedicated, passionate, knowledgeable and experienced staff and volunteers.
- ✎ Connection with the community
- ✎ World-class curatorial and research capabilities.
- ✎ Targeting growth segments such as younger downtown dwellers, suburban families, active experience seekers and new Canadians in the GTA and across the province.
- ✎ Welcome Project experience internally and externally – continue to bring the Museum to the people.
- ✎ Continue to expand the slate of exhibitions that appeal to a variety of audience segments across Ontario, and beyond.
- ✎ Leverage leadership position as an institution focused on art, culture and nature.

ROM WEAKNESSES AND THREATS

- ✎ Aging base building infrastructure as well as aging equipment and other Museum support infrastructure – which requires significant capital investment.
- ✎ Aging IT and digital infrastructure requiring significant capital investment.
- ✎ Increased competition in culture: “edutainment” and educational sectors within the GTA and other Ontario attractions, including Canada’s Wonderland and Niagara Falls.
- ✎ Aggressive audience and revenue targets are achievable only with increased resources.

8.2 EXTERNAL ENVIROMENTAL SCAN

POPULATION, AGE, AND DIVERSITY:

ONTARIO POPULATION & DEMOGRAPHICS

- ↘ Province of Ontario total estimated population for 2017 was 14.2 million.
- ↘ This is an increase of 1.6% since 2016 (14.0 million), and an increase of 4.7% from 2013 (13.6 million).
- ↘ Ontario Census Metropolitan Areas (CMAs) with highest population growth in 2016/17 were Ottawa-Gatineau (Ont. Part) (+2.2%), Guelph (+2.2%), Toronto (+1.9%), Oshawa (+1.8%) and Kitchener-Waterloo-Cambridge (+1.7%)
- ↘ International migration was main driver of growth in Toronto and Ottawa-Gatineau, and contributed to sizeable population increase in Guelph CMA
- ↘ Average age of Ontario population is 41 (Census 2016)
- ↘ 66.8% of people are between ages of 15 and 64
- ↘ 16.4% of people are under age 15
- ↘ 16.7% of people are over age 65 (+19.9% change from 2011 to 2016)

Sources:

Statistics Canada Population estimates on July 1 by age and sex, Tab. 17-10-0005-01, Ontario 2013–2017
 The Daily, Canada's population estimates: Subprovincial areas, July 1, 2017, publ. Feb. 13, 2018
 Statistics Canada 2016 Census of Population, Ontario

GREATER TORONTO AREA POPULATION & DEMOGRAPHICS*

- ↘ The population of the City of Toronto is just over 2.7 million and has grown by approximately 4.5% since 2011. The City of Toronto population continues to age. For the first time, there are more people 65+ (15.6%) than there are people under age 15 (14.6%).
- ↘ The population of the Greater Toronto & Hamilton Area (GTHA) is nearly 7 million, growing by 5.8% since 2011.
- ↘ The highest population growth is happening in satellite municipalities around Toronto versus the city core, particularly in areas such as Milton (+30.5% growth), King (+23.2%), Whitchurch-Stouffville (+21.8%), Brampton (+13.3%), and Caledon (+11.8%).

DIVERSITY**

- ↘ Toronto CMA has the highest immigrant population among all CMAs in Canada, with 2.7 million immigrants, or 46% of the total population.

* Source: Statistics Canada, 2016 Census, City of Toronto Backgrounders: 2016 Census: Age and Sex; Type of Dwelling
 2016 Census: Population and Dwelling Counts

** Source: Statistics Canada, 2016 Census, "The Daily" – Oct. 25, 2017
 Immigration and ethnocultural diversity: Key results from 2016 Census; and Statistics Canada, 2016 Census data tables



TOURISM

EXTERNAL LANDSCAPE*

From January to August 2018, there were almost 11 million out-of-province visitors to Ontario, of which 9 million were from the U.S. and almost 1.9 million were overseas visitors

For the same period, Ontario hotel occupancy was at 70%, and the province employed over 1.8 million people in the Tourism industry

The top countries of origin in terms of visitors to Ontario were:

- U.K.
- China
- India
- Mexico
- Japan
- Germany

*Source, Ontario Ministry of Culture, Tourism & Sport

In 2017, Toronto welcomed a record 43.7 million people;

80% of domestic visitors are from Ontario, with 68% of domestic visitors arriving by car and almost half (49%) visiting family and friends, while 37% come to visit museums and galleries

- ↘ There was 4.8% YOY growth from the U.S. from 2016 to 2017
- ↘ China remains the top international market for tourism with a 5% YOY increase in visits to Toronto
- ↘ Other key source countries, ranked by total number of visitors, were the U.K. (-0.6% YOY growth), India (+31%), South Korea (+24%), Japan (-2%) Germany (-2%), France (+6%) and Mexico (+72%)
- ↘ A new total visitor spending record was reached in 2017, a 9.1% increase over 2016.

* Source: Tourism Toronto 2017 Annual Report

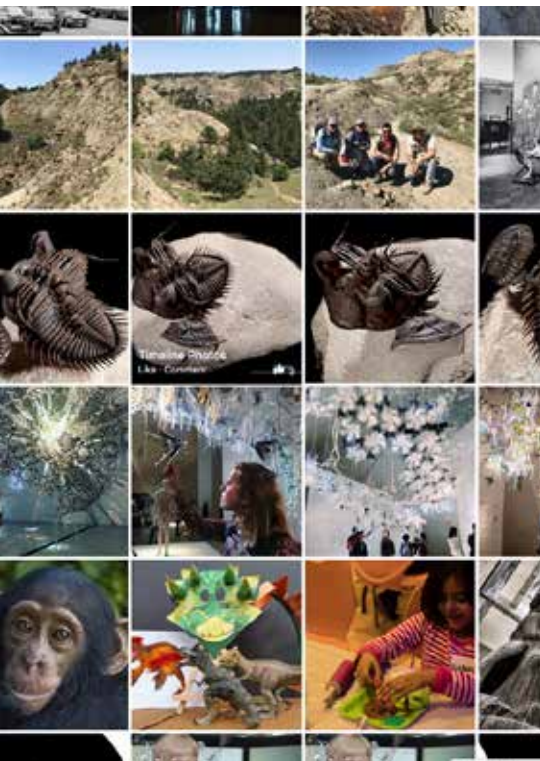
ROM VISITORS**

- ↘ Consistently, 4 in 10 visitors identify themselves primarily as Canadian. 2017/2018 44% (+1% YOY)

The ROM's most significant gains in attendance have come from both Ontario (outside the GTA) and overseas visitors

- 61% of total visitors come from Ontario
- 30% of Ontario visitors (outside the GTA) came for a general visit, 26% for the permanent galleries and 36% for a special exhibition

- ↘ The proportion of Americans visiting appears to be dropping over recent years: 14% in 2015-16, 10% in 2016-17, 8% in 2017-18.
- ↘ When asked about ethnic background, 1 in 5 (21%) of ROM visitors self-identified as European (+6% YOY), 8% as American (-2% YOY), 14% as East / South East Asian (-1% YOY), 10% as Latin/South American (-2% YOY), 10% South Asian (+2% YOY), 4% as Middle Eastern (-1% YOY) and 5% as African (-4% YOY).
- ↘ 92.3% of ROM web traffic is from Ontario*



88% of online ticket purchasers originate from Ontario, comprising 47.5% of the total online ticket sales

* Source: Google Analytics

** Source: 2017-2018 ROM Visitor Profile Excerpt Report – June 4, 2018

SOCIAL MEDIA*

- ↘ There are 25 million Canadians on social media, a 68% penetration rate.
- ↘ Organic reach and engagement have dropped over the past year, with average reach down by more than 10 percent year-on-year on Facebook.
- ↘ Despite recent challenges, Facebook's core platform still dominates the global social landscape, with total users up 15 % YOY to reach almost 2.17 billion at the start of 2018.
- ↘ WhatsApp and Facebook Messenger both grew twice as fast as the core Facebook platform, with the number of people using each messenger app up by 30 % YOY (1.3 billion in 2018).
- ↘ Instagram managed to claim Facebook's standout growth story over the past 12 months, with the number of global users up by a third (+800 million)
- ↘ Growth on Twitter is stagnant year over year. There were 330 million active monthly users on the platform in 2018 compared to Facebook's 2.1 billion and Instagram's 800 million.

*<https://wearesocial.com/blog/2018/01/global-digital-report-2018>

DIGITAL

2018 ONLINE LANDSCAPE

- ↘ Over half of the global population and 90% of the Canadian population use the internet
- ↘ On average Canadians spend six hours a day online in total: two hours on mobile, and four hours connected via a different device (e.g., laptop, desktop, wearable technology).
- ↘ 42% of Canadians use an ad-blocking tool online.

2018 ONLINE TRENDS

- ↘ AI (artificial intelligence) is an increasingly important marketing tool, as chatbots and AI-generated content become more common.
- ↘ Data privacy and transparency are a growing concern for consumers.
- ↘ The internet is already part of daily life, so brands should look at seamlessly integrating digital into everything they do.

*Digital in 2018 Global Overview produced by We Are Social and Hootsuite (<https://wearesocial.com/blog/2018/01/global-digital-report-2018>).



9 | HUMAN RESOURCES

KEY STRATEGIC INITIATIVES IN FISCAL 2019-20

KEY STRATEGIC FISCAL INITIATIVES IN 2019-20

- Successfully recruit and onboard new strategic hires to deliver the 2019-20 plan.
- Pilot a new performance appraisal system.
- Implement the integrated Human Resources Information System.
- Begin negotiations with OPSEU Full and Part time and SEIU employees.
- Begin negotiations with OPSEU Full and Part time and SEIU.

THE MUSEUM'S FTE STAFFING LEVELS:

	2017-18	2018-19	2019-20	2020-21	2021-22
SEIU	89	90.8	90.8	90.8	90.8
OPSEU	203	204	204	204	204
ROMCA	31	34	37	37	37
Exempt staff	24	25	25	25	25
Management	38	41	41	41	41
Total	385	394.8	397.8	397.8	397.8

The ROM is a unionized workplace. We have three unions and four bargaining groups representing the majority of our employees. OPSEU represents employees in professional, technical, administrative, and curatorial support positions. SEIU represents full- and part-time employees in security, housekeeping, and maintenance positions. The Royal Ontario Museum Curatorial Association (ROMCA) represents employees in curatorial and librarian positions.

In Fiscal 2016–17, the ROM successfully negotiated with all four of its bargaining groups providing both labour stability and financial predictability over the next number of years. OPSEU full-time, OPSEU Part-time and SEIU each signed four (4) year agreements ending on March 31, 2019. ROMCA (ROM Curatorial Association) signed a 5-year agreement ending on March 31, 2020. These agreements allowed for a wage adjustment each fiscal year in keeping with other labour adjustments in our sector. In addition, to the wage settlement ROM negotiated a change in pension language which allowed for a transition from the ROM Pension Plan to a Jointly Sponsored Pension Plan (CAAT). Finally, all union groups agreed to move the collective agreement dates to align with our fiscal year, which significantly reduces vacation liability issues at year end and assists with fiscal planning for future negotiations. Following negotiations excluded salaries were adjusted to align with the union increases. Going forward it is anticipated that there will be adjustments to the excluded salaries similar to the collective agreements, to maintain the integrity of the salary grid in relation to union groups.



10 | PERFORMANCE MEASURES

SHARED OBJECTIVES

For Fiscal 2019–20, clear and specific strategies are shared objectives have been developed to drive building attendance, to increase revenue, to control expenses, and to generate a budget surplus. The Shared Objectives for Fiscal 2019–2020 are derived from the Business Plan:

- Total building attendance
- Revenue and contribution
- Special exhibition targets for the large and medium-sized exhibitions
- Specific deliverables for school group attendance
- Net increase in memberships
- Increased visitor satisfaction and net promoter scores
- Delivering projects on time and on budget



11 | FINANCIAL PLAN

ROM OPERATING PLAN

In Fiscal 2018-19, the ROM anticipates achieving its planned operating target provided no new risks appear during the back half of the year. The ROM has planned for a balanced budget in Fiscal 2019–20.

GOVERNMENT GRANTS

The Provincial Operating grant for Fiscal 2019–20 is budgeted to be consistent with previous years. It is expected that the Provincial Capital grant for 2019–20 will be similar to recent years. Based on this assumption, a list of proposed infrastructure capital projects is included below.

ROM GOVERNORS

Philanthropic priorities will include the Curatorship endowments, Welcome Project, Director’s Fund, and Programming. Long-term debt reduction is also a key priority.

GENERAL ADMISSIONS

The Museum is budgeting strong attendance and admission revenue levels in Fiscal 2019–20, including annual building attendance of 1.3 million visitors, with the aim of exceeding these goals.

FISCAL 2019–20 MULTI-YEAR PLAN

	2017–18	2018–19	2019–20	2020–21	2021–22
(IN \$000’S)	ACTUAL	PROJECTION	BUDGET	PROJECTION	PROJECTION
TOTAL REVENUE	62,498	64,230	67,140	68,176	69,230
TOTAL EXPENDITURES	63,368	64,230	67,140	68,176	69,230
BUDGET SURPLUS (DEFICIT)	(869)	–	–	–	–

Notes:

- Includes restricted grants and related expenses. Excludes gifts in kind and other miscellaneous items.

ROM: 2019–20 PROPOSED CAPITAL REPAIR AND REHABILITATION PROJECTS

CRYSTAL ROOF REPAIR AND REHAB – PHASE 2

CURATORIAL CENTRE WINDOWS – PHASE 2

LIGHT SYSTEM UPGRADE – PHASE 2

CURATORIAL CENTRE WINDOWS

SOUTH WALL RESTORATION

HYDRONICS SYSTEM UPGRADE

HVAC SYSTEM UPGRADE

ROTUNDA ELEVATOR REHABILITATION

HERITAGE FLOORING RESTORATION

NORTH WALL RESTORATION

ORIGINAL CURATORIAL CENTRE ELEVATOR RESTORATION

Total Proposed Capital Infrastructure Projects	\$7,150,000
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12 | INITIATIVES INVOLVING THIRD PARTIES

For Fiscal 2018-19, the ROM has the following third-party relationships.

THIRD PARTY RELATIONSHIPS

Name/Type	Nature of Relationship	Governed by
Ministry Tourism Culture and Sports (MTCS)	Governance & funding	MOU
Ontario Finance Authority (OFA)	Loan	Agreement
ROM Governors	Philanthropic activities	Ongoing
Druxy's Food Services	Food Studio Operations	Contract: Expiry 2023
Catering	Event & Wedding Catering Services	Contract: Expiry 2023
Event Network	Retail Store Operations	Contract: Expiry 2025
BT Advertising	Advertising Agency Services	Contract: Expiry 2019
Various Suppliers	Service, Supply & Maintenance	Contract



13 | IMPLEMENTATION PLAN



THE MUSEUM'S KEY PRIORITIES IN FISCAL 2019–20 ARE TO:

- ✎ Deliver strong attendance results for the exhibition program and permanent galleries and overachieve on a 1.3 million visitor target.
- ✎ Increase awareness of and access to our research and collections; and fundraise for new endowments.
- ✎ Implement plan to increase membership and retain existing members.
- ✎ Continue to refine and develop the exhibition strategy to broaden the ROM's reach and appeal to new audiences. To generate self-generated income for re-investment, the ROM is expanding its travelling exhibition program, which will leverage and further build the ROM's brand globally with other leading institutions.
- ✎ Continue to refine approaches to increase school group attendance and deliver on its education mission.
- ✎ Develop an inclusion strategy to broaden the ROM's reach to new audiences.
- ✎ Continue to fundraise for the Museum's key priorities, execute on the remaining elements of the Welcome Project and plan for the next major capital campaign.
- ✎ Accelerate the digital strategy to ensure the ROM stays relevant in a mobile-connected world facing increased competition for visitor dollars.
- ✎ Develop and implement a strategic business plan to support the roll out of the ROM's new 10-year strategic plan.

THE STRATEGIC PLAN WILL BE IMPLEMENTED IN PHASES OVER A 10-YEAR PERIOD WITH ACTIONS TO SUPPORT EACH OF THE MUSEUM'S FOUR OVER-ARCHING STRATEGIC GOALS:

- ✎ Dramatically increase our relevance to the people of Toronto and Ontario and our centrality to the life of our community.
- ✎ Ascend to the very top tier of leadership in the global museum field.
- ✎ Transform our facility so that it welcomes and inspires all our visitors and delivers a distinctly 21st century museum experience.
- ✎ Significantly build our talent base and financial strength commensurate with the needs of a great 21st century Museum.

QUARTERLY FORECAST AND PROGRESS TRACKING

ROM senior management regularly reviews progress of both the scheduled implementation of actions supporting the Strategic Plan and the Museum's financial performance. Detailed financial forecasts are reviewed with the Finance Committee of the ROM Board of Trustees on a quarterly basis, together with progress against shared corporate objectives. Operating plans may be revised and mitigation plans put into effect in the event of financial shortfalls to ensure that the Museum continues to operate within its available resources throughout the fiscal year.

PROCUREMENT PLAN

The Museum's purchasing practices align with the Management Board of Cabinet Procurement Directive of 2012. The Museum's Purchasing Department has developed a procurement plan, identifying all major purchases planned for Fiscal 2019–20 by all Museum departments.



14 | MARKETING AND COMMUNICATIONS PLAN

THE WORLD CONTINUES TO CHANGE:

The marketplace continues to grow and evolve, with aging demographics and further growth of the New Canadians segment.*

- ✎ Canada's underlying economic fundamentals remain sound with the Canadian economy and Ontario job market showing modest growth.
- ✎ Audiences continue to be fragmented, time-starved, and burdened by high debt levels.
- ✎ Competition for leisure time and dollars against all audience segments, especially families, continues to grow.
- ✎ Media consumption habits continue to evolve in the digital, mobile, and customized communications space.

* Source: The Conference Board of Canada

THE ROM CONTINUES TO CHANGE:

- ✎ As a contemporary, 21st century Museum, the ROM continues to evolve to deepen its connection with visitors and to animate the museum experience in new and innovative ways.





MARKETING AND COMMUNICATIONS OBJECTIVES

Our goal is to spark curiosity, excitement and engagement across multiple audience segments through bold and high impact interactions with potential visitors.

- ✎ Further build the ROM's profile, nationally and internationally, as one of the world's foremost cultural institutions, an international centre for scholarship, research and scientific advances, and an essential destination that educates and enriches visitors' lives.
- ✎ Support core activities, including exhibitions, programming, galleries, research and education.
- ✎ Develop multi-platform integrated communications strategies that support the Museum's brand position as a global leader in art, culture, and nature.
- ✎ Broaden the Museum's reach and profile by sharing our stories and deploying our rich content and intellectual expertise across ROM-platforms.
- ✎ Connect with a broad and diverse community base to foster deeper engagement in the cultural, social and civic life of our province.
- ✎ Grow and cultivate an engaged Membership base with unlimited access to an unparalleled slate of exhibitions, galleries, special previews and exclusive programming.
- ✎ Support the successful implementation of the 10-year strategic plan with an integrated, phased in communications plan targeted to various stakeholder groups.

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The ROM is an agency of the Government of Ontario

A digital version of this report is available at rom.on.ca
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