

# RoX: Tracking Value in a MainStreet/ACD District

## **Connecting People to our Districts through Experiences**

#### **Connections**

- Senses
  - Sight
  - Sound
  - Smell
  - o Touch
  - o Taste
- Memories
- Feelings/Perceptions
  - Happiness, joy, nostalgia
  - Safety, trust, shelter
  - Community, belonging, inclusive

### **Experiences**

- Events
- Activities
- Destinations
  - Shopping
  - Dining
  - Entertainment
  - Exercise
- Thoughtful inclusion


## Rol vs RoX

#### **Definition**

- Rol is a financial metric used to evaluate the profitability of an investment. It measures the gain or loss generated relative to the amount of money invested.
- RoX measures the value generated by enhancing the experiences of customers, employees, or stakeholders. It focuses on the qualitative and emotional outcomes of interactions with a place, brand, product, or service.

#### **Focus**

- The primary focus of Rol is on financial or economic returns. It answers the question: "What is the benefit of this investment?"
- The primary focus of RoX is on improving engagement, satisfaction, loyalty, and overall experience. It answers the question: "How much value does this experience add to the individual or community?"

#### Measurement

- Rol is typically expressed as a percentage and is calculated by dividing the gain (or net profit) by the investment.
- RoX is often measured through customer or employee feedback, net promoter scores (NPS), retention rates, and other qualitative metrics that *capture the impact* of an experience.

## **Application**

- Rol is widely used in business and economic development to assess the efficiency or benefit of an investment.
- RoX is increasingly used in customer experience (CX) strategies and brand development/marketing to emphasize the longterm benefits of creating meaningful and positive experiences.

## **Key Differences**

- **Financial vs. Emotional Value**: Rol is centered on tangible financial returns, while RoX focuses on the intangible, emotional value created by experiences.
- Measurement Complexity: Rol is typically easier to quantify, while RoX requires more nuanced metrics that capture the subjective nature of experiences.

#### Conclusion

While RoI remains crucial for economic decision-making, RoX is becoming increasingly important in a world where <u>experiences are key to differentiating brands</u> (communities, districts) and building lasting relationships. MainStreet/ACD districts should integrate a balanced approach that considers both RoI and RoX in reporting to stakeholders and investors, ultimately leading to more sustainable and holistic success.