

2014-16 Strategic Plan
Virginia Tourism Authority [320]

Mission

The Virginia Tourism Authority promotes and develops the tourism and motion picture industries to stimulate Virginia's economy and enhance the quality of life of all Virginians.

Vision

Leading the nation in tourism and motion picture production.

Values

Integrity and Ethics:

- Always act ethically and with integrity
- Assume positive intent
- Be transparent and responsible
- People are respected, valued, and appreciated

Accountability:

- Be good stewards of taxpayer money
- Take personal responsibility
- Seek solutions and achieve results
- Commit to agency goals
- Live our values through our work and in our culture

Humility:

- Never underestimate the competition
- Be open to new ideas and trends
- Be open to change and continuous improvement

Passion:

- Be passionate about business, brand, and the Commonwealth
- Value, promote, and fiercely protect our reputation
- Be proud
- Exceed expectations
- Promote creativity

Results:

- Solutions-oriented operations and organization
- Measure success
- Continuously evaluate, adapt, and improve

Finance

Financial Overview

In FY 2016 the Virginia Tourism Authority will operate with a general fund budget of \$19.9 million. These funds support the marketing, visitor services, Virginia Film Office, partnership marketing, and minimal administrative support functions. The Authority aggressively leverages funding and forms partnerships with industry and government entities to extend the reach of its limited budget.

The Virginia Tourism Authority is not on the books of the State Comptroller, so the only funds reflected are general fund appropriations. However, the Authority does receive about \$1.2 million annually from the Virginia Department of Transportation (about \$1.1 million for operation of the state's 11 Welcome Centers and \$100,000 as a pass-through for the Danville Welcome Center, which is locally operated). These funds, however, are not sufficient to fully fund the Welcome Centers' operations, which total more than \$2.0 million annually.

In addition, the Authority collects more than \$700,000 annually from a variety of other sources, including brochure rack fees at Welcome Centers and rest areas, reimbursement for the Civil War History Mobile program by the Virginia Sesquicentennial of the American Civil War Commission, royalties from the sale of "Virginia is for Lovers" merchandise, and other miscellaneous fees and collections.

Biennial Budget

	2015	2015	2016	2016
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	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Initial Appropriation for the Biennium	20,225,218	0	21,000,560	0
Changes to Initial Appropriation	0	0	-1,082,983	0

(Changes to Initial Appropriation will be 0 when the plan is created. They will change when the plan is updated mid-biennium.)

Customers

Anticipated Changes to Customer Base

Due to the increasing economic reliance on the Internet, the agency's web-based applications (especially mobile) will need to continue to grow and evolve to meet the increasing customer demand. There is also a growing demand for grant funding as more and more local governments and businesses see the benefits of participating in the agency's cooperative marketing programs. Finally, the state's burgeoning motion picture production industry will result in a growing customer base related to both production companies (including producers and film makers) as well as Virginia-based crew and actors.

Current Customer List

Predefined Group	User Defined Group	Number Served Annually	Potential Number of Annual Customers	Projected Customer Trend
Local or Regional Government Authorities	Destination marketing organizations	104	104	Stable
Local or Regional Government Authorities	Visitor Centers	122	122	Stable
Wholesale/Retail Trade	Tourism and hospitality businesses	10,497	10,497	Increase
Local or Regional Government Authorities	Localities	324	324	Stable
Tourist	Tourists	36,600,000	999,999,999	Increase
Employer/ Business Owner	Meeting planners, tour buyers, sports rights holders	1,155	1,155	Stable
Employer/ Business Owner	Producers, film makers, production companies, studios	891	891	Increase
Contract Employee	Virginia crew, actors, students, association businesses	929	929	Increase
General Assembly	General Assembly	140	140	Stable
Local or Regional Government Authorities	Grant recipients	535	1,000	Increase
Tourist	Annual consumer visitors to Virginia.org (unique daily users)	7,700,000	999,999,999	Increase
Tourist	Travelers visiting state Welcome Centers	2,300,000	999,999,999	Increase

Partners

Name	Description
Capital Region USA (CRUSA)	Capital Region USA (CRUSA) is a not-for-profit tourism coalition comprised of the Virginia Tourism Authority, Destination DC, Maryland Office of Tourism Development and Metropolitan Washington Airports Authority. Through shared resources and vision, CRUSA strives to increase visitation and economic impact to the region from targeted international markets supported by non-stop daily flights to Virginia's Dulles International Airport by implementing strategic marketing programs and developing public- and private-sector partnerships. The partnership was created because each destination region lacked the financial or human resources to market to the international market by itself. This is an effective means to pool resources to jointly market overseas to direct tourists to the region.
Tourism marketing partners	The Virginia Tourism Authority tries to leverage its limited marketing funds at least 3:1 through strategic partnerships and by offering cooperative marketing opportunities to Virginia's tourism industry. The Authority recognizes that partnerships are critical to success and vital in times of scarce financial resources. Therefore, cultivating partnerships and identifying corporate sponsorships are primary focuses for stretching Virginia's resources and reaching a broader audience to attract visitors.
Destination Marketing Organizations	A destination marketing organization (DMO) is the principal organization of one or more states, one or more localities, or a combination thereof, that is organized and operated to promote its respective destination, to attract visitors and/or to solicit and service meetings and conventions. A DMO is designated and authorized by its respective incorporated government

(DMOs)	entity as the representative organization exercising those functions.
Chambers of Commerce	An organization formed to promote and protect the interests of businesses in a particular state, locality or group of localities.
Non-profit organizations	Entities that have been granted an exemption from federal income taxation pursuant to § 501 of the Internal Revenue Code of 1986.
Localities	In accordance with § 1-221 of the Code of Virginia, locality means a county, city or town as the context may require.
Virginia Production Alliance	A trade association formed to promote and protect the interests of the motion picture industry in Virginia.
Virginia Hospitality and Travel Association	A trade association formed to promote and protect the interests of the hospitality, travel and tourism industries in Virginia.
Virginia Association of Convention and Visitors Bureaus	A trade association formed to promote and protect the interests of convention and visitor bureaus in Virginia.
State associations	Trade groups formed to promote and protect the interests of a particular industry, profession or occupation within the Commonwealth of Virginia.
Private industry	Any type of corporation, partnership, limited liability company, association or sole proprietorship operated for profit.
Colleges and universities	Institutions of education that are legally authorized within Virginia to provide a program of education beyond high school.
State agencies	In accordance with § 2.2-307 of the Code of Virginia, state agency means any agency, institution, board, bureau, commission, council or instrumentality of state government in the executive branch listed in the appropriation act.

Agency Goals

• Inspire travel to Virginia by strengthening awareness of the Virginia brand and product.

Summary and Alignment

Increase and strengthen the awareness of Virginia as a travel destination. Make the visitor or potential visitor aware of the many opportunities that the Commonwealth offers in the way of destinations, family fun, history, and business travel.

Associated State Goal

Economy: Be a national leader in the preservation and enhancement of our economy.

Associated Societal Indicator

Business Climate

Objectives

» Increase the number of visitors to Virginia through marketing programs.

Description

Increase the number of visitors to Virginia through traditional marketing methods, thus supporting tourism jobs and growing the economic and tax base of the Commonwealth. The Authority uses television, radio, Internet, publications, and travel shows as marketing tools to attract visitors to Virginia.

Objective Strategies

- Enhance the Virginia is for Lovers brand by showing new ad campaigns to targeted audiences in geographically relevant markets.
- Monitor travel trends and form marketing strategies based on visitors' origin markets and demographics.
- Implement the media plan in order to communicate the Virginia is for Lovers brand to highly desirable out-of-state prospective travelers and to make the important connection that Virginia is for Lovers is associated with travel to the state and that the state offers more than just history.
- Increase awareness of Virginia is for Lovers in key markets defined by research.
- Provide effective cooperative advertising and marketing opportunities for the Virginia tourism industry.

Measures

- ◆ Cost per one thousand media impressions
- ◆ Number of annual website user sessions

» **Increase the number of visitors to Virginia through film tourism initiatives.**

Description

Use motion pictures filmed in Virginia to promote the state for travel and tourism.

Objective Strategies

- Work with studios and production companies on initiatives designed to cross-promote motion pictures and Virginia's tourism product.
- Require that major motion picture projects receiving incentive funding provide an advertisement or other promotional opportunity as part of their commitment.
- Use the public interest associated with the release of a motion picture shot in Virginia to drive a promotional campaign using advertising, public relations, and social media to promote Virginia visitation.

Measures

• **Increase the economic impact of the tourism and motion picture industries in Virginia.**

Summary and Alignment

Attract visitors and motion picture production to the Commonwealth, resulting in greater economic impact generated by the tourism and motion picture industries.

Associated State Goal

Economy: Be a national leader in the preservation and enhancement of our economy.

Associated Societal Indicator

Business Climate

Objectives

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- Provide effective cooperative advertising and marketing opportunities for the Virginia tourism industry.

Measures

- ◆ Cost per one thousand media impressions
- ◆ Number of annual website user sessions

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Description

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Objective Strategies

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- Require that major motion picture projects receiving incentive funding provide an advertisement or other promotional opportunity as part of their commitment.
- Use the public interest associated with the release of a motion picture shot in Virginia to drive a promotional campaign using advertising, public relations, and social media to promote Virginia visitation.

Measures

» **Increase motion picture production in Virginia.**

Description

Increase domestic, international, and in-state film, television, video, multimedia, and digital production.

Objective Strategies

- Promote Virginia as a superior place to film because of the wide array of available film locations, outstanding support by state and local government, experienced crew, and exceptional customer service.
- Work with local filmmakers, production companies, educational institutions, and other media-related organizations to promote the growth of Virginia's in-state film industry.
- Conduct one-on-one meetings with prospects.
- Provide optimum incentive packages to recruit projects.
- Initiate a workforce development program designed to increase the number of workers involved in motion picture production in Virginia.

Measures

- ◆ Dollar amount of economic impact generated by the motion picture industry

» **Increase the Return on Investment associated with marketing spending.**

Description

Increase the economic benefit and state and local tax revenues associated with marketing spending.

Objective Strategies

- Increase the number of visitors to Virginia through traditional marketing methods, including television, radio, Internet, publications, and travel shows.
- Increase inquiries by potential visitors for travel and destination information.
- Increase the effectiveness of website marketing to bring visitors to Virginia.
- Increase and expand Virginia's travel product.
- Provide effective cooperative advertising and marketing opportunities for the Virginia tourism industry, and increase the leveraging ratio (match amounts contributed by partners).

Measures

» **Provide financial resources to communities.**

Description

Provide the ability to participate in cooperative advertising and marketing opportunities to communities.

Objective Strategies

- Provide effective cooperative advertising and marketing opportunities for Virginia's communities.
- Distribute collateral materials that help community partners realize the benefits and services the Virginia Tourism Authority offers to assist in cooperative marketing.
- Increase outreach through community meetings and presentations.
- Evaluate applications and award funds from the Virginia Tourism Authority's Marketing Leverage Program and the Sesquicentennial of the American Civil War Marketing Program to assist partners in collaborative advertising campaigns producing at least a 3:1 Return on Investment on leveraged funds.
- Educate communities and the industry on tourism zones and tourism plans that would qualify them to participate in the Tourism Development Financing Program.
- Implement the new Virginia Tourism Growth Fund.

Measures

» **Increase and expand Virginia's travel product through collaboration, development programs, and the work of the agency's field specialists.**

Description

Maximize the tourism potential of Virginia communities by increasing their ability to create sustainable tourism programs that enhance their economic vitality.

Objective Strategies

- Coordinate and execute the Drive Tourism plan through community workshops.
- Provide effective cooperative marketing opportunities for Virginia's communities.
- Work with local leaders to offer assistance with tourism planning.
- Educate communities on tourism zones and tourism plans that would qualify them to participate in the Tourism Development Financing Program.
- Partner with other state and federal agencies in regional initiatives such as The Stronger Economies Together Program and Rural Community Development Initiative Grants.
- Participate in industry training events such as Entrepreneur Express, Business of Tourism workshops, and Agritourism workshops.
- Assist with tourism product development efforts, including ongoing projects such as the Coal Heritage Trail and Spearhead Trail, as well as new programs such as the Clinch River Valley Initiative and related programs of the Southwest Virginia Cultural Heritage Foundation; Virginia Growth Alliance and Space Tourism opportunities; and community planning.
- Offer help desks by appointment and by association.
- Conduct quarterly orientation sessions.
- Implement the new Virginia Tourism Growth Fund.

Measures

» **Increase the number of partners participating in Virginia Tourism Authority promotional opportunities.**

Description

Increase the number of tourism industry and community partners participating in cooperative advertising and marketing programs.

Objective Strategies

- Distribute collateral materials that help industry and community partners realize the benefits and services the Virginia Tourism Authority offers to assist in cooperative advertising and marketing.
- Evolve the media plan by increasing the number of interactive and new media offerings as well as buy-down opportunities for Virginia's tourism industry.
- Promote industry participation in the Virginia Tourism Authority's media advertising plan.
- Provide lower cost media opportunities to Virginia's tourism industry through volume negotiation.
- Stimulate new tourism marketing programs through the creation of local and regional partnerships.
- Increase outreach through community meetings and association presentations.
- Implement Web-based application process for grant programs.

Measures

» **Increase the number of consumer inquiries for travel information and convert such consumers into visitors to Virginia.**

Description

Increase inquiries by potential visitors for travel and destination information, thus creating awareness of Virginia's tourism product and bringing more leisure travelers to the Commonwealth. Increase the effectiveness of website marketing to bring visitors to Virginia, thus growing the economic and tax base of the Commonwealth.

Objective Strategies

- Contribute to Virginia Tourism Authority's overall lead generation goals through print advertising, sweepstakes, Internet traffic, and e-guide downloads by delivering effective interactive and media elements to the media plan.
- Monitor and report web traffic weekly utilizing website analytics software and online research utilities to develop and refine tactics to respond to trends and key travel interests.
- Promote the Virginia "By the Way" application at the State Welcome Centers. This multimedia kiosk allows visitors to interactively explore Virginia destinations.
- Cultivate Consumer Relations Management database opportunities to increase consumer loyalty and buy-in.
- Develop robust online content (Virginia experiences, monthly articles, and unique opportunities) to keep prospects and consumers engaged.
- Explore opportunities to further the development and implementation of effective search engine marketing to increase visitation to Virginia.org and social media sites that foster consumer engagement.
- Monitor activity and effectiveness of online booking engine and develop strategies to increase bookings.
- Upgrade Virginia.org with interactive components, advanced mapping technologies, and improved trip planner functionality to ensure the site remains competitive, consumer-friendly, and easy to use.

Measures

- ◆ Number of annual website user sessions
- ◆ Number of digital referrals to industry partners

» Assist businesses and localities to grow Virginia's tourism and motion picture industries.

Description

Assist tourism businesses and localities to grow their indigenous tourism and motion picture production businesses through research assistance, community planning and development, marketing leveraging grants, and one-on-one assistance.

Objective Strategies

- Offer help desks by appointment and by association.
- Coordinate and execute the Drive Tourism plan through community workshops.
- Educate communities and the industry on tourism zones and tourism plans that would qualify them to participate in the Tourism Development Financing Program.
- Evaluate applications and award funds from the Virginia Tourism Authority's Marketing Leverage Program and the Sesquicentennial of the American Civil War Marketing Program to assist industry partners in collaborative advertising campaigns producing at least a 3:1 Return on Investment on leveraged funds.
- Promote industry participation in the Virginia Tourism Authority's media advertising plan.
- Provide opportunities to Virginia's tourism industry to leverage commercial media buying opportunities at lower rates through volume negotiation.
- Provide the industry with tourism planning assistance, tourism research trends, marketing recommendations, and vision planning guidance in order to help with marketing decisions and ultimately produce more customers for their businesses.
- Stimulate new tourism marketing programs through the creation of local and regional partnerships.
- Distribute collateral materials that help industry and community partners realize the benefits and services VTA offers to assist in cooperative advertising and marketing.
- Increase outreach through community meetings and association presentations.
- Evolve the media plan by increasing the number of interactive and new media offerings as well as buy-down opportunities for Virginia's tourism industry.
- Implement Web-based application process for grant programs.
- Implement the new Virginia Tourism Growth Fund.

Measures

- ◆ Number of digital referrals to industry partners

» **Leverage the Virginia Tourism Authority's advertising and marketing funds.**

Description

These programs enable the VTA and participating partners to combine resources to extend marketing reach into targeted markets with limited dollars. Private-sector partners are required to match partnership advertising funds. The results will reflect the dollar value match by public and private partners for each dollar provided by the VTA for the program.

Objective Strategies

- Distribute collateral materials that help industry and community partners realize the benefits and services the Virginia Tourism Authority offers to assist in cooperative advertising and marketing.
- Evolve the media plan by increasing the number of interactive and new media offerings as well as buy-down opportunities for Virginia's tourism industry.
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- Evaluate applications and award funds from the Virginia Tourism Authority's Marketing Leverage Program and the Sesquicentennial of the American Civil War Marketing Program to assist industry partners in collaborative advertising campaigns producing at least a 3:1 Return on Investment on leveraged funds.

Measures

- ◆ Amount leveraged for every grant dollar invested

• **Increase the number of jobs supported by the tourism and motion picture industries in Virginia.**

Summary and Alignment

Attract visitors and motion picture production to the Commonwealth, resulting in more jobs supported by the tourism and motion picture production industries.

Associated State Goal

Economy: Be a national leader in the preservation and enhancement of our economy.

Associated Societal Indicator

Employment Growth

Objectives

» **Increase the number of visitors to Virginia through marketing programs.**

Description

Increase the number of visitors to Virginia through traditional marketing methods, thus supporting tourism jobs and growing the economic and tax base of the Commonwealth. The Authority uses television, radio, Internet, publications, and travel shows as marketing tools to attract visitors to Virginia.

Objective Strategies

- Enhance the Virginia is for Lovers brand by showing new ad campaigns to targeted audiences in geographically relevant markets.
- Monitor travel trends and form marketing strategies based on visitors' origin markets and demographics.
- Implement the media plan in order to communicate the Virginia is for Lovers brand to highly desirable out-of-state prospective travelers and to make the important connection that Virginia is for Lovers is associated with travel to the state and that the state offers more than just history.
- Increase awareness of Virginia is for Lovers in key markets defined by research.
- Provide effective cooperative advertising and marketing opportunities for the Virginia tourism industry.

Measures

- ◆ Cost per one thousand media impressions
- ◆ Number of annual website user sessions

» **Increase the number of visitors to Virginia through film tourism initiatives.**

Description

Use motion pictures filmed in Virginia to promote the state for travel and tourism.

Objective Strategies

- Work with studios and production companies on initiatives designed to cross-promote motion pictures and Virginia's tourism product.
- Require that major motion picture projects receiving incentive funding provide an advertisement or other promotional opportunity as part of their commitment.
- Use the public interest associated with the release of a motion picture shot in Virginia to drive a promotional campaign using advertising, public relations, and social media to promote Virginia visitation.

Measures

» **Increase motion picture production in Virginia.**

Description

Increase domestic, international, and in-state film, television, video, multimedia, and digital production.

Objective Strategies

- Promote Virginia as a superior place to film because of the wide array of available film locations, outstanding support by state and local government, experienced crew, and exceptional customer service.
- Work with local filmmakers, production companies, educational institutions, and other media-related organizations to promote the growth of Virginia's in-state film industry.
- Conduct one-on-one meetings with prospects.
- Provide optimum incentive packages to recruit projects.
- Initiate a workforce development program designed to increase the number of workers involved in motion picture production in Virginia.

Measures

- ◆ Dollar amount of economic impact generated by the motion picture industry

» **Increase the Return on Investment associated with marketing spending.**

Description

Increase the economic benefit and state and local tax revenues associated with marketing spending.

Objective Strategies

- Increase the number of visitors to Virginia through traditional marketing methods, including television, radio, Internet, publications, and travel shows.
- Increase inquiries by potential visitors for travel and destination information.
- Increase the effectiveness of website marketing to bring visitors to Virginia.
- Increase and expand Virginia's travel product.
- Provide effective cooperative advertising and marketing opportunities for the Virginia tourism industry, and increase the leveraging ratio (match amounts contributed by partners).

Measures

» **Provide financial resources to communities.**

Description

Provide the ability to participate in cooperative advertising and marketing opportunities to communities.

Objective Strategies

- Provide effective cooperative advertising and marketing opportunities for Virginia's communities.
- Distribute collateral materials that help community partners realize the benefits and services the Virginia Tourism Authority offers to assist in cooperative marketing.
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- Evaluate applications and award funds from the Virginia Tourism Authority's Marketing Leverage Program and the Sesquicentennial of the American Civil War Marketing Program to assist partners in collaborative advertising campaigns producing at least a 3:1 Return on Investment on leveraged funds.
- Educate communities and the industry on tourism zones and tourism plans that would qualify them to participate in the Tourism Development Financing Program.
- Implement the new Virginia Tourism Growth Fund.

Measures

» **Increase and expand Virginia's travel product through collaboration, development programs, and the work of the agency's field specialists.**

Description

Maximize the tourism potential of Virginia communities by increasing their ability to create sustainable tourism programs that enhance their economic vitality.

Objective Strategies

- Coordinate and execute the Drive Tourism plan through community workshops.
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- Offer help desks by appointment and by association.
- Conduct quarterly orientation sessions.
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Measures

» **Increase the number of partners participating in Virginia Tourism Authority promotional opportunities.**

Description

Increase the number of tourism industry and community partners participating in cooperative advertising and marketing programs.

Objective Strategies

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Measures

» Increase the number of consumer inquiries for travel information and convert such consumers into visitors to Virginia.

Description

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Measures

- ◆ Number of annual website user sessions
- ◆ Number of digital referrals to industry partners

» Assist businesses and localities to grow Virginia's tourism and motion picture industries.

Description

Assist tourism businesses and localities to grow their indigenous tourism and motion picture production businesses through research assistance, community planning and development, marketing leveraging grants, and one-on-one assistance.

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- Implement the new Virginia Tourism Growth Fund.

Measures

- ◆ Number of digital referrals to industry partners

» **Leverage the Virginia Tourism Authority's advertising and marketing funds.**

Description

These programs enable the VTA and participating partners to combine resources to extend marketing reach into targeted markets with limited dollars. Private-sector partners are required to match partnership advertising funds. The results will reflect the dollar value match by public and private partners for each dollar provided by the VTA for the program.

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Measures

- ◆ Amount leveraged for every grant dollar invested

• **Increase the tax revenues generated from the tourism and motion picture industries in Virginia.**

Summary and Alignment

Attract visitors and motion picture production to the Commonwealth, resulting in greater tax revenues generated by the tourism and motion picture industries.

Associated State Goal

Economy: Be a national leader in the preservation and enhancement of our economy.

Associated Societal Indicator

Business Climate

Objectives

» **Increase the number of visitors to Virginia through marketing programs.**

Description

Increase the number of visitors to Virginia through traditional marketing methods, thus supporting tourism jobs and growing the economic and tax base of the Commonwealth. The Authority uses television, radio, Internet, publications, and travel shows as marketing tools to

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Measures

- ◆ Cost per one thousand media impressions
- ◆ Number of annual website user sessions

» **Increase the number of visitors to Virginia through film tourism initiatives.**

Description

Use motion pictures filmed in Virginia to promote the state for travel and tourism.

Objective Strategies

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Measures

» **Increase motion picture production in Virginia.**

Description

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Objective Strategies

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- Initiate a workforce development program designed to increase the number of workers involved in motion picture production in Virginia.

Measures

- ◆ Dollar amount of economic impact generated by the motion picture industry

» **Increase the Return on Investment associated with marketing spending.**

Description

Increase the economic benefit and state and local tax revenues associated with marketing spending.

Objective Strategies

- Increase the number of visitors to Virginia through traditional marketing methods, including television, radio, Internet, publications, and travel shows.

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Measures

» **Provide financial resources to communities.**

Description

Provide the ability to participate in cooperative advertising and marketing opportunities to communities.

Objective Strategies

- Provide effective cooperative advertising and marketing opportunities for Virginia's communities.
- Distribute collateral materials that help community partners realize the benefits and services the Virginia Tourism Authority offers to assist in cooperative marketing.
- Increase outreach through community meetings and presentations.
- Evaluate applications and award funds from the Virginia Tourism Authority's Marketing Leverage Program and the Sesquicentennial of the American Civil War Marketing Program to assist partners in collaborative advertising campaigns producing at least a 3:1 Return on Investment on leveraged funds.
- Educate communities and the industry on tourism zones and tourism plans that would qualify them to participate in the Tourism Development Financing Program.
- Implement the new Virginia Tourism Growth Fund.

Measures

» **Increase and expand Virginia's travel product through collaboration, development programs, and the work of the agency's field specialists.**

Description

Maximize the tourism potential of Virginia communities by increasing their ability to create sustainable tourism programs that enhance their economic vitality.

Objective Strategies

- Coordinate and execute the Drive Tourism plan through community workshops.
- Provide effective cooperative marketing opportunities for Virginia's communities.
- Work with local leaders to offer assistance with tourism planning.
- Educate communities on tourism zones and tourism plans that would qualify them to participate in the Tourism Development Financing Program.
- Partner with other state and federal agencies in regional initiatives such as The Stronger Economies Together Program and Rural Community Development Initiative Grants.
- Participate in industry training events such as Entrepreneur Express, Business of Tourism workshops, and Agritourism workshops.
- Assist with tourism product development efforts, including ongoing projects such as the Coal Heritage Trail and Spearhead Trail, as well as new programs such as the Clinch River Valley Initiative and related programs of the Southwest Virginia Cultural Heritage Foundation; Virginia Growth Alliance and Space Tourism opportunities; and community planning.
- Offer help desks by appointment and by association.
- Conduct quarterly orientation sessions.
- Implement the new Virginia Tourism Growth Fund.

Measures

» Increase the number of partners participating in Virginia Tourism Authority promotional opportunities.

Description

Increase the number of tourism industry and community partners participating in cooperative advertising and marketing programs.

Objective Strategies

- Distribute collateral materials that help industry and community partners realize the benefits and services the Virginia Tourism Authority offers to assist in cooperative advertising and marketing.
- Evolve the media plan by increasing the number of interactive and new media offerings as well as buy-down opportunities for Virginia's tourism industry.
- Promote industry participation in the Virginia Tourism Authority's media advertising plan.
- Provide lower cost media opportunities to Virginia's tourism industry through volume negotiation.
- Stimulate new tourism marketing programs through the creation of local and regional partnerships.
- Increase outreach through community meetings and association presentations.
- Implement Web-based application process for grant programs.

Measures

» Increase the number of consumer inquiries for travel information and convert such consumers into visitors to Virginia.

Description

Increase inquiries by potential visitors for travel and destination information, thus creating awareness of Virginia's tourism product and bringing more leisure travelers to the Commonwealth. Increase the effectiveness of website marketing to bring visitors to Virginia, thus growing the economic and tax base of the Commonwealth.

Objective Strategies

- Contribute to Virginia Tourism Authority's overall lead generation goals through print advertising, sweepstakes, Internet traffic, and e-guide downloads by delivering effective interactive and media elements to the media plan.
- Monitor and report web traffic weekly utilizing website analytics software and online research utilities to develop and refine tactics to respond to trends and key travel interests.
- Promote the Virginia "By the Way" application at the State Welcome Centers. This multimedia kiosk allows visitors to interactively explore Virginia destinations.
- Cultivate Consumer Relations Management database opportunities to increase consumer loyalty and buy-in.
- Develop robust online content (Virginia experiences, monthly articles, and unique opportunities) to keep prospects and consumers engaged.
- Explore opportunities to further the development and implementation of effective search engine marketing to increase visitation to Virginia.org and social media sites that foster consumer engagement.
- Monitor activity and effectiveness of online booking engine and develop strategies to increase bookings.
- Upgrade Virginia.org with interactive components, advanced mapping technologies, and improved trip planner functionality to ensure the site remains competitive, consumer-friendly, and easy to use.

Measures

- ◆ Number of annual website user sessions
- ◆ Number of digital referrals to industry partners

» Assist businesses and localities to grow Virginia's tourism and motion picture industries.

Description

Assist tourism businesses and localities to grow their indigenous tourism and motion picture production businesses through research assistance, community planning and development, marketing leveraging grants, and one-on-one assistance.

Objective Strategies

- Offer help desks by appointment and by association.
- Coordinate and execute the Drive Tourism plan through community workshops.
- Educate communities and the industry on tourism zones and tourism plans that would qualify them to participate in the Tourism Development Financing Program.
- Evaluate applications and award funds from the Virginia Tourism Authority's Marketing Leverage Program and the Sesquicentennial of the American Civil War Marketing Program to assist industry partners in collaborative advertising campaigns producing at least a 3:1 Return on Investment on leveraged funds.
- Promote industry participation in the Virginia Tourism Authority's media advertising plan.
- Provide opportunities to Virginia's tourism industry to leverage commercial media buying opportunities at lower rates through volume negotiation.
- Provide the industry with tourism planning assistance, tourism research trends, marketing recommendations, and vision planning guidance in order to help with marketing decisions and ultimately produce more customers for their businesses.
- Stimulate new tourism marketing programs through the creation of local and regional partnerships.
- Distribute collateral materials that help industry and community partners realize the benefits and services VTA offers to assist in cooperative advertising and marketing.
- Increase outreach through community meetings and association presentations.
- Evolve the media plan by increasing the number of interactive and new media offerings as well as buy-down opportunities for Virginia's tourism industry.
- Implement Web-based application process for grant programs.
- Implement the new Virginia Tourism Growth Fund.

Measures

- ◆ Number of digital referrals to industry partners

» **Leverage the Virginia Tourism Authority's advertising and marketing funds.**

Description

These programs enable the VTA and participating partners to combine resources to extend marketing reach into targeted markets with limited dollars. Private-sector partners are required to match partnership advertising funds. The results will reflect the dollar value match by public and private partners for each dollar provided by the VTA for the program.

Objective Strategies

- Distribute collateral materials that help industry and community partners realize the benefits and services the Virginia Tourism Authority offers to assist in cooperative advertising and marketing.
- Evolve the media plan by increasing the number of interactive and new media offerings as well as buy-down opportunities for Virginia's tourism industry.
- Promote industry participation in the Virginia Tourism Authority's media advertising plan.
- Provide opportunities to Virginia's tourism industry to leverage commercial media buying opportunities at lower rates through volume negotiation.
- Stimulate new tourism marketing programs through the creation of local and regional partnerships.
- Evaluate applications and award funds from the Virginia Tourism Authority's Marketing Leverage Program and the Sesquicentennial of the American Civil War Marketing Program to assist industry partners in collaborative advertising campaigns producing at least a 3:1 Return on Investment on leveraged funds.

Measures

- ◆ Amount leveraged for every grant dollar invested

- **Provide resources to communities to maximize their tourism potential.**

- Summary and Alignment**

- Support the enhancement, expansion, and development of new and existing tourism products, events, and services. Strengthen and increase partnerships each year that benefit the tourism industry. Access new funding and leverage advertising, marketing, and public relations resources by partnering with tourism organizations, other nonprofit entities, private industry, and government.

- Associated State Goal**

- Economy: Be a national leader in the preservation and enhancement of our economy.

- Associated Societal Indicator**

- Business Climate

- Objectives**

- » **Provide financial resources to communities.**

- Description*

- Provide the ability to participate in cooperative advertising and marketing opportunities to communities.

- Objective Strategies*

- Provide effective cooperative advertising and marketing opportunities for Virginia's communities.
 - Distribute collateral materials that help community partners realize the benefits and services the Virginia Tourism Authority offers to assist in cooperative marketing.
 - Increase outreach through community meetings and presentations.
 - Evaluate applications and award funds from the Virginia Tourism Authority's Marketing Leverage Program and the Sesquicentennial of the American Civil War Marketing Program to assist partners in collaborative advertising campaigns producing at least a 3:1 Return on Investment on leveraged funds.
 - Educate communities and the industry on tourism zones and tourism plans that would qualify them to participate in the Tourism Development Financing Program.
 - Implement the new Virginia Tourism Growth Fund.

- Measures*

- » **Increase and expand Virginia's travel product through collaboration, development programs, and the work of the agency's field specialists.**

- Description*

- Maximize the tourism potential of Virginia communities by increasing their ability to create sustainable tourism programs that enhance their economic vitality.

- Objective Strategies*

- Coordinate and execute the Drive Tourism plan through community workshops.
 - Provide effective cooperative marketing opportunities for Virginia's communities.
 - Work with local leaders to offer assistance with tourism planning.
 - Educate communities on tourism zones and tourism plans that would qualify them to participate in the Tourism Development Financing Program.
 - Partner with other state and federal agencies in regional initiatives such as The Stronger Economies Together Program and Rural Community Development Initiative Grants.
 - Participate in industry training events such as Entrepreneur Express, Business of Tourism workshops, and Agritourism workshops.
 - Assist with tourism product development efforts, including ongoing projects such as the Coal Heritage Trail and Spearhead Trail, as well as new programs such as the Clinch River Valley Initiative and related programs of the Southwest Virginia Cultural Heritage Foundation; Virginia Growth Alliance and Space Tourism opportunities; and community planning.
 - Offer help desks by appointment and by association.

- Conduct quarterly orientation sessions.
- Implement the new Virginia Tourism Growth Fund.

Measures

» **Increase the number of partners participating in Virginia Tourism Authority promotional opportunities.**

Description

Increase the number of tourism industry and community partners participating in cooperative advertising and marketing programs.

Objective Strategies

- Distribute collateral materials that help industry and community partners realize the benefits and services the Virginia Tourism Authority offers to assist in cooperative advertising and marketing.
- Evolve the media plan by increasing the number of interactive and new media offerings as well as buy-down opportunities for Virginia's tourism industry.
- Promote industry participation in the Virginia Tourism Authority's media advertising plan.
- Provide lower cost media opportunities to Virginia's tourism industry through volume negotiation.
- Stimulate new tourism marketing programs through the creation of local and regional partnerships.
- Increase outreach through community meetings and association presentations.
- Implement Web-based application process for grant programs.

Measures

• **Strengthen awareness of the value of tourism as an economic engine for Virginia.**

Summary and Alignment

Foster strong working relationships with elected officials and key opinion leaders to gain support and growth for Virginia's tourism industry.

Associated State Goal

Economy: Be a national leader in the preservation and enhancement of our economy.

Associated Societal Indicator

Business Climate

Objectives

» **Increase awareness about the value of tourism and motion picture production as an economic engine for Virginia with state lawmakers, local officials, and citizens.**

Description

Increase awareness through research and education about the value of tourism and motion picture production as an economic engine for Virginia with state lawmakers, local officials, and citizens.

Objective Strategies

- Distribute collateral materials that help state lawmakers, local officials, and citizens realize the value of tourism and motion picture production as an economic engine for Virginia.
- Encourage localities to educate local officials and citizens about the value of tourism and motion picture production as an economic engine for Virginia.
- Provide assistance to localities in educating local officials and citizens about the value of tourism and motion picture production as an economic engine for Virginia.
- Increase outreach through community meetings and presentations.

Measures

The Virginia Tourism Authority provides the following services:

Advertising: The advertising program develops and promotes the Virginia is for Lovers brand through print, broadcast, Internet and outdoor media in strategic markets that provide the highest potential number of visitors to Virginia. As part of this effort, the VTA partners with, and subsidizes advertising costs for, Virginia destination marketing organizations and tourism businesses to leverage limited resources and achieve the highest rate of return on investment.

Grants: The grants program provides supplemental financial assistance to Virginia destination marketing organizations and tourism businesses. The competitive grants application process is designed to leverage scarce resources, promote the Virginia is for Lovers brand, encourage the creation of partnerships and enhance the development and marketing of Virginia's tourism product. In addition, the VTA works to identify and publicize other grant opportunities available to the state's tourism industry from federal, state and private sources.

Motion Picture Marketing: The VTA works to attract motion picture production to the Commonwealth and to increase the quantity of such productions by Virginia's indigenous motion picture industry. As part of this effort, the VTA helps recruit, train, promote and publicize employment opportunities for a professional workforce within the state capable of staffing motion picture productions. The VTA catalogs and promotes a diverse array of film locations across Virginia and recruits and promotes vendors within the state to supply and equip motion picture productions.

Public Relations: The public relations program develops and disseminates newsworthy announcements, notices and other communications on Virginia's tourism product to the media, the tourism industry and the general public. The VTA generates editorial coverage on the state's travel appeal, tourism assets and agency accomplishments by targeting national, regional, in-state and travel media.

Domestic Sales: The VTA markets the Commonwealth as a premier travel destination to tour operators, select travel agents, meeting planners and sporting event planners. The VTA represents the Commonwealth at trade shows, sales missions and site inspection tours in strategic markets within the United States.

Research: The research program provides data gathering and analysis on the travel and tourism segments of the economy, including domestic and international market share, visitor profiles, economic impact on the state and its localities and the effectiveness of VTA's marketing programs.

Digital Marketing: The digital marketing program manages the administration and content of VTA's consumer Web site, tourism industry Web site, and social media channels. The VTA promotes Virginia's tourism product by developing and implementing digital marketing strategies that utilize technology, electronic communications, content marketing and search engine marketing.

Creative Services: The creative services program provides graphic design and production services, as well as an in-house photography operation, to support the VTA and the Virginia Economic Development Partnership Authority. As part of this effort, the VTA maintains a library of photography and video that promote Virginia destinations, attractions and other tourism assets.

Fulfillment: The fulfillment program provides information to, and responds to inquiries from, consumers seeking information on travel and tourism in Virginia. Telephone and Internet inquiries are answered by a consumer services center and VTA publication requests are processed by a fulfillment house that provides storage, processing, delivery and freight services. In addition, the VTA operates a full-service distribution center to process customized and bulk orders and to manage the mailing needs of the VTA and the Virginia Economic Development Partnership Authority.

Welcome Centers: Virginia's welcome centers are designed to be first-stop destinations for the traveling public, strategically and conveniently located throughout Virginia on major arterial highways. The VTA provides a broad array of services to the visitor, including personal travel counseling, informational publications, transportation maps and lodging reservation assistance. In addition, the welcome center program serves Virginia's tourism industry by promoting a variety of destinations and attractions through advertising opportunities, multi-media informational kiosks, product demonstrations and exhibits and the distribution of travel publications.

State Tourism Plan: The VTA has developed a comprehensive state tourism plan, which provides a thorough assessment of the tourism needs in all nine of Virginia's tourism regions. This plan provides a competitive analysis of the state, including recommendations on increasing visitation through focused product development, promotions, improvements to infrastructure and policies on the state and local level to support tourism economic development.

International Marketing: The international marketing program develops and implements direct sales, marketing, promotions and public relations initiatives to attract foreign visitors and vendors to Virginia from strategic international markets.

Tourism Development Financing: The VTA helps to promote and manage a financing program for qualified tourism-related development projects in Virginia authorized under § 58.1-3851.1 of the Code of Virginia. This program provides a debt financing mechanism for capital projects to compensate for shortfalls in funding. The VTA also manages the newly created Virginia Tourism Growth Fund, which provides funding to attract new tourism and hospitality projects and to expand existing tourism and hospitality projects in the Commonwealth.

Performance Highlights

The Virginia Tourism Authority is adding four new performance measures and modifying one performance measure for the FY 2014-16 biennium. The new measures include the number of digital referrals to industry partners (1.6 million in FY 2014), the dollar amount of economic impact generated by the motion picture industry (\$382.5 million in CY 2013), the cost per one thousand media impressions (\$11.25 in FY 2014), and the number of Welcome Center visitors (2.3 million in FY 2014).

In addition, the Authority slightly modified one measure related to the amount leveraged for every grant dollar invested. That amount increased from \$3.01 in FY 2013 to \$3.45 in FY 2014. The Authority also tracks the number of unique (daily) website users. This information is critical because the Internet is becoming more and more important as a marketing tool. In FY 2014 the VTA had more than 8.5 million unique website users, which was an increase of more than 1.5 million in just two years.

Staffing

Authorized Maximum Employment Level (MEL)	0
Salaried Employees	76
Wage Employees	42
Contracted Employees	3

Key Risk Factors

Unpredictable funding levels and the lack of a dedicated, independent stream of funding continues to threaten the health of the Virginia Tourism Authority. An unpredictable budget presents great challenges in long-term planning and marketing and greatly impacts the Authority's ability to continue to grow visitor spending. In recent years, some competitor states have received millions of dollars in additional appropriations to promote tourism and film production. The Authority receives about \$1.1 million annually from the Virginia Department of Transportation to support the operations of Virginia's Welcome Centers. The funds, however, are not sufficient to fully fund the Welcome Centers' operations, which total more than \$2.0 million annually. Therefore, the Authority supplements this funding with revenues from brochure rack fees (about \$400,000) as well as general fund dollars (about \$500,000). A related issue concerns the growing expectations of incentives, especially for film production. Currently 38 states, as well as the District of Columbia and Puerto Rico, offer film incentives. Compared to most other states, Virginia's incentive program is relatively small, but growing. In the 2014 General Assembly Session tax credits were increased from \$5 million per biennium to \$6.5 million per year. An additional \$2.4 million annual appropriation was provided for the Governor's Motion Picture Opportunity Fund. In spite of these additional resources, Virginia still faces tough competition from other states that provide much more incentive funding. For example, Georgia, Massachusetts, and Louisiana have unlimited incentive funds, while Pennsylvania provides \$60 million and Michigan \$50 million. Other risks include general economic uncertainty as well as the perception that tourism is not "economic development."

Management Discussion

General Information About Ongoing Status of Agency

The Virginia Tourism Authority will execute its overall tourism strategy with advice from the Board of Directors, in cooperation with the private sector tourism industry, and based on research, its Marketing Plan, and the State Tourism Plan. (The State Tourism Plan, or "Drive Tourism", is focused on product development, creative and innovative partnership marketing, and workforce training.) The Authority will continue to identify growth potential and inspire investment from both the public and private sectors in tourism development. It will reinforce its commitment to excellence in marketing, continue advocacy on all levels for public and private tourism investment, and prioritize growth areas to ensure continued visitor spending growth.

Since 1979, the first year that records were kept, the total economic impact of Virginia's film and television industry is \$3.5 billion. Generally speaking, the growth was steady from 1979 through the peak year of 2007 when \$614 million was reported. However, for the 2008 – 2012 period, the economic impact was between \$328 million and \$394 million annually. There are two major reasons for this precipitous drop. One was the recession which affected virtually every business, including the film industry. The second reason was that states began to fully embrace the concept of using film incentives to recruit business. Currently 38 states, as well as the District of Columbia and Puerto Rico, offer film incentives. Compared to most other states, Virginia's incentive program is relatively small, but growing. In the 2014 General Assembly Session tax credits were increased from \$5 million per biennium to \$6.5 million per year. An additional \$2.4 million annual appropriation was provided for the Governor's Motion Picture Opportunity Fund. While the additional resources, along with aggressive marketing by the Virginia Film Office, have begun to reverse the declining economic impact, Virginia still faces tough competition from other states that provide much more incentive funding. For example, Georgia, Massachusetts, and Louisiana have unlimited incentive funds, while Pennsylvania provides \$60 million and Michigan \$50 million. The Virginia Film Office's plan for strengthening Virginia's film and television industry includes recruiting new business, working with Virginia filmmakers and production companies to strengthen the in-state industry and establishing a workforce development program designed to provide Virginia workers with the opportunity to find jobs and establish careers in film and television production.

Information Technology

The Virginia Tourism Authority relies heavily on technology to market and promote the Commonwealth as a travel destination. The Internet has become the primary tool to reach people and deliver the tourism message nationally and internationally. With the technology of this product changing rapidly, the Authority needs to ensure that it stays on the cutting edge to meet the needs of a technology-savvy user. In 2012, the Authority won the United States Travel Association's prestigious Mercury Award for Best State Travel Website. In order to maintain the superior quality of the website, the Authority must continually upgrade the application software and hardware to meet the Internet and user requirements. The Authority's internal information technology systems are provided and managed by the Virginia Economic Development Partnership per a Memorandum of Understanding dated July 1, 1999 and amended June 16, 2011.

Estimate of Technology Funding Needs

Workforce Development

The Virginia Tourism Authority has been able to retain employees long-term, which has resulted in a stable and high-quality workforce. In recent years, Authority payroll costs have been rising, which reflects the need to be competitive with the private sector in order to attract the best candidates and to retain well-qualified workers. VTA has been recognized as one of the best tourism offices in the United States and has won awards for its efforts. However, having a large number of long-tenured employees will impact the future of the Authority and succession planning is and will continue to be critical.

The Authority encourages continuing professional development, and funds are provided to support these efforts. In 2014 the Authority contracted with Virginia Commonwealth University's Performance Management Group to provide a customized leadership training program for all employees with management responsibilities.

The Authority relies heavily on part-time staff to operate the state Welcome Centers. The funds for this come largely from the Virginia Department of Transportation and the sale of brochure display space and advertising panels. The funding, however, has not kept pace with the cost of operations, which puts additional financial pressure on the Authority.

Physical Plant

The Virginia Tourism Authority's main office is located at 901 East Byrd Street, Richmond, VA 23219. The facility is leased and managed by the Virginia Economic Development Partnership per a Memorandum of Understanding dated July 1, 1999 and amended June 16, 2011. In addition, the Authority operates 11 state Welcome Centers located strategically around the state and the Bell Tower in Capitol Square in Richmond to provide information to people traveling in Virginia. Two welcome centers were acquired by the Authority – the Potomac Gateway Visitor Center in King George County and the Danville Welcome Center. The Danville Welcome Center continues to be operated by the City of Danville through a Memorandum of Agreement. The Potomac Gateway Visitor Center was closed in November 2008 due to budget reductions. In April 2012, the Authority entered into a Concession Agreement with the Dahlgren Heritage Foundation for the operation of the Potomac Gateway property. The agreement allows the Foundation to operate the property as the Dahlgren Heritage Museum. The Dahlgren Heritage Museum serves to not only tell the story of military history at Dahlgren, but also to promote tourism within the Commonwealth.

Supporting Documents

Title	File Type
FY 2015 VTA Operating Plan	Adobe PDF
FY 2015 VTA Marketing Plan	Adobe PDF

Tourist Promotion Services [53607]

Description of this Program / Service Area

The domestic and international marketing programs include advertising, public relations, promotions, domestic sales, merchandising, creative services, and digital marketing. These programs are all designed to promote Virginia as a travel destination.

The visitor services program establishes overall strategies for sound customer and visitor relations and information distribution systems. It manages activities aimed at providing superior customer service, evaluating and improving customer fulfillment functions, and increasing community outreach. The Authority works cooperatively with the Virginia Department of Transportation in the operations of the state's Welcome Centers to promote and encourage traveler visitation to Virginia.

The partnership marketing program works closely with communities throughout Virginia through tourism development and grant programs. It provides communities and tourism entrepreneurs with tourism planning expertise and assistance. It also assists with strategic planning, product planning, and identifying funding resources to achieve the planning goals and grow the Commonwealth's tourism product. In addition, the program is a resource for the industry to seek and secure grants to supplement marketing and product development programs. The Authority works closely with Virginia's localities and attractions to identify grant opportunities and options for stretching limited resources to market the Commonwealth's tourism product.

The Virginia Film Office is committed to attracting film and video production to Virginia and supporting the indigenous production industry, with the ultimate goal of bringing economic and employment benefits to the Commonwealth. It pursues these goals through the creation and implementation of aggressive marketing and development programs.

Mission Alignment

This service area directly aligns with the Virginia Tourism Authority's mission of supporting and expanding the Commonwealth's domestic and international travel and motion picture production industries.

Products and Services

Description of Major Products and Services

The Virginia Tourism Authority provides the following services:

Advertising: The advertising program develops and promotes the Virginia is for Lovers brand through print, broadcast, Internet and outdoor media in strategic markets that provide the highest potential number of visitors to Virginia. As part of this effort, the VTA partners with, and subsidizes advertising costs for, Virginia destination marketing organizations and tourism businesses to leverage scarce resources and achieve the highest rate of return of investment.

Grants: The grants program provides supplemental financial assistance to Virginia destination marketing organizations and tourism businesses. The competitive grants application process is designed to leverage scarce resources, promote the Virginia is for Lovers brand, encourage the creation of partnerships and enhance the development and marketing of Virginia's tourism product. In addition, the VTA works to identify and publicize other grant opportunities available to the state's tourism industry from federal, state and private sources.

Motion Picture Marketing: The VTA works to attract motion picture production to the Commonwealth and to increase the quantity of such productions by Virginia's indigenous motion picture industry. As part of this effort, the VTA helps recruit, train, promote and publicize employment opportunities for a professional workforce within the state capable of staffing motion picture productions. The VTA catalogs and promotes a diverse array of film locations across Virginia and recruits and promotes vendors within the state to supply and equip motion picture productions.

Public Relations: The public relations program develops and disseminates newsworthy announcements, notices and other communications on Virginia's tourism product to the media, the tourism industry and the general public. The VTA generates editorial coverage on the state's travel appeal, tourism assets and agency accomplishments by targeting national, regional, in-state and travel media.

Domestic Sales: The VTA markets the Commonwealth as a premier travel destination to tour operators, select travel agents, meeting planners and sporting event planners. The VTA represents the Commonwealth at trade shows, sales missions and site inspection tours in strategic markets within the United States.

Research: The research program provides data gathering and analysis on the travel and tourism segments of the economy, including domestic and international market share, visitor profiles, economic impact on the state and its localities and the effectiveness of VTA's marketing programs.

Digital Marketing: The digital marketing program manages the administration and content of VTA's consumer Web site, tourism industry Web site, and social media channels. The VTA promotes Virginia's tourism product by developing and implementing digital marketing strategies that utilize technology, electronic communications, content marketing and search engine marketing.

Creative Services: The creative services program provides graphic design and production services, as well as an in-house photography operation, to support the VTA and the Virginia Economic Development Partnership Authority. As part of this effort, the VTA maintains a library of photography and video that promote Virginia destinations, attractions and other tourism assets.

Fulfillment: The fulfillment program provides information to, and responds to inquiries from, consumers seeking information on travel and tourism

in Virginia. Telephone and Internet inquiries are answered by a consumer services center and VTA publication requests are processed by a fulfillment house that provides storage, processing, delivery and freight services. In addition, the VTA operates a full-service distribution center to process customized and bulk orders and to manage the mailing needs of the VTA and the Virginia Economic Development Partnership Authority.

Welcome Centers: Virginia's welcome centers are designed to be first-stop destinations for the traveling public, strategically and conveniently located throughout Virginia on major arterial highways. The VTA provides a broad array of services to the visitor, including personal travel counseling, informational publications, transportation maps and lodging reservation assistance. In addition, the welcome center program serves Virginia's tourism industry by promoting a variety of destinations and attractions through advertising opportunities, multi-media informational kiosks, product demonstrations and exhibits and the distribution of travel publications.

State Tourism Plan: The VTA has developed a comprehensive state tourism plan, which provides a thorough assessment of the tourism needs in all nine of Virginia's tourism regions. This plan provides a competitive analysis of the state, including recommendations on increasing visitation through focused product development, promotions, improvements to infrastructure and policies on the state and local level to support tourism economic development.

International Marketing: The international marketing program develops and implements direct sales, marketing, promotions and public relations initiatives to attract foreign visitors and vendors to Virginia from strategic international markets.

Tourism Development Financing: The VTA helps to promote and manage a financing program for qualified tourism-related development projects in Virginia authorized under § 58.1-3851.1 of the Code of Virginia. This program provides a debt financing mechanism for capital projects to compensate for a shortfall in funding not to exceed 20 percent of a qualified project's total cost.

Anticipated Changes

VTA anticipates it will need to invest significant resources to upgrade its website and mobile offerings to meet the expectations of the future needs of a technology-savvy customer base. The demographic profile of travelers is beginning to shift to younger travelers and families. This younger demographic tends to be heavier technology users and relies upon the Internet for information and social networking.

The Partnership Marketing program was initiated to provide developmental guidance, technical assistance, and consulting services to rural and urban communities and organizations to enhance or expand tourism product in Virginia. It also administers a marketing grants program to assist the tourism community to market their products. This program area is growing rapidly as the need for these services increases.

Factors Impacting

The most important change in the customer base is expected to be website visitors. Website usage by the public has grown dramatically in recent years as people rely upon the Internet more and more to do travel planning and booking. Recent research shows that the Internet has become a primary vehicle for planning vacations. As a result, VTA will need to be prepared to update its website and mobile applications and supporting data to accommodate users' needs.

In terms of marketing tourism product, more local/regional tourism marketing entities are looking to extend the reach of their very limited financial resources to promote their regions. They look to the VTA to assist in this area through matching grants and program assistance. This is becoming more critical to localities because of the economic downturn and its impact on their finances.

Financial Overview

In FY 2016 the Virginia Tourism Authority will operate with a general fund budget of \$19.9 million. These funds support the marketing, visitor services, Virginia Film Office, partnership marketing, and minimal administrative support functions. The Authority aggressively leverages funding and forms partnerships with industry and government entities to extend the reach of its limited budget.

The Virginia Tourism Authority is not on the books of the State Comptroller, so the only funds reflected are general fund appropriations. However, the Authority does receive about \$1.2 million annually from the Virginia Department of Transportation (about \$1.1 million for operation of the state's 11 Welcome Centers and \$100,000 as a pass-through for the Danville Welcome Center, which is locally operated). These funds, however, are not sufficient to fully fund the Welcome Centers' operations, which total more than \$2.0 million annually.

In addition, the Authority collects more than \$700,000 annually from a variety of other sources, including brochure rack fees at Welcome Centers and rest areas, reimbursement for the Civil War History Mobile program by the Virginia Sesquicentennial of the American Civil War Commission, royalties from the sale of "Virginia is for Lovers" merchandise, and other miscellaneous fees and collections.

Biennial Budget

	2015 General Fund	2015 Nongeneral Fund	2016 General Fund	2016 Nongeneral Fund
Initial Appropriation for the Biennium	20,225,218	0	21,000,560	0
Changes to Initial Appropriation	0	0	-1,082,983	0

Supporting Documents

Title

FY 2015 VTA Operating Planyyyy

FY 2015 VTA Marketing Planyyyy

File Type

Adobe PDF

Adobe PDF