

Agency Strategic Plan

Virginia Tourism Authority

Agency Mission, Vision, and Values

Mission Statement:

The Virginia Tourism Authority (VTA), doing business as the Virginia Tourism Corporation, serves the broader interests of the economy of Virginia by supporting, maintaining and expanding the Commonwealth's domestic and international travel market and motion picture production, thereby generating increased visitor expenditures, tax revenues and employment. The Corporation develops and implements programs beneficial to Virginia travel-related and motion picture production-related businesses and/or consumers that no industry component or organization would be expected to carry out on its own.

It is the mission of the Authority to bring More People (visitors) to the Commonwealth; get them Staying Longer; and Spending More Money.

Agency Vision:

To foster a spirit of partnership within Virginia's tourism and motion picture industries to develop and implement innovative and effective programs and initiatives that will grow the industry and increase economic impact and jobs, resulting in a greater tax base for localities and the state.

Agency Executive Progress Report

Current Service Performance

To achieve its purpose to create commerce through tourism, the Virginia Tourism Authority receives appropriations from the General Assembly to market Virginia as a premier travel destination. That investment is coordinated through the Authority and leveraged with the private sector to extend marketing reach.

The Authority develops a strategic marketing plan based upon visitor research and trends of the traveling public. This plan is manifested in strategies that include but are not limited to sales and marketing, advertising, electronic marketing, public relations, film, customer service and industry relations.

With a full-time staff of 64, the Authority works with the private-sector tourism industry and communities to increase tourism expenditures in the Commonwealth. The Authority offers strategy programs to the private-sector industry to allow tourism businesses to pool their resources with those of the Authority and reach markets they would not be able to reach otherwise. Further, the Authority provides technical assistance to communities, entrepreneurs and projects to increase tourism.

The Authority measures not only the overall economic impact of tourism on the Commonwealth's economy but also the effectiveness of all major programs, such as advertising and travel trends, to be able to modify the plan at any time to capitalize upon strategies that bring the greatest return on investment.

The Virginia Film Office provides services to the film and video industry to increase domestic and international motion picture production throughout Virginia. This goal is supported by four main objectives:

1. Provide filmmakers with financial and other incentives to attract more film and video production to the state, which will create jobs and encourage the purchase of Virginia-based goods and services.
2. Promote Virginia to decision-makers with an aggressive marketing strategy and with thorough and timely responses to clients.
3. Support and promote the growth of Virginia's network of resources, thereby increasing the attractiveness of the state to clients.
4. Support Virginia's expanding indigenous production industry.

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Productivity

The Authority has been successful in the following areas:

- Website visitation up 77% over 2005 reaching more than 243,000 unique users seeking information on travel in Virginia.
- Welcome Center reservations services were provided to more than 8,000 visitors since the program began in March 2003. For January through May of 2005, the number of lodging reservations made totaled 3,297, up 70% over the same period in 2004.
- Leveraged \$1 million in print placement costs with \$1.9 million from private sector and \$1.3 million in added value from the publications for a total of \$4.2 million promoting Virginia tourism.
- Increased lead generation from 62,000 in 2003 to 152,000 in 2004.
- Won the most prestigious advertising award in the nation -- The Effie.
- Won three Mercury Awards from the Travel Industry Association (TIA) for best niche marketing, best promotion and best overall campaign in the US.
- Created an exceptional film internship program in cooperation with Virginia universities and secondary schools.
- Developed a formalized statewide network of local film liaisons trained to assist production companies when the companies film in the liaisons' localities.

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Major Initiatives and Related Progress

Three major initiatives are part of the VTA strategy: Overall Meet Virginia campaign, Jamestown 2007 Commemoration and Virginia Works, an economic development program to inspire increased commerce in economically distressed areas.

1. Meet Virginia Campaign

A major goal of the Meet Virginia Campaign is to leverage more funds into the marketplace. During the next year, VTA will attempt through media and private-sector tourism partners to leverage advertising and marketing money 5 to 1.

2. Jamestown 2007 Campaign

This campaign, which began in December 2004, was designed to pique the interest of the American public by educating them to the significance of the 400th anniversary of the first permanent English-speaking settlement in the New World and the activities of the commemoration. Concentrated on establishing a database of highly interested potential travelers, the campaign focused on driving interest to the website. In the first six months of the campaign, significant interest was generated as summarized below:

- Page Views - 338,558
- Sign-ups and email updates - 15,810
- Send to a friend requests - 3,277
- Referrals to the Jamestown Websites - 47,935
- Jamestown related page views - 28,078

3. Virginia Works

In the Virginia Works program, funds are made available for tourism development assistance with particular emphasis on economically depressed regions of the Commonwealth. Five specific areas are identified in the Virginia Works proposal relating to tourism development – Tourism Development Technical Assistance; Rails to Trails development and promotion; Artisan Trail Network; Artisan Centers and Virginia Trails; and itinerary-based trails such as the Crooked Road Music Trail. The program requires that three individuals be hired to provide technical assistance to communities and entrepreneurs.

FILM PRODUCTION

The Virginia Film Office, a division of the Virginia Tourism Authority, has made some significant inroads to attract film and video production to Virginia. In the recent past, *Gods and Generals*, *The West Wing*, *Cold Mountain*, *Commander-In-Chief* and *The New World* were filmed in whole or in part within the Commonwealth. These are just a few of the hundreds of projects that have been shot in Virginia recently. The film and video industry in Virginia is strong and growing. Throughout the Commonwealth, commercials, documentaries, feature films, television shows and educational videos are creating jobs and generating revenue. The industry continues to grow and flourish worldwide and is projected to do so far into the future.

In addition to the financial impact generated by film and television production, the state also realizes significant benefits because production raises the profile of the state for tourism and for attracting business. The Virginia Tourism Authority has featured two films shot in Virginia, *Cold Mountain*, and *Gods and Generals*, in its marketing and promotional campaigns. In both cases, when each film was showing in the theatres, inquiries about Virginia's Civil War and historic sites increased by 70%. The positive relationship between film and visitation is evident.

In 2005, Virginia was presented with an exceptional, once-in-a-lifetime opportunity. New Line Cinemas and writer-director Terrence Malick, whose past films include the Oscar-nominated *The Thin Red Line*, chose Virginia as the location for a major motion picture, *The New World*. The cast included Colin Farrell, who starred in *Veronica Guerin* and *Minority Report*, as Captain John Smith and renowned theatre and film actor

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Christopher Plummer as Christopher Newport. This film tells the story of America's Indian population that lived and worked harmoniously in Virginia, the Englishmen who came here in 1607 in search of a new world, and the way in which their two cultures encountered one another. This project is an exceptional representation of the way in which Virginians work together for the benefit of the state. Representatives of numerous groups, including the Virginia Film Office, the Jamestown-Yorktown Foundation, the Department of Game and Inland Fisheries, VDOT, the Virginia Marine Resources Commission and the National Park Service, were actively involved with the project. In addition, the company worked with Virginia Indian representatives to ensure that they were presented with sensitivity and respect.

The film's financial impact in the state was \$21 million. There could not have been a better time for The New World to come to Virginia. The film was released in theatres in late 2005 and will promote Virginia to the nation and the world on the eve of the Jamestown 2007 Commemoration. Additional promotional opportunities will be available when the film opens overseas and with the release of the DVD and video.

Virginia Ranking and Trends

According to the Travel Industry Association, Virginia is ranked 10th in domestic visitor spending. The economic contribution of travel and tourism on the Commonwealth, including both direct and indirect impacts, is estimated at \$15.2 billion for 2003.

In partnership with Washington D.C., Maryland and Virginia, the Capital Region USA generates approximately \$890 million in annual economic impact from international visitors. Another \$125 million in visitor spending comes into the region from Canadian visitors.

In terms of overall visitation, 36 million visitors chose to travel to Virginia in 2003 – an increase of 1.1% from 2002.

Virginia ranks approximately 14th in film production nationally.

The Authority reports the following service performances for 2004 when compared with 2003 levels:

- Virginia Tourism Website visitation up 53%
- Virginia Welcome Center Visitation down 3.8%
- Lodging Sales up 2%
- Food Service up 8.8%
- Car Rentals up 4%
- Gas sales up 1.2%

The Authority has won numerous awards during the past year including Best Advertising Campaign, Best Niche Marketing, Best Cooperative Marketing from TIA (Travel Industry Association).

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Customer Trends and Coverage

The Authority works with state agencies, Virginia localities, the Virginia Hospitality and Travel Association, the Virginia Convention and Visitors Bureau, destination marketing organizations, chambers of commerce, local convention and visitor bureaus, attractions, and numerous other tourism entities in the Commonwealth. In a sense, these are the VTA's customers. The Authority works in partnership with many of these organizations to promote the Commonwealth as a travel destination. Through this "customer base" Virginia tourism products are marketed and promoted to the visiting public to encourage more travelers to stay longer and spend more money in the Commonwealth.

In addition to highlighting its unique selling points, the Authority's marketing programs take current travel trends into account and appeal to the consumer's planning considerations and desires in a travel experience. Basically VTA wants to know Virginia's Visitor Profile: who, what, where, why and how far? The trend has indicated that the following impact the traveler's trip planning decisions:

- Time Poverty
- Stress
- Shorter booking time
- Weekend Travel
- Travel with Pets
- Epicurean Vacations
- Experiential Vacations
- Learning Vacations
- Accessible Travel
- Wellness Vacations

The studies indicate that the top activities enjoyed by Virginia tourists include:

- History, Heritage & Culture
- Outdoor and Natural Resources
- Family Fun

While Virginia visitors enjoy the state's history, heritage, culture and outdoor resources, some products that are not as familiar but have great potential for growth include:

- Wine Country and Epicurean Tours
- Learning Vacations
- Outdoor Recreation
- Virginia Trails (Civil War, Colonial, Music)
- Jamestown 2007 Commemoration

Virginia's primary and secondary domestic target markets and demographic targets are based on the results of a 2003 Virginia Visitor Study.

Primary Source Markets (Primary source of visitors to Virginia):

- New York
- Washington, DC
- Philadelphia
- Baltimore

Secondary Source Markets:

- Raleigh-Durham
- Atlanta

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- Pittsburgh
- Charlotte
- Boston

The primary demographic profile of the Virginia visitor (42% of visitors to the Commonwealth) is:

- Party size: 2 / couples
- Age: 35 - 64
- Household Income: \$75K
- Education: College
- Average spending: \$453
- Length of stay: 3 days/2 nights

The secondary demographic profile of the Virginia visitor (37% of visitors to the Commonwealth) is:

- Party size: 3 or more
- Age: Parents 35 - 54
- Household Income: \$75K
- Education: College
- Average spending: \$453
- Length of stay: 3 days/2 nights

The Virginia Film Office's target audience is comprised of those responsible for producing film, video, television and multi-media projects that include feature films, network and cable television episodes, movies-of-the-week, miniseries, commercials, documentaries, and videos, such as industrial, educational or military productions. The people primarily involved in choosing where productions will be shot are the producer, director, location manager and/or production designer. Although Virginia hosts projects from all over the United States and the world, the Film Office's primary marketing emphasis is on Los Angeles, New York and the mid-Atlantic region, with a secondary emphasis on overseas markets, such as London and Europe.

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Future Direction, Expectations, and Priorities

With advice from the Board of Directors and in cooperation with the private-sector tourism industry, VTA will continue to plan and execute an overall tourism plan based on research, 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, will continue advocacy on all levels for public and private tourism investment and will prioritize growth areas to ensure continued visitor spending growth.

Although great strides have been made, changes in agency leadership at state agencies involved in tourism--such as the Departments of Game and Inland Fisheries, Conservation and Recreation, Historic Resources, Transportation, Housing and Community Development, Agriculture, Forestry, the Marine Resources Commission, the Racing Commission and the Tobacco Commission, etc.--will continue to tax the agencies to collaborate. The Authority is committed to enhanced communication and collaboration in areas of mutual benefit.

Virginia has shown a steady growth in the economic impact of production since the Film Office was founded in 1980. For the period of 1991 - 2002, the industry grew more than 600 percent. In 2003, this upward pattern changed and production revenue decreased 9.7%. There were several economic and social factors that contributed to this; one of the most significant was the creation of incentive funds in competitor states. Business went to Virginia's competition as a result. The Virginia Film Office estimates that more than \$750 million was lost to Virginia because of the lack of an incentive program.

The filmed entertainment industry is a growth industry, projected by Price Waterhouse Coopers to grow 7.5% over the next five years. In fact, it has grown steadily for a long time. This is not projected to end soon, due to the globalization of the industry. What does this mean for Virginia? Entertainment and gaming is the kind of industry the state should be recruiting.

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Impediments

A non-dedicated stream of funding continues to challenge the health of the Virginia Tourism Authority. An unpredictable budget, which not too long ago experienced a 40% cut, presents great challenges in long-term planning and marketing and greatly inhibits the Authority's ability to create a greater tax base by attracting more tourists. Continued advocacy and educating public officials at all levels to the value of public investment in tourism, the nature of the industry and the best way to achieve marketing goals adds to the burden on already stretched human resources.

The Authority receives \$1 million annually from the Virginia Department of Transportation to support the operations of Virginia's ten welcome centers. This funding level is not sufficient to cover the operations of these centers. Further, to provide the public with greater customer service, the Authority extends welcome center hours of operation during peak summer travel months.

While the General Assembly appropriated \$20 million for welcome center and rest area improvements, these facilities are inadequate to serve the millions of visitors who visit Virginia annually. More funds need to be dedicated to improve these facilities, particularly when one considers an increase in traffic during the 2007 Commemoration.

In the Film Office, the prevalence of incentives in other states and countries greatly challenges Virginia's ability to attract large film projects. Nationwide, eighteen states have significant financial incentive packages. Of these, eight are direct Virginia competitors. These states are: Florida, Georgia, Louisiana, Maryland, Mississippi, New York, Pennsylvania and South Carolina. In fact, North Carolina is the only direct competitor that does not have an operational financial incentive program although, like Virginia, the North Carolina state legislature has passed a bill authorizing incentives, although no funding has been appropriated. Beginning in 2002, a few state legislatures began to realize the potential benefits of film production and passed legislation for more significant incentive programs designed to recruit production to their jurisdictions. Some states are reporting significant results.

Illinois: Direct film revenue increased 300% from \$25 million to \$75 million with \$5.5 million in tax credits issued.

Louisiana: \$20 million in incentives resulted in \$300 million in spending in two years

Pennsylvania: More production in one year than in the previous two combined.

Utah: \$1 million in incentives increased production by 74%

The absence of an aggressive, funded incentive program and a formal infrastructure to educate, train and develop a labor force will result in the Commonwealth losing ground to those states and countries that provide such programs.

Agency Background Information

Statutory Authority

The statutory authority exists in the Code of Virginia, § 2.2-2315 through § 2.2-2327.

The Virginia Tourism Authority, doing business as the Virginia Tourism Corporation, serves the broader interest of the economy of Virginia by supporting, maintaining and expanding the Commonwealth's domestic and international travel market and motion picture production, thereby generating increased visitor expenditures, tax revenues and employment. The Corporation develops and implements programs beneficial to Virginia travel-related and motion picture production-related businesses and/or consumers that no industry component or organization would be expected to carry out on its own.

The Virginia Tourism Authority (VTA) is a political subdivision of the Commonwealth of Virginia, authorized to do business as the "Virginia Tourism Corporation" (VTC). It was created on July 1, 1999. Prior to July 1999,

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Virginia Tourism was a division within the Virginia Economic Development Partnership. The VTA has a Board of Directors comprised of 15 members, including the Secretary of Commerce and Trade, the Secretary of Finance, the Secretary of Natural Resources and twelve members appointed by the Governor and confirmed by the General Assembly. The Governor designates the Chairman of the Board, and the Board elects one member as the Vice-Chairman. The Executive Director of the VTA is appointed by the Governor and reports to the Board of Directors and serves as the Board’s ex-officio secretary-treasurer.

The VTA’s headquarters are in Richmond. In addition, the VTA operates ten 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.

Customer Base:

Customer Description	Served	Potential
Advertising Partners	80	0
Convention and Meeting Centers	76	0
Directors, Producers, Location Managers, Production Designers	178	0
Financial Assistance Entities	0	0
Public Media, News Releases, Articles, Editorials	207	0
Requestors of Travel Information	460,000	0
Tour Operators, Receptive Operators, Travel agents, Travel Planners, etc	8,100	0
Travel Writers, Journalists, and Media	734	0
Website Visitors - Consumers	2,127,000	0
Website Visitors - Industry	181,000	0
Welcome Centers Visitors	1,600,000	0

Anticipated Changes In Agency Customer Base:

The biggest change in customer base is anticipated in website visitors and participants in partner advertising programs.

The growth in web usage by the public has grown dramatically over the past few years. Recent research shows that it has become a primary vehicle for planning vacations.

The Authority has an aggressive program to leverage its limited marketing dollars with public and private partners. In fiscal 2006, VTA anticipates generating a potential 5 to 1 matching program, which will give smaller partners a less costly means of reaching targeted audiences.

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Agency Partners:

Capital Region USA (CRUSA)

Capital Region USA (CRUSA) is a not-for-profit tourism coalition comprised of the Virginia Tourism Authority, the Washington DC Convention and Tourism Corporation and the Maryland Office of Tourism Development. 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 European market by itself. This is an effective means to pool resources to jointly market overseas to direct tourists to the region.

Jamestown 2007

The Authority works with the Jamestown 2007 agency and Steering Committee to plan, market and promote the 400th Anniversary of Jamestown, the first permanent English-speaking settlement in America. The events of the Anniversary program begin in 2006 and are planned to extend through 2007.

Tourism Marketing Partners

The Authority tries to leverage its limited marketing funds 2:1 through strategic partnerships and by offering cooperative advertising 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.

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Agency Products and Services:

Current Products and Services

Sales and marketing is responsible for planning, implementing, and evaluating direct sales and marketing activities to promote Virginia as a travel destination in selected domestic and international markets. Promotional efforts are based on research and planned in conjunction with and by involving Virginia's travel industry partners. These efforts are accomplished through direct sales activities that target tour operators, receptive operators, group leaders, teachers, travel agents, airline sales managers, AAA/CAA offices and cruise line managers. Staff reaches these audiences primarily by attending trade and consumer shows, personal sales calls, telemarketing, sales missions, and site inspection tours of Virginia. Staff and Virginia travel industry partners develop travel packages to entice visitors to Virginia.

Research is the basis for the Authority's marketing, advertising and promotion efforts. The Research section compiles, evaluates, and disseminates marketing and economic travel information, including visitor volume and niche travel segment visitor profiles. This information is also used by Virginia localities to assist in directing their advertising, public relations, and other marketing efforts. Research data are gathered using multiple resources such as: visitor surveys that identify the habits and characteristics of travelers who visit Virginia; data gathered from government and private sources for economic impact and employment statistics; and research on the Authority's marketing and advertising efforts to measure the effectiveness of the programs.

Public relations stimulates visitation to Virginia through promotional communication tools and media coverage designed to motivate travelers to visit, stay longer, and see more of Virginia's historic, romantic, scenic, and culinary destinations. Specific tools used include mass-distributed news releases and feature articles, one-on-one pitches to top media in targeted markets; involvement in the national tourism industry through active participation in councils and boards; working with communications officers of regional and national tourism organizations; and issuing monthly newsletters distributed to tourism marketers.

Advertising is responsible for coordinating the consumer advertising program and assuring that the message is effective in attracting visitors to the Commonwealth. This service directs and approves advertising programs, including production and placement of print media in magazines and newspapers, production and placement of ads on television and radio, and coordination of in-state marketing campaigns. The Authority maintains an extensive library of Virginia photography and video that is made available to travel media (print and broadcast), tour operators, the Virginia travel industry, and other travel-related organizations.

Electronic marketing is responsible for enhancing, marketing, and maintaining the Authority's consumer website, (www.Virginia.org), and the Virginia Travel Industry website (www.vatc.org). This section researches and implements Internet communication technologies, develops web-based business initiatives and grows data sharing partnerships with state, regional and local entities. It complements the Authority's marketing initiatives by using multi-media and dynamic websites, relational database management, and a statewide inventory of attractions, accommodations, activities and events available to vacation and business travelers.

Customer services is primarily responsible for fulfilling information requests resulting from the Authority's marketing, advertising and promotional efforts. It manages contracted services for responses to toll-free telephones inquiries and a mail fulfillment house to distribute travel guides and other information requested by potential travelers to the Commonwealth. Other services offered by this section are: certification of local and regional visitor centers; assisting industry members in grant writing and application processes; customer service training for front-line staff; and workshops for managers to assist in planning and developing strategies for local and regional tourism products.

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Customer services also manages the Virginia Welcome Centers, which provide travel information and counseling and reservation services for travelers. At the centers, the Authority provides a fee-based advertising service to the travel industry. Industry partners can distribute their information and advertise their destinations through a brochure display system and advertising wall panels.

The Virginia Film Office is committed to increasing film and video production in the Commonwealth, and its activities are aimed at attracting out-of-state business while at the same time expanding the existing in-state industry. Film, television and video production services promote the Commonwealth as a location for film and video production. The Film Office provides production services to producers and assists filmmakers producing their projects in the state. The Film Office also recruits production work from outside Virginia and supports indigenous Virginia companies.

Factors Impacting Agency Products and Services

The commemoration of the 400th anniversary of the establishment of the first permanent English-speaking settlement at Jamestown has begun in earnest. In FY05, the Authority began its marketing campaign to promote this 18-month event that begins in 2006. The Authority is working closely with the Jamestown 2007 agency and Steering Committee, the Jamestown-Yorktown Foundation, the National Park Service, the Association for the Preservation of Virginia Antiquities and many communities throughout the state to promote this state-wide event. Over the next two plus fiscal years, the Authority expects the Commemoration to require a major effort to assure its success and to generate lasting economic benefit through lasting visitation to the Commonwealth.

Anticipated Changes in Agency Products and Services

Under the Virginia Works initiative, the Authority received some funding to begin a program of tourism development assistance with particular emphasis on economically depressed regions of the state. Five specific areas were identified within the Virginia Works proposal relating to tourism development:

1. Tourism Development Technical Assistance,
2. Rails to Trails development and promotion,
3. Artisan Trail/Network,
4. Artisan Centers and Virginia Trails, and
5. Itinerary-based trails such as the Crooked Road Music Trail.

This program provides technical assistance to communities and entrepreneurs in economic development, planning and capital access. This base of development and subsequent growth will be supported with creative and innovative partnership marketing strategies.

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Agency Financial Resources Summary:

The Virginia Tourism Authority is currently operating with a General Fund budget of just over \$16.8 million. These funds provide the resources to support the Authority's base marketing, advertising and promotions programs; film office operations; and minimal administrative support functions.

While the budget is currently at levels comparable to 1998 levels, the Authority has challenged itself with opportunities to expand upon its core mission and marketing plan to include outdoor and rural product development and promoting the upcoming Jamestown 400th Anniversary, which begins in 2006. Therefore, VTA has had to aggressively leverage funding and form new partnerships with industry and government entities to extend the reach of a limited budget.

The Authority also receives funds (\$1.1 million annually) from the Virginia Department of Transportation to support the operations of ten state Welcome Centers that provide travel information and assistance to visitors. These funds are not reflected in the general fund appropriation. The funds, however, are not sufficient to fully fund the Welcome Center operations. The operations are supplemented by advertising sale for brochure display space and advertising panels at the centers that total approximately \$380,000. The funding from VDOT has not changed in more than five years and has challenged the Authority to meet the operational needs of the centers to meet the expectations of visitors.

Beginning in the 2006 fiscal year, a special appropriation of non-general funds (\$1 million) from the V400 Funds from the sale of Jamestown 2007 commemorative license plates was established for the Authority to market the 400th Anniversary of the founding of the first permanent English-speaking settlement in North America. These funds are also not reflected in the general fund appropriation for the Authority but have specific requirements for their use.

	Fiscal Year 2007		Fiscal Year 2008	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$14,130,098	\$0	\$14,130,098	\$0
Changes To Base	\$2,674,951	\$0	\$794,844	\$0
AGENCY TOTAL	\$16,805,049	\$0	\$14,924,942	\$0

Agency Human Resources Summary:

Human Resources Overview

The Virginia Tourism Authority is a public body corporate of the Commonwealth and is exempt from the Virginia Personnel Act. As a result, the employment levels do not fall within the position authorizations of the Appropriation Act. The information provided below is for information purposes to reflect the levels of employment. The employees of the Authority do participate in the Virginia Retirement System and benefit programs offered by the state.

Annually, the Authority submits an operations plan to the Department of Planning and Budget, the House Appropriations Committee and the Senate Finance Committee containing its employment levels. As of July 1, 2006, the Authority employs 72 full-time staff members and 37 part-time wage positions. The Authority also uses the services of interns to supplement its manpower needs. This interns provide approximately 2,160 hours of service annually.

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Full-Time Equivalent (FTE) Position Summary

Effective Date:	7/1/2005
Total Authorized Position level	0
Vacant Positions	0
Non-Classified (Filled).....	0
Full-Time Classified (Filled)	0
Part-Time Classified (Filled)	0
Faculty (Filled)	0
Wage	0
Contract Employees	0
Total Human Resource Level	0

Factors Impacting Human Resources

The Authority has been able to retain employees long-term, which results in a relatively stable and competent workforce. Over the recent few years, Authority payroll costs have been rising, which reflects the need to be competitive with the private sector to attract the best candidates for vacant positions and to retain well qualified individuals. A competitive compensation package is a key element to attract and retain the best possible employees for positions within Virginia Tourism. As a result, the Authority has attracted quality staff. VTA has been recognized as one of the best tourism offices in the United States and has won awards for its efforts.

Having a large number of long-tenured employees will impact the future of the Authority. The average length of service of full-time employees employed by the Authority is nine years. There are 15 employees who have 15 or more years of service with the Commonwealth; eight of them have more than 20 years.

To assure that the staff remains current and competitive with the private world, a program of continuing professional development is encouraged, and funds are provided to support these efforts. It is essential that such programs are current and meaningful to assure the competency of the staff.

The Authority relies heavily on part-time staff to man the ten state Welcome Centers. The funds for this effort come from the Virginia Department of Transportation (VDOT) through a \$1 million annual transfer, plus the sale of brochure rack space and advertising panels. The funding from VDOT has not changed in more than five years, which puts financial pressure on the Authority to fully man these centers for the scheduled hours of operation. Additional resources will be needed to continue such efforts in the future.

Anticipated Changes in Human Resources

As employees retire, it will be a challenge for the Authority to replace the expertise lost without being competitive in the compensation arena. This will have an impact on the limited resources of Virginia Tourism.

There are a number of industry demands on the Commonwealth to grow the tourism product with emphasis on Southside and Southwest Virginia. Initiatives are under way to begin to support programs in these areas and to provide management and program development assistance. Programs such as the Crooked Road Music Trail, rails-to-trails, bike trails, etc. require assistance and resources to develop and be sustained. Some human resources will be required to support these initiatives.

It is anticipated that the VTA will take over operations of two visitor centers on the borders of the Commonwealth currently operated by localities. A study will be conducted to assess the manpower and operational needs of these additional facilities to be brought into the Authority's Welcome Center Operations.

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Agency Information Technology Summary:

Current State / Issues

The Authority uses the services of the Virginia Economic Development Partnership (VEDP) to provide IT functions. Because the Authority and the Partnership are body politics of the Commonwealth, they are precluded from involvement with the Commonwealth's IT programs through VITA. Through a Memorandum of Understanding, the VEDP manages the IT programs for both entities. The Authority provides the resources necessary to maintain the equipment and its specialized software.

Factor Impacting Information Technology

The Authority relies heavily on technology to market and promote the Commonwealth. The Internet has become a major tool to reach people and deliver the tourism message nationally and internationally. With the technology of this product changing rapidly, the Authority needs to assure that it stays on the cutting edge.

Anticipated Changes / Desired State

The Authority has invested heavily in web design and functionality. It has proven to be a primary means by which people plan their vacations. The web is expected to continue to be a very important and viable avenue to reach the general public. Investment in this asset will continue.

Agency Information Technology Investments:

	<u>Cost-Fiscal Year 2007</u>		<u>Cost-Fiscal Year 2008</u>	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Major IT Projects	\$0		\$0	\$0
Non-Major IT Projects	\$0	\$0	\$0	\$0
Major IT Procurements	\$0	\$0	\$0	\$0
Non-Major IT Procurements	\$75,000	\$0	\$75,000	\$0
Totals	\$75,000		\$75,000	\$0

Agency Goals

Goal #1:

Strengthen awareness of the Virginia brand.

Goal 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.

Statewide Goals Supported by Goal #1

- Be a national leader in the preservation and enhancement of our economy.
- Protect, conserve and wisely develop our natural, historical and cultural resources.

Objectives For Goal #1

Objective 1.01

Increase awareness and understanding of the brand to in-state markets, North American markets and International markets.

Strategies For Objective 1.01

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- Educate the tourism industry on Virginia branding and its consistent usage in publications, ads, promotions, etc., thus sending consistent messages in the marketplace.
- Increase consumer awareness and understanding of the brand.
- Increase Virginia's brand awareness among tour wholesalers and retailers worldwide, leading to increased packaging and visitation.
- Use effective public relations programs to strengthen the brand to influence journalists and constituent groups to generate media placements.
- Promote the state as a fun and friendly vacation destination to friends and family.
- Position Virginia as a premier destination for leisure and business travel in the market place.
- Provide consumer-friendly, comprehensive, timely and accurate information about the Virginia brand to influence visitors to extend their stay in the Commonwealth.
- Use timely and compelling research in development of programs to increase consumer awareness.

Goal #2:

Develop and execute collaborative statewide marketing programs.

Goal Summary and Alignment:

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.

Statewide Goals Supported by Goal #2

- Be a national leader in the preservation and enhancement of our economy.
- Be recognized as the best-managed state in the nation.

Objectives For Goal #2

Objective 2.01

Assist the Virginia travel-industry partners and local, state, and federal agencies in their tourism efforts through research, counsel, education and incorporation of their specific tourism attributes into consistent marketing strategies.

Objective 2.02

Provide professional development opportunities and individual consulting to Destination Marketing Organizations, individual attractions, destinations and event organizers, and other travel-related and film-related organizations and individuals.

Objective 2.03

Leverage funds using public and private marketing partnership programs.

Objective 2.04

Provide targeted and cost effective programs to maximize tourism marketing in a consistent and comprehensive manner.

Agency Strategic Plan

Virginia Tourism Authority

Goal #3:

Educate elected officials and key opinion leaders on the economic importance of tourism and encourage investment in the industry.

Goal Summary and Alignment:

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

Statewide Goals Supported by Goal #3

- Be a national leader in the preservation and enhancement of our economy.
- Engage and inform citizens to ensure we serve their interests.
- Protect, conserve and wisely develop our natural, historical and cultural resources.

Objectives For Goal #3

Objective 3.01

Cultivate and maintain a strong working relationship with elected officials and key opinion leaders to foster support and growth for Virginia's tourism and motion picture industries.

Objective 3.02

Lead the travel industry in the development of statewide effort to gain support and recognition of the substantial economic impact tourism generates for the Commonwealth.

Objective 3.03

Maximize public- and private-sector investment in tourism development and marketing.

Goal #4:

Advance the use of technology in tourism marketing.

Goal Summary and Alignment:

Use progressive electronic marketing programs to increase Virginia's tourism.

Statewide Goals Supported by Goal #4

- Be a national leader in the preservation and enhancement of our economy.
- Be recognized as the best-managed state in the nation.

Objectives For Goal #4

Objective 4.01

Maximize the Internet as a management and marketing tool.

Objective 4.02

Educate tourism industry partners and members to take full advantage of the effectiveness of the internet as a marketing tool.

Objective 4.03

Continually update the VTA web sites for ease of use and content.

Agency Strategic Plan

Virginia Tourism Authority

Objective 4.04

Examine electronic tourism information methods to encourage visiting and staying in Virginia.

Goal #5:

Expand hospitality workforce training.

Goal Summary and Alignment:

Support the Virginia travel industry to development and implementation of programs to train the hospitality workforce to ensure a positive visitor experience and increase visitor length of stay.

Support educational institutions' efforts to develop and expand hospitality and marketing programs.

Statewide Goals Supported by Goal #5

- Be a national leader in the preservation and enhancement of our economy.
- Be recognized as the best-managed state in the nation.
- Protect, conserve and wisely develop our natural, historical and cultural resources.

Objectives For Goal #5

Objective 5.01

In collaboration with the Virginia travel industry, educate the travel & tourism professionals and management staff for an expanding role in Virginia's Tourism Economy.

Objective 5.02

Provide visitors at the state's Welcome Centers and other front-line points of contact with superior customer service including reservation services to encourage extended visits.

Objective 5.03

List and provide ongoing updates for professional and management training opportunities in newsletters and on the www.vatc.org website.

Objective 5.04

Provide tourism training and education programs through such venues as orientation sessions, conferences on travel and tourism, and seminars.

Goal #6:

Improve infrastructure that supports tourism.

Goal Summary and Alignment:

Work with federal, state and local entities to improve and expand the state's visitor information and service facilities and tourism product.

Encourage multi-modal enhancements to Virginia's transportation systems to meet the needs of the traveling public.

Statewide Goals Supported by Goal #6

- Be a national leader in the preservation and enhancement of our economy.
- Be recognized as the best-managed state in the nation.
- Protect, conserve and wisely develop our natural, historical and cultural resources.

Agency Strategic Plan

Virginia Tourism Authority

Objectives For Goal #6

Objective 6.01

Provide collaboration and assistance to the Virginia Department of Transportation in planning and building state-of-the-art welcome centers and rest areas to enhance the Commonwealth's first impression on visitors.

Objective 6.02

Consistently work with federal and state agencies and congressional offices to maximize public participation in promoting and developing Virginia's travel industry.

Objective 6.03

Provide support to organizations engaged in the development of highway enhancements, corridor development, expanded rail service and bicycle travel.

Objective 6.04

Team with Virginia Department of Rail & Public Transportation to provide effective rail infrastructure to support tourism.

Objective 6.05

Support rails to trails development.

Objective 6.06

Work with communities to identify tourism development goals and infrastructure needs.

Goal #7:

Support existing tourism products of all sizes and the development of new tourism product.

Goal Summary and Alignment:

Support the enhancement, expansion and development of new and existing tourism products, events and services.

Statewide Goals Supported by Goal #7

- Be a national leader in the preservation and enhancement of our economy.
- Be recognized as the best-managed state in the nation.
- Protect, conserve and wisely develop our natural, historical and cultural resources.

Objectives For Goal #7

Objective 7.01

Assist localities to develop marketing partnerships and regional structures to stimulate the development and growth of tourism products and services.

Objective 7.02

Work with the agencies owning or managing lands in Virginia to encourage new product development and enhancements to existing products.

Objective 7.03

Advocate increased public participation in tourism development at federal, state and local levels.

Agency Strategic Plan

Virginia Tourism Authority

Objective 7.04

Foster partnership opportunities to extend consistent marketing investment.

Goal #8:

Promote Virginia's existing and expanding meeting and convention facilities.

Goal Summary and Alignment:

Work with local and regional entities to increase meetings and conventions business and associated tax revenue benefits.

Statewide Goals Supported by Goal #8

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

Objectives For Goal #8

Objective 8.01

Develop and implement a national and regional advertising campaign to meeting planners and executives in the association, corporate and high-technology markets

Objective 8.02

Develop, implement and maintain a proactive meetings and conventions sales effort that incorporates Internet sales, e-mail campaign and marketing components to increase awareness of Virginia's meeting and convention facilities.

Objective 8.03

Develop and implement a plan to increase length of stay for pre- or post-convention delegates.

Objective 8.04

Support Governor initiatives to bring convention and meeting business to the Commonwealth.

Goal #9:

Increase the economic impact of the film and video industry throughout the Commonwealth.

Goal Summary and Alignment:

Attract film, video and multi-media production to Virginia. Grow the in-state film, video and multi-media industry.

Statewide Goals Supported by Goal #9

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

Objectives For Goal #9

Objective 9.01

Create and implement a marketing strategy that includes sales calls, trade shows, film-related events, marketing missions, advertising, public relations and personal contact with key decision makers.

Objective 9.02

Increase incentive dollars to bring filmmakers to Virginia.

Agency Strategic Plan

Virginia Tourism Authority

Objective 9.03

Develop new or expand existing initiatives designed to grow Virginia's indigenous industry.

Goal #10:

Provide leadership, management and direction for the VTA.

Goal Summary and Alignment:

To provide the Virginia Tourism Authority with quality management through consistent planning, effective procurement and reporting processes and high-quality staff. Identify and implement revenue-generating programs to provide necessary resources to supplement the Commonwealth's investment in tourism promotion.

Statewide Goals Supported by Goal #10

- Be recognized as the best-managed state in the nation.

Objectives For Goal #10

Objective 10.01

Provide the Board of Directors, Governor and Secretary of Commerce and Trade with the tools and resources needed to work effectively with the Authority to achieve the goal of increasing traveler visitation to provide economic benefit and jobs.

Objective 10.02

Direct and evaluate the effectiveness of the Authority's marketing and film office programs.

Objective 10.03

Support the Commonwealth's initiative to increase purchases from small, woman-owned and minority business enterprises.

Objective 10.04

Support the Commonwealth's initiative to use electronic procurement processes through the eVA procurement program.

Objective 10.05

License and manage a revenue-generating program to produce and sell Virginia is for Lovers trademark products.

Objective 10.06

Develop and manage a program of user fees for advertising tourism industry partners.

Objective 10.07

Develop and promote an e-commerce program to generate funding in support of the Authority's marketing and promotions programs.

Objective 10.08

Secure resources from public and non-public resources to support the Authority's marketing efforts.

Service Area Plan

Virginia Tourism Authority

Tourist Promotion Services (53607)

Service Area Background Information

Service Area Description

The Marketing and Promotions section is responsible for planning, implementing and evaluating VTA's advertising, public relations, sales, Internet marketing and research activities. It accomplishes this through five service areas having targeted purposes and objectives to promote Virginia as a travel destination. This section also works collaboratively with industry members to market the Commonwealth in targeted markets.

The Customer Services and Industry Relations section manages programs aimed at providing superior customer service, establishing continuing education opportunities for the industry, evaluating and improving customer fulfillment programs, cultivating community outreach, and assisting the industry in business development and expansion with a goal of repeat visitation. The section works cooperatively with the Virginia Department of Transportation in the operations of the state's ten Welcome Centers and Rest Areas to promote and encourage the traveler to visit Virginia. This unit also serves as a resource for the industry in seeking and securing grants to supplement marketing and product development programs.

The Film Office is committed to attracting film and video production to Virginia and supporting the indigenous production industry, with an ultimate goal of bringing economic and employment benefits to the Commonwealth. Film, video and multi-media production is a growth industry worldwide and in Virginia, and the economic benefits to the state have grown significantly. The Virginia Film Office pursues its goals by creating and implementing aggressive marketing and development programs.

Service Area Alignment to Mission

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

Service Area Statutory Authority

The statutory authority exists in the Code of Virginia, § 2.2-2315 through § 2.2-2327.

Service Area Customer Base

Customer(s)	Served	Potential
Advertisers participating in a partner advertising programs.	80	0
Convention and meeting center confirmed bookings.	76	0
Domestic and international travel writers, journalists and media with whom the Authority worked to promote Virginia's tourism assets.	734	0
Film, Video and TV production companies approached to film in Va.	178	0
News releases, feature articles written, editorial leads provided or publication of monthly events about tourism assets.	207	0
Persons requesting travel information through toll-free telephones.	460,000	0
Persons visiting the www.virginia.org website for travel information (unique daily users)	2,127,000	0
Tour operators, receptive operators, travel agents, airlines, rail services, AAA & CAA offices, Cruise lines, etc.	8,100	0
Tourism industry members using the industry Website (Unique daily users).	181,000	0
Travelers in the state stopping at Welcome Centers or Capitol Bell Tower for information & reservation services.	1,600,000	0

Service Area Plan

Virginia Tourism Authority

Tourist Promotion Services (53607)

Anticipated Changes In Service Area Customer Base

The 400th Anniversary of the founding of Jamestown will impact the Authority's services by placing a high demand on focusing marketing efforts to promote the state-wide events and activities centered around the Jamestown 400th anniversary in 2006 and 2007. This effort has already impacted the marketing, promotion and research programs of the Authority by requiring VTA's efforts to assure the success of the 2007 programs while VTA continues its regular tourism marketing efforts.

Service Area Plan

Virginia Tourism Authority

Tourist Promotion Services (53607)

Service Area Products and Services

- Advertising: The multi-million-dollar advertising program develops and promotes the Virginia brand by using print, broadcast and outdoor media as well as web-based venues. The media plan targets frequent travelers within markets that provide the highest potential number of visitors to Virginia.
- Grants Assistance: The Authority is a resource for the industry to seek and secure grants to supplement marketing and product development programs. It hosts three-day grant writing skill development classes to assist the industry with grant application processes. It works closely with Virginia's counties, cities, municipalities and attractions to identify grant opportunities and ways of extending limited resources to market the Commonwealth's tourism product.
- Film Office: Film Office efforts are aimed at increasing film and video production in the Commonwealth. The Film Office promotes the Commonwealth as a production location and provides production and location services to producers and assists filmmakers with their projects in the state. The Film Office also recruits production work from outside the Commonwealth and supports Virginia companies.
- Public Relations: Public relations stimulates Virginia's economy by creating promotional communications tools and editorial coverage designed to motivate travelers to visit, stay longer and see more of Virginia's travel appeals. Public relations also provides the VTA with visibility in niche publications to promote Virginia's special and unique product.
- Sales: VTA's direct sales efforts, including trade shows, sales missions and site inspection tours, are designed to increase visitation and economic impact from domestic and selected international markets. Key buyer segments targeted through the sales effort include tour operators, travel agents and meeting planners.
- Research: The research section provides a wide range of tourism-related data analysis and data gathering, including domestic and international visitor profiles, domestic and international market share, the economic impact of tourism on the state and localities, and the VTA's advertising and marketing campaigns. The research program provides detailed and timely information for those in the Commonwealth who are interested in the area of tourism development and for the VTA to assess the return on investment of its programs.
- Electronic Marketing: This section manages VTA's two websites, targeting consumers and Virginia's travel industry. It manages VTA's internet communication technologies and develops web-based business initiatives and partnerships. Electronic Marketing regularly educates the industry about Internet technology and the benefits of full participation within VTA's consumer website.
- Graphics: The graphics section provides graphic development and production services for VTA and the Virginia Economic Development Partnership. The VTA's library of photography, film, videography and electronic graphic files is managed by the Graphics section.
- Fulfillment: The fulfillment program provides visitor information to queries for Virginia travel information through the toll-free telephone lines administered by a contracted answering service. A fulfillment house distributes the requested information, and an in-house mail service provides additional travel information not handled by the fulfillment house.
- Customer Service Training: The Authority makes customer service training available for front line staff and workshops for managers to assist with planning and developing strategies for local and regional tourism product.

Service Area Plan
Virginia Tourism Authority
Tourist Promotion Services (53607)

Service Area Products and Services

- Welcome Centers: Welcome Centers provide travel brochures and advertising panels to promote a wide variety of attractions and destinations. Free lodging reservation services are also offered to the traveler visiting the Centers.

Factors Impacting Service Area Products and Services

The biggest change in customer base is anticipated in website visitors and participants in partner advertising programs.

Web usage by the public has grown dramatically over the past few years. Recent research shows that the web has become a primary vehicle for planning vacations.

The Authority has an aggressive program to leverage its limited marketing dollars with public and private partners. In fiscal 2006, VTA anticipates generating a potential 5 to 1 matching program providing smaller partners a less costly means of reaching targeted audiences.

Service Area Human Resources Summary

Service Area Human Resources Overview

See Human Resources Overview under Strategic Plan.

Service Area Full-Time Equivalent (FTE) Position Summary

Effective Date:

Total Authorized Position level	0
Vacant Positions	0
Non-Classified (Filled).....	0
Full-Time Classified (Filled)	0
Part-Time Classified (Filled)	0
Faculty (Filled)	0
Wage	0
Contract Employees	0
Total Human Resource Level	0

Factors Impacting Service Area Human Resources

See Factors Impacting HR under Strategic Plan.

Anticipated Changes in Service Area Human Resources

See Anticipated HR Changes under Strategic Plan.

Service Area Plan
Virginia Tourism Authority
Tourist Promotion Services (53607)

Service Area Financial Summary

See Financial Overview under Strategic Plan.

	<u>Fiscal Year 2007</u>		<u>Fiscal Year 2008</u>	
	<u>General Fund</u>	<u>Nongeneral Fund</u>	<u>General Fund</u>	<u>Nongeneral Fund</u>
Base Budget	\$13,430,098	\$0	\$13,430,098	\$0
Changes To Base	\$2,699,951	\$0	\$969,844	\$0
SERVICE AREA TOTAL	\$16,130,049	\$0	\$14,399,942	\$0

Service Area Plan
Virginia Tourism Authority
Tourist Promotion Services (53607)

Service Area Objectives, Measures, and Strategies

Objective 53607.01

Increase the number of consumer inquiries for travel and destination information.

To 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.

This Objective Supports the Following Agency Goals:

- Strengthen awareness of the Virginia brand.

- Develop and execute collaborative statewide marketing programs.

This Objective Has The Following Measure(s):

● **Measure 53607.01.01**

The Virginia Tourism Authority will increase the number of consumer inquiries. (Key)

Measure Type: Outcome **Measure Frequency:** Annually

Measure Baseline: 4 million Inquiries in FY05

Measure Target: 4.2 million inquiries in FY07.

Measure Source and Calculation:

The measure is the number of consumer inquiries for Virginia travel information occurring in a fiscal year. The primary data sources for inquiries are toll-free telephone numbers, bulk mail requests, unique visits to the consumer Websites, visitor inquiries at the Welcome Centers, e-travel guides and media requests. The measure target is established by the Authority as a goal to assess the success of the program.

Objective 53607.01 Has the Following Strategies:

- VTA will develop marketing campaigns that targets a wide variety of potential travelers to the Commonwealth through innovative and strategic advertising strategies.
- VTA will enhance its website to offer state of the art search capabilities and up-to-date tourism destination information to enable users to easily plan and develop travel plans within Virginia.
- VTA will use an online version of its travel guides to make information available electronically via the internet.

Objective 53607.02

Increase film and video production spending in Virginia.

The Film office recruits film production to the Commonwealth. The results will measure the effectiveness of bringing film production to Virginia and the economic impact such efforts contribute to Virginia. The amounts represent the percentage change in direct and indirect spending over the prior calendar year.

This Objective Supports the Following Agency Goals:

- Strengthen awareness of the Virginia brand.
- Increase the economic impact of the film and video industry throughout the Commonwealth.

Service Area Plan

Virginia Tourism Authority

Tourist Promotion Services (53607)

This Objective Has The Following Measure(s):

- **Measure 53607.02.02**

The Virginia Tourism Authority will increase the amount of direct and indirect spending for film and video.

Measure Type: Outcome **Measure Frequency:** Annually

Measure Baseline: \$192 million of direct and indirect production spending in calendar year 2004

Measure Target: \$202 million of direct and indirect production spending in calendar year 2006.

Measure Source and Calculation:

The primary source of the spending data is developed through a calendar year annual survey of the companies assisted by the Film Office that produced films or video in Virginia. The economic impact is calculated by multiplying the number of production hours reported to the Film Office by the economic benefit guidelines established by the Association of Film Commissioners International. The measure target is established by the Authority as a goal to assess the success of the program

Objective 53607.02 Has the Following Strategies:

- VTA will approach film, video and TV production companies to convince them to bring such production to Virginia. This will be done with one-on-one approaches, brochures and direct marketing sales pieces.

Objective 53607.03

Increase meeting and convention spending in Virginia.

The objective is to increase the amount of spending for convention and business meetings that will be held in Virginia. This will measure the effectiveness of the Authority's ability to increase this business by assisting the industry to book convention and meeting business.

This Objective Supports the Following Agency Goals:

- Strengthen awareness of the Virginia brand.
- Promote Virginia's existing and expanding meeting and convention facilities.

This Objective Has The Following Measure(s):

- **Measure 53607.03.03**

The Virginia Tourism Authority will increase the amount of spending in Virginia by conventioners and business meetings.

Measure Type: Outcome **Measure Frequency:** Annually

Measure Baseline: \$15.5 million of business and convention meeting spending in FY05.

Measure Target: \$16 million of business and convention meeting spending in FY07.

Measure Source and Calculation:

The amount of spending is determined by the number of convention and business meeting participants booked in Virginia as reported to the Authority multiplied by the established industry average participant spending. The measure target is established by the Authority as a goal to assess the success of the program.

Service Area Plan

Virginia Tourism Authority

Tourist Promotion Services (53607)

Objective 53607.04

To leverage the Authority's partnership advertising funds.

This service enables the Authority and participating partners to combine resources to extend marketing reach into targeted markets with limited dollars. Private-sector partners are encouraged to match certain partnership advertising funds \$2 for every \$1 the Authority provides. The results will reflect the dollar value match by public and private partners to each dollar provided by the VTA for the program.

This Objective Supports the Following Agency Goals:

- Strengthen awareness of the Virginia brand.

This Objective Has The Following Measure(s):

- **Measure 53607.04.04**

Amount leveraged for every dollar invested.

Measure Type: Outcome **Measure Frequency:** Annually

Measure Baseline: \$2.20 for every dollar invested in FY05.

Measure Target: \$2 for every dollar invested in FY07.

Measure Source and Calculation:

The total dollar value of partner funds and/or like-kind values contributed to match the Authority's partnership advertising program dollars of investment. (As an example, if the Authority invested \$100,000 and partners matched with \$200,000, it would result in \$300,000 of advertising placement in targeted markets. This expands the Authority's limited dollars and enables it to reach a larger market audience than would have been possible with smaller investment amounts.) The amount of funds available for this program varies from year to year and is dependent upon the marketing plan developed annually by the Authority. The measure target is established by the Authority as a minimum goal for leveraging partnership dollars.

Objective 53607.04 Has the Following Strategies:

- Develop and implement partnership advertising programs that can be used in participation with public- and private-sector tourism partners to extend the reach of limited dollars by all entities to targeted markets.
- Develop and implement niche advertising programs that can be used with specific tourism markets targeted to special interests of the visiting public to extend the reach of limited dollars available for such programs.

Objective 53607.05

To increase reservation assistance at Welcome Centers.

Staff at the state Welcome Centers provides assistance to travelers seeking accommodations by assisting in booking reservations for overnight stays. The service provides an incentive for the traveler to stay overnight at a Virginia accommodation. This service and the collection of data for this measure began in FY04.

This Objective Supports the Following Agency Goals:

- Strengthen awareness of the Virginia brand.

Service Area Plan

Virginia Tourism Authority

Tourist Promotion Services (53607)

This Objective Has The Following Measure(s):

- **Measure 53607.05.05**

Number of assisted reservation bookings.

Measure Type: Outcome **Measure Frequency:** Annually

Measure Baseline: 6,872 assisted reservations in FY05.

Measure Target: 7,080 assisted reservations in FY07.

Measure Source and Calculation:

The number of assisted reservation bookings made for travelers visiting in the Commonwealth's Welcome Centers as reported by staff at the Centers. The measure target is established by the Authority as a goal to assess the success of the program.

Objective 53607.05 Has the Following Strategies:

- VTA will publicize the services being offered at Welcome Centers through signage and one-on-one counseling.

Objective 53607.06

To increase the number of annual contacts with producers, script writers, production companies, studios, etc. of film and video.

This service seeks to increase the number of film and video productions in the Commonwealth by soliciting production companies, writers, producers, studios and other related businesses.

This Objective Supports the Following Agency Goals:

- Strengthen awareness of the Virginia brand.
- Increase the economic impact of the film and video industry throughout the Commonwealth.

This Objective Has The Following Measure(s):

- **Measure 53607.06.06**

Number of industry contacts.

Measure Type: Output **Measure Frequency:** Annually

Measure Baseline: 928 contacts made in FY05.

Measure Target: 955 contacts to be made in FY07.

Measure Source and Calculation:

The total number of companies contacted or making contact with the Film Office for filming opportunities in Virginia through telephone calls, letters, emails and other correspondence. The target is established by the Authority as a goal to measure the success of the program.

Objective 53607.06 Has the Following Strategies:

- The Film Office will contact producers, script writers, productions companies, studios and other related industry members to encourage production companies to film and produce videos in Virginia.

Objective 53607.07

To increase the number of unique users of websites.

This measure reports the increase in the number of unique users of the Virginia Tourism consumer

Service Area Plan

Virginia Tourism Authority

Tourist Promotion Services (53607)

websites (www.virginia.org, www.jamestown1607.org) to obtain information on travel opportunities in the Commonwealth. A unique visitor may come back to the site more than one time but is counted once as a unique user even though he or she may have visited the site multiple times.

This Objective Supports the Following Agency Goals:

- Strengthen awareness of the Virginia brand.
- Advance the use of technology in tourism marketing.

This Objective Has The Following Measure(s):

- **Measure 53607.07.07**

Number of unique Website users

Measure Type: Outcome **Measure Frequency:** Annually

Measure Baseline: 1.8 million in FY05.

Measure Target: 2 million in FY07.

Measure Source and Calculation:

The count of unique daily users is provided by VipNEt (Virginia Internet Provider Network) who hosts the Authority's websites. Its target is the total number of unique users in FY05 increased by 10%. The target is established by the Authority as a goal to measure success of the program.

Objective 53607.07 Has the Following Strategies:

- VTA will enhance its website to offer state of the art search capabilities and up-to-date tourism destination information to enable users to easily plan and develop travel plans within Virginia.
- VTA will make every effort to assure the Websites are dynamic and always appear in the top listings of popular search engines to maximize exposure to internet users.

Objective 53607.08

To ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

This objective seeks to measure how effectively Authority programs are managed and whether they are managed in a manner consistent with applicable state and federal requirements.

This Objective Supports the Following Agency Goals:

- Provide leadership, management and direction for the VTA.

This Objective Has The Following Measure(s):

- **Measure 53607.08.08**

Percent of Governor's Management scorecard categories marked as meets expectations for the Authority

Measure Type: Outcome **Measure Frequency:** Annually

Measure Baseline: 100% in FY05

Measure Target: 100% in FY07

Measure Source and Calculation:

The percentage calculated based on the Authority's score in meeting management expectations.

Service Area Plan

Virginia Tourism Authority

Tourist Promotion Services (53607)

Objective 53607.08 Has the Following Strategies:

- Implement effective workforce management programs to attract and retain employees and Assure fairness and diversity; effective training and personnel development; and a safe workplace.
- Implement management programs to assure fairness and diversity in procurement and vendors are paid in a prompt and timely manner.
- Implement internal controls to assure safeguards against the loss or inefficient use of Commonwealth assets.
- Implement a program to assure the continuity of operations of the Authority in case of disaster.

Service Area Plan

Virginia Tourism Authority

Financial Assistance for Tourist Promotion (53606)

Service Area Background Information

Service Area Description

This area represents those financial resources provided by General Assembly action to fund specific entities to support tourism or film production in the Commonwealth. They are generally tourism-related entities, advertising and marketing entities, entities that assist in developing or managing tourism product, tourist destinations or film production enterprises.

Service Area Alignment to Mission

The entities receiving funds through this service area support the development or promotion of tourism or attraction of film production in the Commonwealth.

Service Area Statutory Authority

The statutory authority is generally the action by the General Assembly as reflected in the Appropriations Act or changes to the Code of Virginia.

Service Area Customer Base

Customer(s)	Served	Potential
Historical Attractions and Promotions	2	2
Regional Tourism Entities	1	1
Specialty industry development	1	1

Anticipated Changes In Service Area Customer Base

The customer base is not expected to change much over the years. The funds are generally provided by the General Assembly to assist tourism-related entities in marketing, product development and general operational support. The number of customers has been relatively constant over the last several years.

Service Area Products and Services

- Funds are provided to specified entities as appropriated to support tourism related marketing, product development and operational support. Aside from a funding stream, other services are generally not provided by the VTA.

Factors Impacting Service Area Products and Services

Changes to this service area are generally made by actions of the General Assembly. They generally occur when an identified need is not funded within the budget as submitted to the General Assembly for its consideration.

Anticipated Changes To Service Area Products and Services

No significant changes in this area are anticipated.

Service Area Financial Summary

The funds are appropriated by the General Assembly through the Appropriations Act and the Authority pays out such funds in a timely manner.

	<u>Fiscal Year 2007</u>		<u>Fiscal Year 2008</u>	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$700,000	\$0	\$700,000	\$0
Changes To Base	(\$25,000)	\$0	(\$175,000)	\$0
SERVICE AREA TOTAL	\$675,000	\$0	\$525,000	\$0

Service Area Plan

Virginia Tourism Authority

Financial Assistance for Tourist Promotion (53606)

Service Area Objectives, Measures, and Strategies

Objective 53606.01

Make timely payments to recipients.

The VTA will make timely payments of appropriated amounts in accordance with the Appropriation Act.

This Objective Supports the Following Agency Goals:

- Strengthen awareness of the Virginia brand.
(These efforts generally support product development, product marketing and promotion; and continued operations of tourism entities that increases awareness to the visiting public.)

This Objective Has The Following Measure(s):

- **Measure 53606.01.01**

Percentage of payments made on a timely basis.

Measure Type: Outcome **Measure Frequency:** Annually

Measure Baseline: 100% timely in FY05

Measure Target: 100% timely in FY07

Measure Source and Calculation:

The recipients of special financial assistance are identified in the Appropriations Act passed by the General Assembly of Virginia. The Act generally states the recipient and the purpose of the appropriated funds. The Commonwealth's Prompt Payment Act also requires state agencies to make timely payments to vendors.

Objective 53606.01 Has the Following Strategies:

- VTA has established policies and procedures by which vendors are paid in a timely manner and in accordance with the Acts of the General Assembly.