

VIRGINIA TOURISM AUTHORITY
d/b/a Virginia Tourism Corporation

OPERATING PLAN

FOR THE FISCAL YEAR ENDING JUNE 30, 2025

VIRGINIA IS FOR LO**ERS**

**VIRGINIA TOURISM AUTHORITY
FY 2025 OPERATING PLAN**

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I. INTRODUCTION

The Virginia Tourism Authority d/b/a Virginia Tourism Corporation (VTC) was established by the General Assembly in 1999 (§ 2.2-2315 et seq., Code of Virginia) as "...a public body corporate and as a political subdivision of the Commonwealth." The Authority was given broad powers to "...stimulate the tourism segment of the economy by promoting, advertising, and marketing the Commonwealth's many tourist attractions and by coordinating other private and public efforts to do the same..." The General Assembly also recognized that the "...film industry is a legitimate and important part of economic development in the Commonwealth."

The VTC has a Board of Directors composed of 17 members, including the Lieutenant Governor, the Secretary of Commerce and Trade, the Secretary of Finance, the Secretary of Natural Resources, the Secretary of Agriculture and Forestry, and 12 members appointed by the Governor, subject to confirmation by the General Assembly. The Governor designates the Chairman of the Board, and the Board may elect one member as Vice-Chairman. The President/CEO of VTC is appointed by the Governor and serves as the Board's ex-officio secretary.

The VTC is headquartered in Richmond. In addition, the VTC operates 12 state welcome centers located strategically around the state to provide information to people traveling in Virginia.

OPERATING PLAN

This operating plan has been prepared in accordance with Chapter 2 the 2022 Appropriation Act, which states in part the following:

Prior to July 1 of each fiscal year, the Virginia Tourism Authority shall provide to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees and the Director, Department of Planning and Budget a report of its operating plan.

This document provides summary information regarding VTC's priorities, how it will accomplish its objectives, and the resources committed to those efforts.

II. MISSION, VISION, AND VALUES

VTC serves the broader interests of the Virginia economy by supporting, maintaining, and expanding the Commonwealth's domestic and international travel markets and motion picture industry, thereby generating increased spending, employment, and tax revenues. VTC develops and implements programs beneficial to Virginia travel-related and motion picture-related businesses and consumers.

MISSION STATEMENT:

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 STATEMENT:

Leading the nation in tourism and motion picture production.

VALUES STATEMENT:

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.

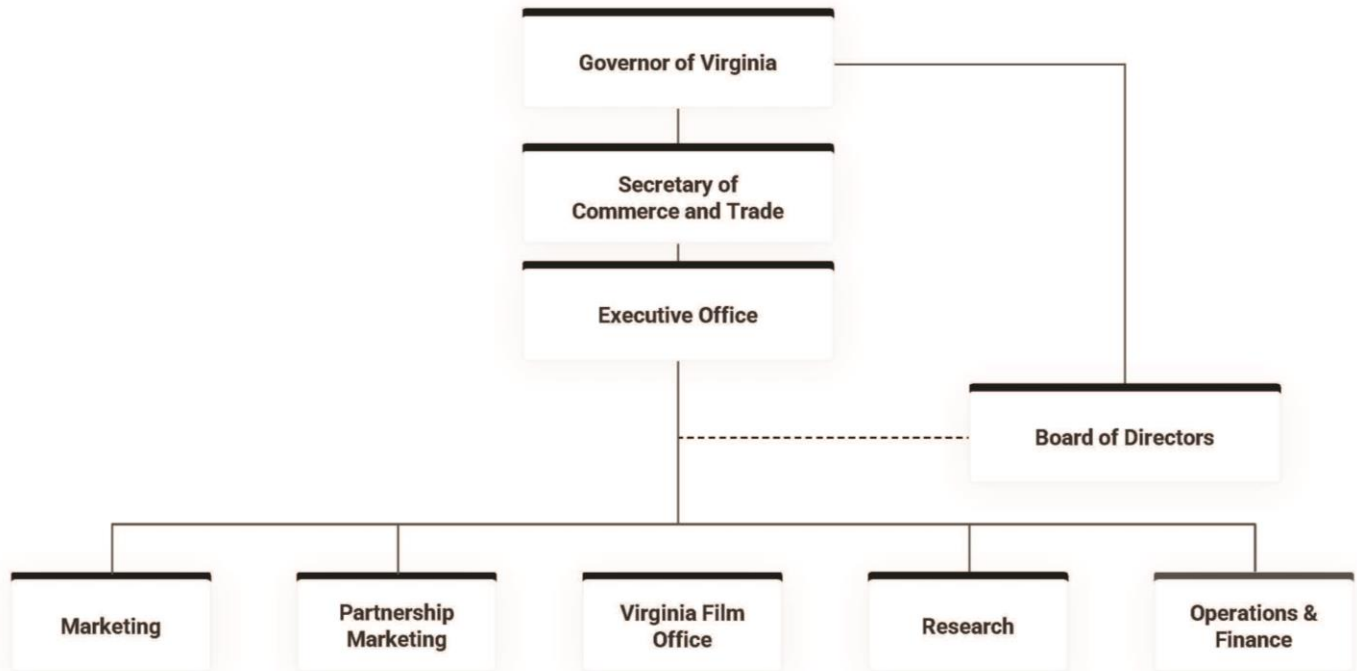
Results:

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

III. ORGANIZATIONAL STRUCTURE

VTC’s activities are divided into six programmatic areas. The responsibilities for management of these areas are vested with the President/CEO and four Vice-Presidents.

- 1) Executive & Board of Directors
- 2) Operations & Finance
- 3) Marketing
- 4) Research
- 5) Film
- 6) Partnership Marketing



IV. STRATEGIC PLAN AND PERFORMANCE MEASURES

VTC's strategic plan identifies the means by which VTC will achieve its stated mission and goals. The strategic plan also identifies the objectives and strategies associated with the goals. The strategic plan may be found on VTC's website (www.vatc.org) or on the Department of Planning and Budget's website (www.dpb.virginia.gov). The goals included in the strategic plan are as follows:

1. Inspire travel to Virginia by strengthening awareness of the Virginia brand and product.
 - 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.
2. Increase the economic impact of the tourism and motion picture industries in Virginia.
 - Attract visitors and motion picture production to the Commonwealth, resulting in greater economic impact generated by the tourism and motion picture industries.
3. Increase the number of jobs supported by the tourism and motion picture industries in Virginia.
 - Attract visitors and motion picture production to the Commonwealth, resulting in more jobs supported by the tourism and motion picture production industries.
4. Increase the tax revenues generated by the tourism and motion picture industries in Virginia.
 - Attract visitors and motion picture production to the Commonwealth, resulting in greater tax revenues generated by the tourism and motion picture industries.
5. Provide resources to communities to maximize their tourism potential.
 - 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.
6. Strengthen awareness of the value of tourism as an economic engine for Virginia.
 - Foster strong working relationships with elected officials and key opinion leaders to gain support and growth for Virginia's tourism industry.

VTC also has the following quantifiable performance measures to assess the effectiveness of its programs in achieving its goals and objectives:

1. Number of digital referrals to industry partners
2. Number of annual website user sessions
3. Amount leveraged for every grant dollar invested
4. Dollar amount of economic impact generated by the motion picture industry
5. Cost per one thousand media impressions
6. Number of Welcome Center visitors

V. FY 2025 OPERATING FINANCIAL PLAN SUMMARY

**Operating Financial Plan Summary
 For The Fiscal Year Ending June 30, 2025**

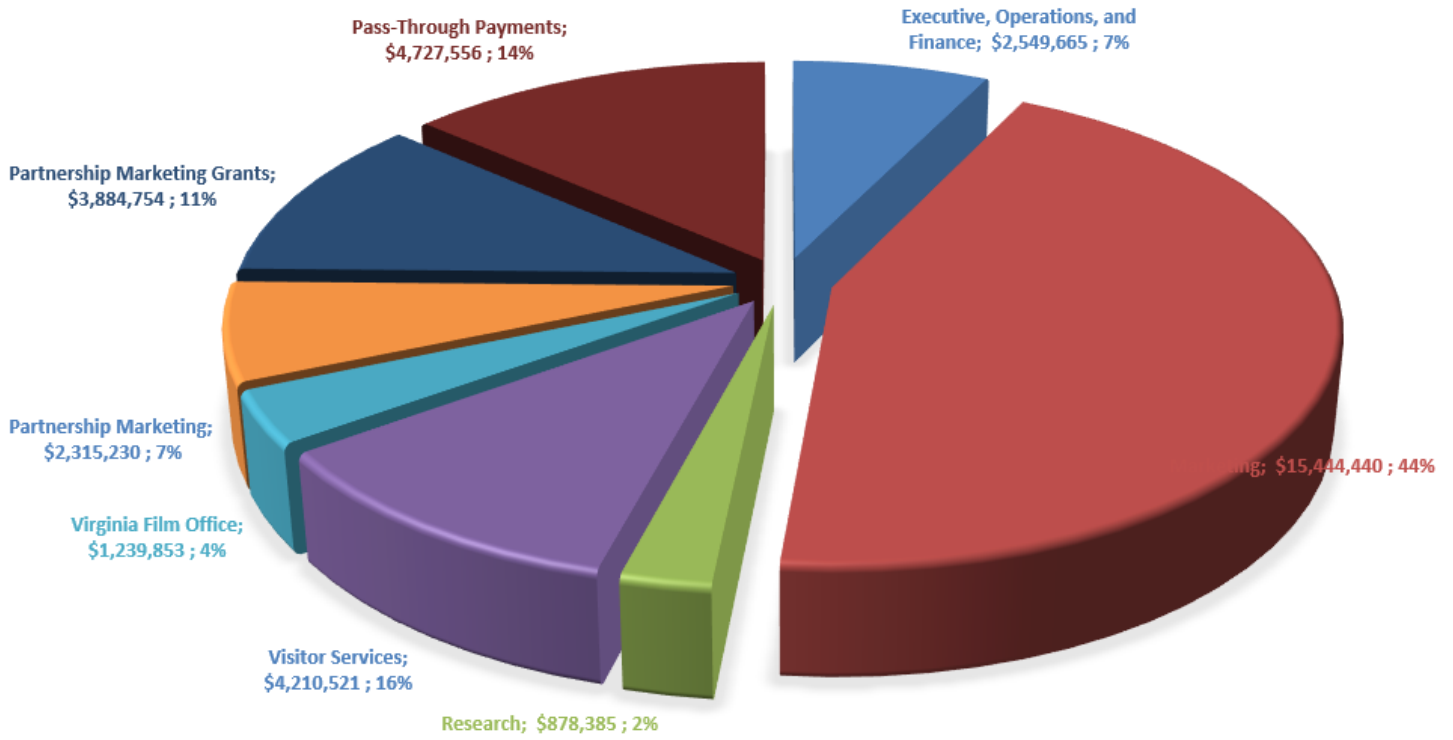
	Funds	Employment*
Fund Sources		
COV General Fund Revenue	\$31,054,696	
VDOT Transfers	1,425,000	
Welcome Center/Safety Rest Area Revenue	720,500	
Interest on Deposits	80,000	
Other Revenues	161,500	
Carryover Funds	1,415,808	
Total Fund Sources	\$34,857,504	
Expenditures		
Executive, Operations, and Finance	\$2,549,665	9
Marketing	15,444,440	24
Research	878,385	2
Visitor Services	3,817,621	34
Film	1,239,853	4
Partnership Marketing	2,315,230	12
Partnership Marketing Grants	3,884,754	3
Pass-Through Payments	4,727,556	
Total Expenditures	\$34,857,504	88

*Note: VTC employs approximately 42 part-time workers not reflected in the above employment levels.

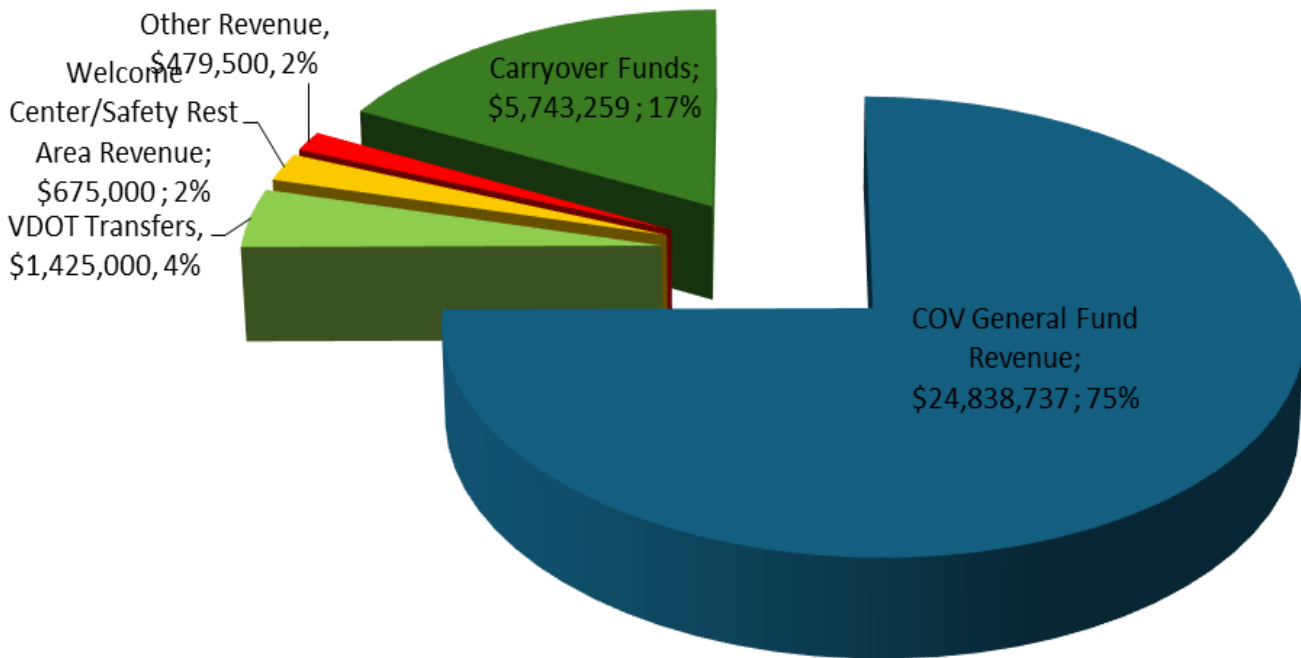
FY 2025 General Fund Budget Summary

	Amount
Base Budget	\$32,214,929
Chapter 2 (2024 Appropriation Act)	\$32,214,929
FY 2025 Central Appropriations distributions (estimated)	\$264,767
TOTAL FY 2025 GENERAL FUND BUDGET	\$32,479,696

FY 25 VTC BUDGET SUMMARY



FY 2024 VTC Funding Sources



VI. EXECUTIVE, OPERATIONS, AND FINANCE

This function provides oversight through the President/CEO and the Board of Directors. It also includes administrative and support services such as Board of Directors support, budget development and monitoring, financial reporting, accounting, procurement, and strategic planning coordination. In addition, this function oversees the management of the “Virginia is for Lovers” trademarks.

**EXECUTIVE, OPERATIONS, AND FINANCE
 Operating Financial Plan**

	Funds	Employment
Fund Sources		
COV General Fund Revenue	\$2,369,860	
VDOT Transfers	--	
Total Fund Sources	\$2,549,665	
Expenditures		
Salaries, Benefits, and Taxes	\$1,315,907	9
Wages and Taxes	--	
Advertising and Promotion	--	
Missions, Shows, and Events	16,000	
Digital Marketing	--	
Travel	88,187	
Services	776,471	
Supplies and Materials	46,100	
Grants and Pass-Through Payments	--	
Fixed Asset Payments	35,000	
Other Expenditures	272,000	
Total Expenditures	\$2,549,665	9

VII. MARKETING

VTC's marketing activities include several programs aimed at promoting Virginia as a premier travel destination, including brand management, creative services, digital marketing, communications, global marketing, domestic sales, merchandising, and research. Each program has targeted purposes and objectives.

Brand Management: The advertising program develops and promotes the Virginia brand through social media, broadcast, and digital media. The media plan targets frequent travelers within markets that provide the highest potential number of visitors to Virginia. The media plan includes buy-downs and cooperative support for Virginia's tourism industry.

Creative Services: The creative services program provides in-house graphics development and production services for VTC. VTC's library of photography, film, videography, and digital graphics files is managed by creative services.

Digital Marketing: The digital marketing program manages VTC's three primary websites: virginia.org, blog.virginia.org, and vatc.org. Virginia.org and blog.virginia.org are trip planning and travel inspiration websites for consumers, while vatc.org is a business-to-business website for Virginia's tourism industry. Digital marketing manages VTC's internet communications technologies and develops web-based business initiatives and partnerships. Digital marketing also regularly educates the industry on the use of online technologies, marketing strategies, and the benefits of full participation in VTC's consumer website.

Communications: The communications program is responsible for generating editorial coverage in targeted national, regional, and in-state publications for promotion of Virginia as a premier travel destination. Communications also provides VTC with visibility in niche publications to promote special and unique attractions in Virginia. The program also is responsible for developing talking points for press conferences and interviews with the Governor and First Lady. In addition, it disseminates tourism-related news to the Virginia tourism industry and works with the industry on generating media coverage. Communications also manages VTC's robust social media program.

Global Marketing: The global marketing program develops and implements integrated and innovative direct sales, marketing, promotions, and public relations strategies to bring more foreign visitors and vendors to Virginia. The geographic targets are coordinated with air service to gateway airports and are supported by research.

Domestic Sales: VTC markets the Commonwealth as a premier travel destination to tour operators, select travel agents, meeting planners, and sports events rights holders. VTC represents the Commonwealth and provides the Virginia tourism industry with partnership opportunities to collaborate at professional trade shows, sales missions, site inspection tours, and marketing initiatives strategically targeting national, regional, and in-state domestic trade markets.

Merchandising: This program oversees the production of official "Virginia is for Lovers" merchandise. It works with Virginia's tourism industry to encourage participation in the sale of the merchandise, which generates royalties that support VTC's programs as well as strengthening brand recognition.

MARKETING (CONT'D)

**MARKETING
 Operating Financial Plan**

	Funds	Employment
Fund Sources		
COV General Fund Revenue	\$15,244,440	
VDOT Transfers	--	
Welcome Center/Safety Rest Area Revenue	--	
Total Fund Sources	\$15,444,440	
Expenditures		
Salaries, Benefits, and Taxes	\$3,031,294	26
Wages and Taxes	--	
Advertising and Promotion	9,514,944	
Missions, Shows, and Events	182,400	
Digital Marketing	1,026,205	
Travel	309,712	
Services	554,358	
Supplies and Materials	79,907	
Fixed Assets Payments	217,200	
Other Expenditures	528,420	
Total Expenditures	\$15,444,440	26

VIII. VISITOR SERVICES

This program develops 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. VTC works cooperatively with the Virginia Department of Transportation in the operations of the state’s 12 Welcome Centers to promote and encourage traveler visitation to and within Virginia.

**VISITOR SERVICES
 Operating Financial Plan**

	Funds	Employment
Fund Sources		
COV General Fund Revenue	\$1,863,621	
VDOT Transfers	1,200,000	
Welcome Center/Safety Rest Area Revenue	720,500	
Other Revenues	33,500	
Carryover Funds	--	
Total Fund Sources	\$3,817,621	
Expenditures		
Salaries, Benefits, and Taxes	\$2,669,213	34
Wages and Taxes	591,035	
Advertising and Promotion	625	
Missions, Shows, and Events	2,000	
Digital Marketing	--	
Travel	120,030	
Services	196,752	
Supplies and Materials	127,293	
Grants and Pass-Through Payments	--	
Fixed Asset Payments	79,891	
Other Expenditures	30,782	
Total Expenditures	\$3,817,621	34

Note: Visitor Services also includes 42 part-time travel counselors at the state’s 12 Welcome Centers.

IX. Film

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. Film, video, and multi-media production is a growth industry worldwide, and the potential economic benefits to the state have increased significantly. The Virginia Film Office pursues its goals through the creation and implementation of innovative marketing and development programs, and by delivering exceptional customer service to inspire repeat business.

**FILM
 Operating Financial Plan**

	Funds	Employment
Fund Sources		
COV General Fund Revenue	\$1,239,853	
VDOT Transfers	--	
Welcome Center/Safety Rest Area Revenue	--	
Total Fund Sources	\$1,239,853	
Expenditures		
Salaries, Benefits, and Taxes	\$618,381	4
Wages and Taxes	--	
Advertising and Promotion	188,472	
Missions, Shows, and Events	14,500	
Digital Marketing	--	
Travel	38,000	
Services	92,000	
Supplies and Materials	45,500	
Grants and Pass-Through Payments	200,000	
Fixed Assets Payments	27,500	
Other Expenditures	15,500	
Total Expenditures	\$1,239,853	4

X. PARTNERSHIP MARKETING

Partnership Marketing maximizes the tourism potential of Virginia’s communities through tourism planning, development, and marketing. Together, these efforts help build vibrant communities for travelers as well as residents. Partnership Marketing maintains the ongoing State Tourism and Development Plan.

Planning and Partnerships: Planning and Partnerships provides communities and tourism entrepreneurs with tourism planning expertise and support. It assists with community planning, building partnerships, product planning, and identifying funding resources to help grow the Commonwealth’s tourism industry. It also works closely with Virginia’s localities and attractions to identify other grant opportunities and options for stretching limited resources to develop and market the Commonwealth’s tourism product.

Business Development: Business Development is responsible for administering the Tourism Development Financing Program (TDFP) and the Adventure Tourism Manufacturing (ATM) program. The TDFP provides gap financing to compensate for a shortfall in project funding in partnership with developers, localities, and financial institutions, while the ATM program works with the Virginia Economic Development Partnership to recruit manufacturers of outdoor adventure products.

**PARTNERSHIP MARKETING
 Operating Financial Plan**

	Funds	Employment
Fund Sources		
COV General Fund Revenue	\$2,315,230	
VDOT Transfers	--	
Welcome Center/Safety Rest Area Revenue	--	
Interest on Deposits	--	
Other Revenues	--	
Carryover Funds	--	
Total Fund Sources	\$2,315,230	
Expenditures		
Salaries, Benefits, and Taxes	\$1,666,555	12
Wages and Taxes	--	
Advertising and Promotion	214,629	
Missions, Shows, and Events	27,857	
Digital Marketing	300	
Travel	129,500	
Services	122,118	
Supplies and Materials	42,428	
Grants and Pass-Through Payments	--	
Fixed Assets Payments	17,250	
Other Expenditures	94,593	
Total Expenditures	\$2,315,230	12

XI. PARTNERSHIP MARKETING GRANTS

Partnership Marketing administers VTC’s competitive grant programs. These grants range from strategic community development grants with the Drive Tourism Initiative to Cooperative Marketing Grants with the private sector to help businesses and communities thrive.

The Marketing Leverage Program partners with localities and the private sector to stimulate new tourism marketing initiatives and to extend the “Virginia is for Lovers” marketing efforts. The DMO Marketing Program awards matching grants to official Virginia Destination Marketing organizations to attract new travelers. The Special Events and Festivals Program provides matching funds for marketing and operations expenses that help bring tourists to communities throughout Virginia.

**PARTNERSHIP MARKETING GRANTS
 Operating Financial Plan**

Fund Sources		
COV General Fund Revenue	\$3,884,754	
VDOT Transfers	--	
Welcome Center/Safety Rest Area Revenue	--	
Interest on Deposits	--	
Other Revenues	--	
Carryover Funds	--	
Total Fund Sources	\$3,884,754	
Expenditures		
Salaries, Benefits, and Taxes	\$346,630	3
Wages and Taxes	--	
Advertising and Promotion	12,000	
Missions, Shows, and Events	--	
Digital Marketing	--	
Travel	48,500	
Services	19,000	
Supplies and Materials	20,063	
Grants and Pass-Through Payments	3,411,000	
Fixed Assets Payments	561	
Other Expenditures	27,000	
Total Expenditures	\$3,884,754	3

XII. RESEARCH

The VTC Research & Strategy division is responsible for insight generation, performance measurement, and overall strategic goal setting processes across the Authority. The division serves both internal and external partners by helping other divisions, especially Marketing and Partnership Marketing, with data-driven decision making around audiences, target markets, and marketing channels, as well as measuring the effectiveness of marketing efforts. The research program utilizes a wide range of tourism industry data, metrics, and insights in order to quantify Virginia’s tourism industry. To this end, the Research division maintains ownership of all data & analytics tools and processes for the Authority. Major areas of responsibility include:

- Data analytics and insight generation to support VTC’s Marketing efforts, including brand analysis & positioning, campaign support, feeder market analysis, and audience segment analysis, persona development, and targeting insights.
- Insight support and performance measurement of Virginia’s travel & tourism industry, including research for local DMO partners and the VTC Partnership Marketing team. This objective includes measurement of the economic impact of Virginia visitors on the Commonwealth overall as well as to local & regional entities, measurement of visitation, visualization of tourism hub & spokes across industries, and lodging performance reporting and analysis.
- Overall goal setting processes for the Authority overall, including objective setting and measurement.

**RESEARCH
 OPERATING FINANCIAL PLAN**

	Funds	Employment
Fund Sources		
COV General Fund Revenue	\$869,012	
VDOT Transfers	--	
Welcome Center/Safety Rest Area Revenue	--	
Interest on Deposits	--	
Other Revenues	--	
Total Fund Sources	\$869,012	
Expenditures		
Salaries, Benefits, and Taxes	\$342,536	2
Wages and Taxes	--	
Advertising and Promotion	--	
Missions, Shows, and Events	--	
Digital Marketing	--	
Travel	8,000	
Services	519,649	
Supplies and Materials	--	
Grants and Pass-Through Payments	--	
Fixed Assets Payments	2,000	
Other Expenditures	6,200	
Total Expenditures	\$878,385	2

XIII. PASS-THROUGH PAYMENTS

The following is a list of pass-through funding included in the appropriation for the Virginia Tourism Authority.

	Funds
Fund Sources	
COV General Fund Revenue	\$4,727,556
Total Fund Sources	\$4,727,556
Expenditures	
Henrico County	150,000
Danville Visitor Center	\$225,00
Southwest Regional Recreation Authority (Spearhead Trails)	2,900,000
Heart of Appalachia Tourism Authority	450,000
City of Virginia Beach for -Hampton Roads African American	100,000
Heritage Travel Guide	
Special Olympics Virginia	50,000
Promote and Advertise Virginia including Parks & Wineries	330,012
Virginia Assoc. of Broadcasters – media in VA/DC/Baltimore	497,544
Carver-Price Legacy Museum	25,000
Total Expenditures	\$4,727,556