



# **Tourism Victoria 2017 – 2021 Rolling Strategic Plan**

*Accelerating Growth and Community Prosperity: A Roadmap for a  
Prosperous and Vibrant Tourism Industry in Greater Victoria*

**TOURISM VICTORIA** 

## **TOURISM VICTORIA 2017-2021 FIVE YEAR STRATEGIC PLAN**

**Designated Recipient:** Greater Victoria Visitors & Convention Bureau (Tourism Victoria)

**Community Name:** Victoria

**Date Prepared:** January 2016

**MRDT Term Expiry Date:** N/A. Victoria is currently a “grandfathered” community. Tourism Victoria and the City of Victoria are working with Province of British Columbia to transition to having Tourism Victoria named as the Eligible Entity effective January 1, 2017 and placed on a five year renewal cycle like those communities that applied after 1997. This plan would be for the first MRDT cycle with those changes in place.

**Five Year Period:** 2017 – 2021

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## INTRODUCTION

The Greater Victoria Visitors & Convention Bureau (Tourism Victoria) is a strong Destination Marketing Organization (DMO) that has been in continuous function in its current form for 41 years. Tourism Victoria has become increasingly focused, lean and outcomes-based in the past number of years. At the point of writing this strategic business plan, Tourism Victoria has 900 business members with 97 per cent of members satisfied or extremely satisfied with their membership with Tourism Victoria. The organization focuses on alignment, first within its community and then also with provincial, national and private sector businesses. This five year strategic business plan is designed to align Tourism Victoria's existing and well supported 2015-2017 Strategic Plan with the new Municipal Regional District Tax (MRDT) requirements released in 2015. This 2017-2021 Strategic Plan will transition smoothly with only one year of overlap in 2017. In short, this plan takes all the best things from Tourism Victoria's existing business 2015-2017 planning process and combines them with the very clear direction provided by the Province of British Columbia as part of the revised MRDT guidelines issued in fall 2015.

Tourism Victoria is renewing its relationship with both the City of Victoria and the accommodation sector in Greater Victoria. The organization is currently operating on a by-law created in 1988. The new MRDT guidelines provide an opportunity for renewal and modernization based on the four points, agreed to by the City of Victoria and Tourism Victoria, which will be voted on by the accommodation sector in Victoria to support a three per cent MRDT application. The four points are:

1. **Tourism Victoria is Granted Eligible Entity Status:** The City of Victoria moves from a “grandfathered status” community for MRDT to one where Tourism Victoria is the eligible entity for the tax. Renewal and approval of Tourism Victoria's tax status moves from annual renewal by City Council to renewal via City Council and an accommodation sector vote every five years. This places Victoria in line with all community DMOs created after 1997. This provides a predictable medium-term planning horizon, allowing the organization to focus on building the business rather than continually preparing for the current annual renewal process.
2. **Industry Contribution to David Foster Harbour Pathway:** The tourism industry, through Tourism Victoria, will make a \$1 million dollar industry contribution to building the David Foster Harbour Pathway (DFHP). This investment is focused on Phase Two of the Belleville Street Terminal plan. Both the DFHP and completion of the Belleville Street Terminal are important priorities of the City of Victoria strategic plan. The City of Victoria receives meaningful and concrete consideration for granting eligible entity status to Tourism Victoria and is treated as a true and meaningful partner. This industry contribution is a vital and important contribution in completing the long anticipated renewed Belleville Street terminal as it would largely secure resourcing for phase two of the terminal.
3. **Sales and Marketing at Victoria Conference Centre:** Until such time as ownership of the Victoria Conference Centre (VCC) reverts back to the Fairmont Empress in 2037 or sooner, the tourism industry, through Tourism Victoria, is the lead on marketing and sales at the VCC. The MRDT that currently goes to the VCC to execute sales and marketing would instead go to Tourism Victoria to execute a robust sales and marketing plan for the VCC. The plan would have to be jointly approved by the City of Victoria and Tourism Victoria, as well as have meaningful business and revenue targets to ensure the City of Victoria can maintain and keep the VCC in good condition and competitive in the marketplace. VCC business results will likely improve due to the implementation of alignments and improvements in the sales and marketing of conference and meetings business including shared branding, messaging, inbound marketing and sales platforms coupled with a reduction in duplication of efforts and investments. This is representative of the further deepening and operationalization of the Victoria Conference Optimization Network (VCON) program. The destination as a whole will benefit, as this will reduce duplication from the current state where both Tourism Victoria and the VCC conduct sales and marketing functions for the meetings business.

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4. Voluntarily Increase MRDT from two per cent to three per cent: The framework of this renewed relationship supports the position of the British Columbia Hotel Association (BCHA) and their four recommendations to enhance the MRDT program, formerly known as the Additional Hotel Room Tax. There are also a number of provincial requirements that are easily met by a strong DMO such as Tourism Victoria. With the BCHA conditions met and Province of B.C. MRDT guidelines released, it is hoped the Victoria accommodation community will vote to raise the ceiling of the MRDT from two per cent to three per cent to stay competitive with other communities in British Columbia. It is important to disclose that all communities who increase their MRDT ceiling from two per cent to three per cent must make a contribution of 0.2 per cent to a provincial fund to support bids for major national and international events that support tourism. In all practical terms the MRDT collected from customers would increase from two per cent to three per cent and the MRDT for marketing and sales for the destination of Victoria, through Tourism Victoria, would increase from two per cent to 2.8 per cent.

This program will increase local tourism revenue, visitation and economic development through increased occupancy, a focus on off-peak season visitation, effective destination management and the appreciation of the tourism industry. Tourism Victoria is a lean, outcomes-driven organization operating under a strong Board of Directors elected from over 900 member businesses.



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## VISION AND MISSION

Tourism Victoria’s mission and vision are aligned with community priorities along with a well-supported brand proposition and clear brand definition. These are well entrenched and have significant established long term investment and equity behind them.

### Mission

We inspire the world to experience our destination.

### Vision

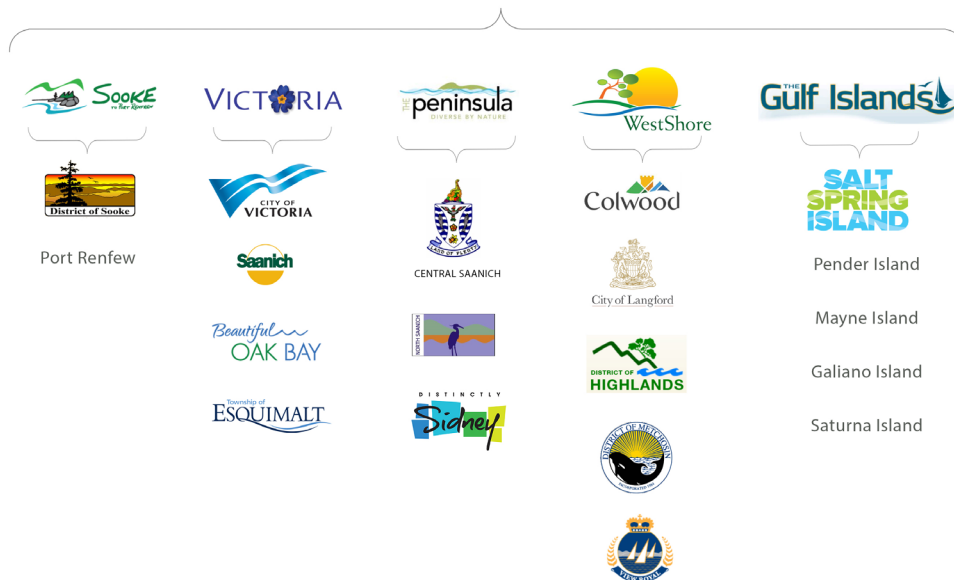
Tourism Victoria will be internationally recognized as a leader in sustainable tourism development, ensuring Greater Victoria remains one of the top destinations in the world.

### Brand Promise

Victoria is where old-world tradition meets new-world experiences. Our guests are rejuvenated by fresh ocean air and are inspired by our warm, island welcome and year-round, natural beauty.

### Brand Definition

Full of Life – Few places on earth are as full of life – on every level – as Victoria. From wildlife, to plant life, to arts and cultural life, our fair city offers a complete experience that is rejuvenating, fun filled and inspiring. Full of life is exactly what and who we are. This moves the needle forward for Victoria and puts to rest, once and for all, the tired old definitions of us. Full of life personifies Victoria in a positive and true fashion.



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## Brand Portfolio

While Victoria is the application in this process, Tourism Victoria works within the Greater Victoria and southern Vancouver Island regions, recognized as an important gateway to both British Columbia and Canada. This is demonstrated by Tourism Victoria's strong and rapidly growing membership base of private sector business members who choose to voluntarily invest and align with Tourism Victoria as an organization. However, to bring some coherence to a region that has many different political boundaries, Tourism Victoria with its stakeholders developed a brand portfolio in 2013.

The Greater Victoria Brand Portfolio is a marketing tool developed in 2013 to help simplify and explain the region's diverse offering so the organization and stakeholders can, in turn, effectively communicate them to potential visitors. Showing potential visitors a consolidated destination with a wide variety of diverse experiences that are easy to categorize and understand allows Greater Victoria to be more competitive while maximizing economic impact throughout the region.

## Partnership

Tourism Victoria believes in working in partnership both in terms of Destination Marketing, Destination Management and influencing tourism policy. The organization does this by listening to partners and crafting strategy that aligns with what others are doing. This ensures effective leveraging and also drives forward important local goals and objectives. The following diagram demonstrates the complex multi-stakeholder environment Tourism Victoria operates in.

Multi Stakeholder Environment



## Alignment within the Community

In the past two years, Tourism Victoria has played an active role in better aligning people and resources to common objectives and success. Three key examples are outlined below.

- 1. Mayor’s Task Force on Economic Development and Prosperity:** In 2015, Mayor Lisa Helps convened a group of community leaders as part of this task force. Experiential Tourism is recognized as one of six key economic engines in the resulting plan called *Making Victoria*. *Making Victoria’s* tenor, themes and metrics are largely aligned with this plan.
- 2. Victoria Conference Optimization Network (VCON):** Starting in March 2015, Tourism Victoria, the City of Victoria (owners of the VCC) and the seven major conference hotels created VCON. Guided by a formal project charter, VCON objectives are to:
  - Increase hotel room nights to the destination
  - Develop a unifying visible identity for the destination that will be extended to the meetings and conference sector
  - Highlight the collaborative nature of the meetings sector in Victoria
  - Highlight Victoria as a “one-stop” seamless conference destination

There has been significant work done on VCON since its inception in 2014. VCON has delivered a unifying take to market visible identity, *Victoria: The Idea Capital*, as well as an integrated sales team rallying behind Tourism Victoria’s Business Events Victoria (BEV) approach. This approach integrates the destination’s leading corporate sectors such as technology, marine and green technology, developing transportation offers for meeting planners and delegates and an incentive program for meeting planners to hold their meetings in Victoria. Based on the trust that has been developed through VCON, Tourism Victoria and the VCC are working to integrate sales and marketing resources to drive further efficiency and maximize available resources.

- 3. Seasonal Promotions:** Working in partnership and alignment with key partners, Tourism Victoria has been working hard to drive innovative promotions that have built equity positions in Victoria for key off-peak season times. Tourism Victoria has worked with partners such as the City of Victoria, Downtown Victoria Business Association (DVBA), the Greater Victoria Harbour Authority (GVHA), the Victoria Hotel Destination Marketing Association (VHDMA) and others to build seasonal promotions and campaigns around Halloween, Christmas, and Valentine’s Day. These initiatives have built significant off-peak demand and are driving the needed shoulder season business.

## Alignment with Provincial and National Tourism Marketing Partners

Tourism Victoria is serious about aligning and leveraging overall investments in tourism marketing while continuing to promote the brand attributes that make Greater Victoria unique and differentiated.

### Alignment with the Provincial Destination Marketing Effort

Tourism Victoria has long worked constructively with Destination BC and its predecessor organizations in areas of Marketing and Visitor Services. In the past two years, Tourism Victoria has increased its collaboration with Destination BC in the following areas:

- For direct to consumer marketing efforts, Tourism Victoria and Destination BC have aligned in key target markets of Seattle and San Francisco. Tourism Victoria will continue to work with Destination BC to refine campaign timing and execution to best leverage each other’s investments.

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- Tourism Victoria has tightened and focused its priority markets in the Travel Trade area by creating a segmentation approach to priority markets.
- Tourism Victoria is investing in research and analytics, leveraging Destination BC's master licenses for Explorer Quotient™ travel market segmentation systems. Tourism Victoria will align with Destination BC measures including its advocacy measure, the Net Promoter Score.

## Alignment with Destination Canada

Tourism Victoria's combined destination investment through VCON is highly aligned with Destination Canada, particularly in the meetings segment. Victoria's BEV approach supports and aligns with Destination Canada's *Business Events Canada*.

## STRATEGIC CONTEXT

### A) Destination Performance

Greater Victoria's recent performance through 2015 demonstrated very significant growth and builds up two years of consistent recovery in 2013 and 2014. 2008 to 2012 were very challenging years for the tourism industry in Greater Victoria; however, recovery appears to be on track and growth levels are on par with what has been seen globally for the past ten years. Now a period of sustained growth is required to inspire and attract new investment in product and attractions for the region. It is pleasing to see this recovery translate into significant renovation in accommodation product, active discussion around investment of new attractions and transportation-related product. This plan is designed to support further recovery, growth and reinvestment as well as be aligned to community needs and public policy priorities.

For 2015, Chemistry Consulting's Victoria Tourism Bulletin reported that the average annual occupancy rate increased by three percentage points to 70 per cent, and the average daily room rate increased by \$12.37 to \$147.74 (surpassing the 2007-2008 pre-recessionary highs of 68 per cent and \$131.73).

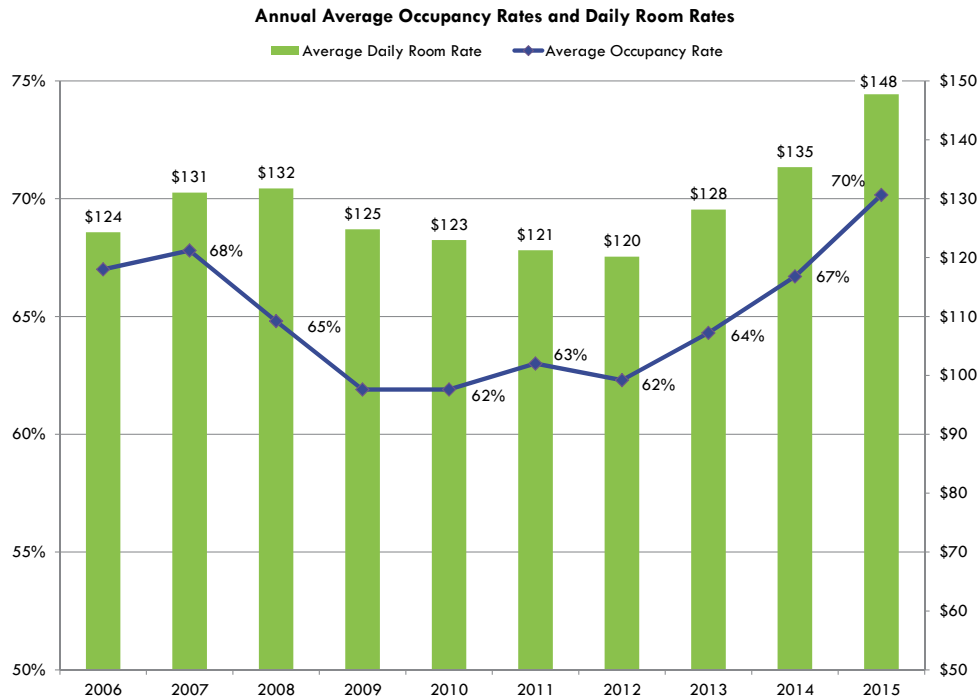
This nine percent increase in room rates outpaced the 1.1% increase in Victoria's Consumer Price Index (CPI) in 2015, although the Conference Board of Canada has forecast CPI and travel price index (TPI) increases to return to 2.5 per cent in 2016 and 2per cent annually from 2016 to 2019 - along with two to three per cent annual increases in overnight visits to the region in the same time period.

### B) Focus on Consolidating Growth and Improving Seasonal Performance

This recovery can be attributed to three key reasons: strong growth from a vibrant Pacific Northwest economy, broader global growth trends in Asian tourism and more Canadians travelling domestically due to a relatively weaker Canadian dollar. The Pacific Northwest region is a unique place with a vibrant economy based on technology, innovation and high value resources. These are combined with natural lifestyle attributes that make this region one of the fastest-growing economies in the world with leisure attributes. One of Greater Victoria's key tourism source markets, Seattle, currently has an unemployment rate that has declined a full percentage point to 3.3 per cent in the past year while other key source markets including Vancouver, San Francisco and Portland all have strong economies, great connections to Greater Victoria and a lifestyle that encourages travel and exploration.



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Source: Chemistry Consulting

Globally much of the world’s rapid tourism growth, anticipated to be a sustained five per cent annually through 2030 according to the United Nations World Tourism Organization (UNWTO), can be attributed to increases in outbound travel from emerging middle and upper classes in Asia. Greater Victoria is positioned strategically as a one-connection short haul flight to three of North America’s most important gateways to Asia: Vancouver International Airport, Seattle-Tacoma Airport and San Francisco. If Tourism Victoria is focused and strategic, it can leverage the two positioning benefits of being in a vibrant Pacific Northwest economy and in proximity to Asian gateways for ongoing growth. This will build on strong foundations of domestic Canadian travel, the balance of the United States and well established travel trade itineraries from Western Europe, Australia and Japan.

In the previous three years, the Tourism industry in Greater Victoria has performed well. For 2015, Chemistry Consulting’s Victoria Tourism Bulletin reported that the average annual occupancy rate increased by three percentage points to 70 per cent, and the average daily room rate increased by \$12.37 to \$147.74 (surpassing the 2007-2008 pre-recessionary highs of 68 per cent and \$131.73).

Greater Victoria occupancy rate and daily room rate increases were in line with those reported in 2015 by Destination British Columbia, based on PKF Consulting. Average daily rate increases were higher in Whistler Resort (+10 per cent to \$241) and Greater Vancouver (+12 per cent to \$163).

This table (next page) lists occupancy rate and average daily room rate changes in 2015 over 2014 in select regions across Canada, with only Greater Vancouver and Alberta resorts exhibiting stronger increased performance than Greater Victoria.

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Average accommodation occupancy and daily room rates in 2015, for select Canadian regions

	Occupancy Rate	Change (2015 v. 2014)	Average Daily Room Rate	Change (2015 v. 2014)
Canada	64%	-1	\$144	4.5%
British Columbia	66%	2	\$153	9%
Greater Vancouver	76%	3	\$163	12%
Greater Victoria	70%	3	\$139	7%
Alberta excluding resorts	59%	-9	\$140	-2%
Alberta resorts	62%	2.5	\$232	8%
Saskatchewan	59%	-5	\$132	-1%
Manitoba	63%	-	\$120	2%
Ontario	65%	1	\$139	6%
Toronto	73%	-2	\$194	8%
Ottawa	72%	1	\$150	4%
Québec	66%	1	\$152	5%
Montréal	71%	2	\$154	5%
New Brunswick	54%	-	\$114	4%
Nova Scotia	62%	2	\$128	5%
Halifax	64%	2	\$134	5%
Newfoundland	64%	-3	\$94	-4%

Source: PKF Consulting, Inc. Trends in the Canadian Hotel Industry.

■ Annual Average Daily Room Rate Change  
■ Annual Occupancy Rate Change

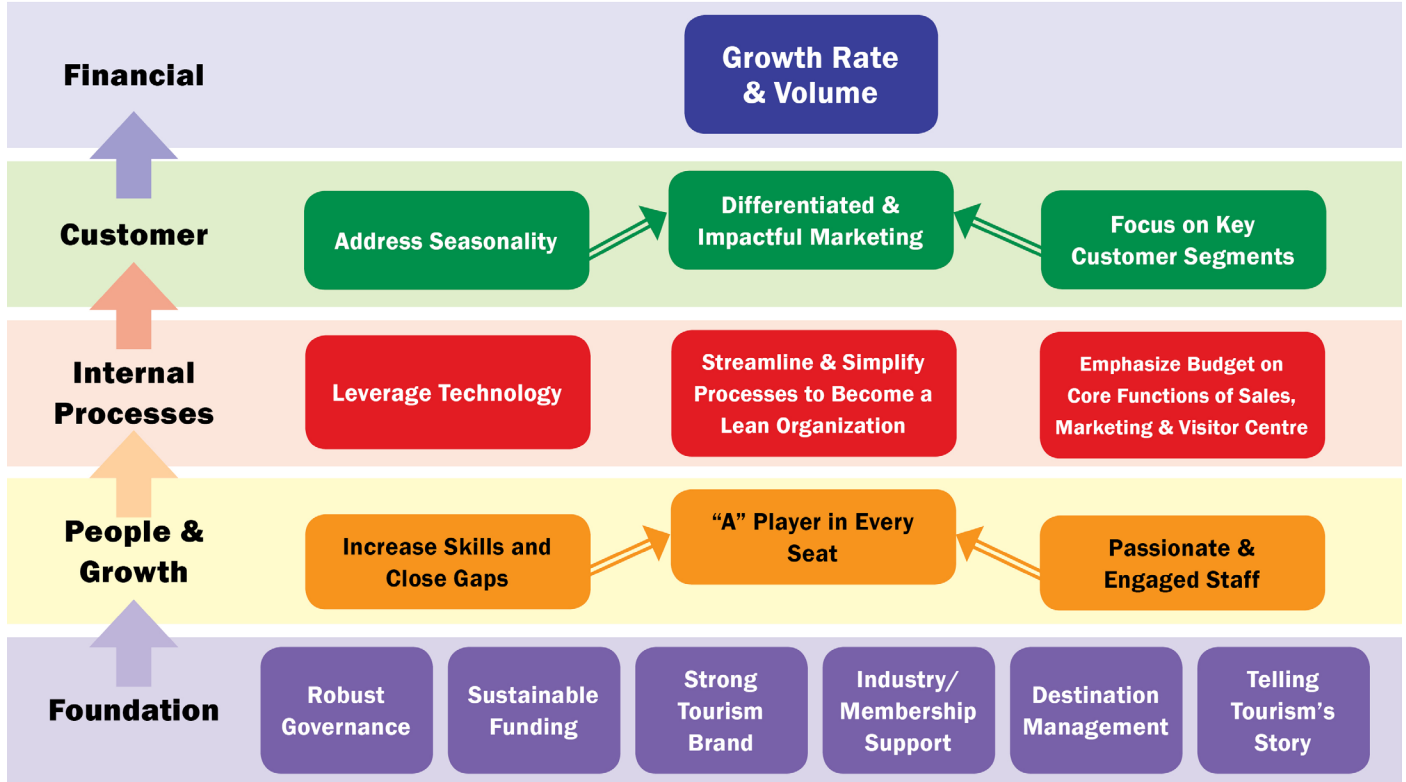
## OVERALL GOALS, OBJECTIVES AND TARGETS

Tourism Victoria is a strategy-focused organization and uses the Kaplan & Norton Balanced Scorecard approach to results-based management. Balanced Scorecard, if effectively used, can help link strategy to operations and drive superior results. Balanced Scorecard has four perspectives for performance measurement, ensuring the organization is aligned and functioning effectively.

1. Financial Perspective: Answers the question, “How do we look to our shareholders?”
2. Customer Perspective: Answers the question, “How do our customers see us?”
3. Internal Process Perspective: Answers the question, “What should we be best at?”
4. Learning and Growth Perspective: Answers the question, “How can we improve and drive value?”

To support its Balanced Scorecard approach, Tourism Victoria has a strategy map that integrates the perspective of the Balanced Scorecard with its Strategic Objectives and Operational Priorities. Balanced Scorecards are developed annually to support annual business and/or tactical plans.

## Tourism Victoria Strategy Map



### Objective 1: Grow Rate and Volume

*Tourism Victoria will focus efforts to generate demand to our must-visit destination with an emphasis to drive revenue and rate.*

This is deliberately Tourism Victoria's first strategic objective. This objective ensures that first and foremost, Tourism Victoria remains focused on its number one priority of generating demand for the destination. DMOs, including Tourism Victoria, operate on the demand side of the ledger and their activities must always be focused on generating customers for the destination. The language of focusing effort to generate demand make it very clear what Tourism Victoria's primary objective must be.

This objective also puts an emphasis on Greater Victoria as a must-visit destination. This is designed to create a sense of urgency to convert travellers and meeting planners to make a commitment. Tourism Victoria and the industry need to protect the high season and cannot take the business for granted. Tourism Victoria's emphasis will be on conversion to ensure Greater Victoria gets its fair share of the business. Victoria is a well-established destination with a well-defined tourism brand. Tourism Victoria's work over the next three years will be on conversion in all its sales and marketing activities in order to get more business on the books building a solid foundation for the destination.

Finally, this objective has language around driving rate and volume. There does not need to be a trade-off between rate and volume. Healthy rate growth in the accommodation sector has the positive economic benefit for the community's economy to inspire investment and reinvestment in the destination's tourism product and infrastructure. This keeps the

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economy more vibrant with additional employment and the product more competitive. It is healthy to have enough demand to charge a competitive rate for product and inspire confidence in reinvestment.

Healthy and sustained rate growth is achieved by having a diversified customer base, strong segmentation with an emphasis on higher yield transient experiential travellers on the leisure side, and a strong foundation of meetings business on the books, creating compression for the destination.

**Objective Target:** Grow and maintain average occupancy to 72.2 per cent and average Revenue per Available Room (RevPAR) to \$105 as measured by Chemistry Consulting. 2015 ended with an occupancy rate of 70.1 per cent. Tourism Victoria surveyed its member accommodation partners in March 2016 to help set targets for 2017, 2018 and 2019.

*Compression exists in a destination when a large number of meetings, events or pre-planned leisure business creates limited availability for last minute travellers. This has the positive benefit of forcing transient travellers to either pay higher rates at their first choice of accommodation or book at a different accommodation option in the destination. Both outcomes are beneficial for the overall health of the destination. This is why it is important to work to secure more pre-planned business on the books so the whole region can benefit from compression.*

## Objective 2: Addressing Seasonality

*Promote Greater Victoria as a year-round destination, including building equity around shoulder season and off-peak season opportunities.*

Greater Victoria has traditionally been a highly seasonal destination characterized by much busier summer high seasons than off seasons. During the down periods of 2008 to 2012, even high season results were suboptimal. However in 2013 and 2014, the industry has returned to more normal periods of business during the high season. Within the context of this strategic plan, Tourism Victoria will deploy a three pronged approach to build shoulder and off-season business:

1. **Through marketing, communications and destination development efforts, build equity in a series of shoulder and off-season opportunities to attract leisure travellers.** This approach gives visitors a variety of reasons to visit Greater Victoria during the off-season. Tourism Victoria and its members have already collaborated to create strong travel equity positions around Halloween and Christmas. These opportunities are listed in order on the calendar.
  - a. Halloween: In 2014, Tourism Victoria started to position Greater Victoria as B.C.'s Haunted Capital, leveraging all the spooky things to do in Greater Victoria. Halloween is a growing holiday and a reason to travel for a getaway. Hotels saw significant package sales. Greater Victoria is developing a position here.
  - b. Christmas: To drive visitation for the months of November, December and early January, Tourism Victoria is reinforcing Victoria's growing reputation as a favourite Christmas destination with its annual campaign *Find Christmas Here*. Over the past three years this campaign has helped the destination transform the traditionally slow months of the year into a key travel time with occupancy climbing by 19 per cent and RevPAR by 36 per cent.
  - c. Chinese Lunar New Year: Chinese New Year, which takes place in late January or early February each year, is the largest single movement of humanity on the planet. While many of those celebrating return home to visit family, a growing number are taking leisure vacations during this time. Given that Victoria has Canada's oldest Chinatown and travel experiences throughout the region that are valued by Chinese Canadian and Chinese

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international travellers, it is worth exploring if product can be developed and marketed to attract more visitors during a traditionally slow time in the tourism calendar.

- d. Romance: To drive visitation for late January and February, Tourism Victoria is reinforcing Victoria's growing reputation as Canada's Most Romantic City as voted by Amazon.ca and USA Today. This new campaign positions Victoria as the perfect romantic getaway with messages including, Reconnect in Canada's Most Romantic City and When a place is this romantic...it is Valentine's Day all year long.
- e. Spring Garden Opportunity: While much of Canada is still shivering under snow, the flowers are out in Greater Victoria. In late February and March, Victoria does have an opportunity to leverage existing equity in a more focused garden tourism opportunity to a lucrative travel segment. This opportunity needs research, development and marketing.
- f. Dine Around and Stay in Town: Tourism Victoria and the British Columbia Restaurant and Food Association (BCRFA) partner on this annual dining event that drives economic impact in late February and early March. This event is a good fit to round out the destination's romance positioning by giving the consumer more reasons to visit during the shoulder season.

*Note: It is important to recognize there is currently no dedicated resourcing for the Lunar New Year or Garden programs. However, these are ideas worth researching and seeking resources for from either government sources and/or in partnership with the private sector if they would be significant travel drivers. Other ideas such as creating a "Museum Month" in January will also be researched and resourced if it looks promising.*

2. **Build shoulder season and off-season meetings business.** As previously mentioned, as the leisure business recovers, Tourism Victoria is increasingly focused on securing meetings business to increase the amount of business contracted and on the books in the region. Tourism Victoria is prepared to invest resources in partnership with the VCC to secure business. Particular emphasis is placed on meetings and conferences that are in the shoulder and off-season, and that showcase the destination to travel, meetings business or media influencers.

Tourism Victoria has a longstanding partnership with SportHost Victoria. SportHost Victoria is a well-established organization and does an excellent job in securing sport tourism business for Greater Victoria. Consistent with this strategy, Tourism Victoria will become increasingly focused on partnership with SportHost Victoria to grow the shoulder and off-season business. Tourism Victoria is increasingly interested in significant championship sport business that also has communications value.

3. **Build shoulder season and off-season events.** Greater Victoria has a very strong slate of festivals and events. In the spring and summer there are significant events taking place every week and weekend. Sometimes there are multiple events for visitors to enjoy. The organization is particularly focused on need areas of January and spring. Examples previously cited of Lunar New Year and Spring Garden Tourism festival opportunities, along with other ideas, are worthy of deep exploration. As resources permit, Tourism Victoria will resource a festivals and events strategy and collaborate with key partners throughout the region to build more reasons to visit over time.

**Objective Target:** To build and maintain a consistent off-season (October through April) occupancy rate of 59 per cent by 2019 and maintain through this planning period. This will provide consistent revenue for the destination's operators and small businesses. This target is consistent with the target in the City of Victoria's Economic Development Plan *Making Victoria*.

*Note: This Key Performance Indicator (KPI) is consistent with the City of Victoria's Making Victoria Economic Development and Prosperity Plan. If this target is achieved sooner it will be adjusted through the annual tactical plan process to be in line with market conditions at that time.*



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*By using creative advertising and creating a series of equity positions around key points in the calendar, potential travellers will have multiple reasons to visit and consume Greater Victoria experiences in the shoulder and off-seasons. Combined with focusing on shoulder and off-season, meetings, sports tourism and events, there is an opportunity to strategically and surgically reduce the dip in shoulder and off-season business. This will create a more vibrant economic climate for all. Even modest increases in business during these periods will have meaningful economic impacts and mitigate the off-season decline in business.*

## Objective Three: Destination Management

*Work with industry on select, but critical, policy and supply side drivers of destination success.*

The role of Destination Management is to manage and support the integration of different resources, activities and stakeholders through suitable policies and actions. The main objective is to manage the various components of the local tourist destination in a way that ensures its profitability, while avoiding the degradation of the factors that created its competitive position. Often operating on the supply side, the challenge with the concept of Destination Management is that it is very broadly defined, often with decision levers in public sector hands, not that of the DMO. Unless managed carefully, Destination Management can divert time and energy away from core functions of marketing and sales.

However, Greater Victoria is located on an island and critical supply side issues such as transportation and investment rely on the destination marketers' expertise and knowledge of the customer. Recognizing this, Tourism Victoria has long had a powerful Transportation Committee that has undertaken many of these functions. The key to success in a destination marketer's approach to this area is to be disciplined and have appropriate filters to make decisions, as well as frame involvement in areas that can make the most impact. Furthermore, it is important to share information that is research and fact-based, and through a customer and demand filter with policy makers who do make decisions. This was reflected in the previous Tourism Victoria strategic plan as influence. However, Tourism Victoria has chosen to handle this area and filter Destination Management opportunities by putting into action those that are critical to the destination's success.

### Transportation Committee

The primary mechanism for Destination Management is Tourism Victoria's Transportation Committee. The Transportation Committee shares information and tackles issues of access for the destination. A key component of the Transportation Committee is to action the priorities outlined in the Passenger Gateway Strategy. The number one priority of the Passenger Gateway Strategy is the completion of an integrated ferry terminal at Belleville Terminal. All stakeholders involved have coalesced around a three-phased plan for Belleville Terminal under the leadership of the Province of British Columbia's Ministry of Transportation. Work on Phase One has commenced. This plan contemplates a \$1 million industry contribution from Tourism Victoria to the City of Victoria and/or Province of British Columbia to accelerate the completion of Phase Two of the project. Then all partners can focus on delivering Phase Three of the project.

Positioning Victoria for Pre-Clearance: A redeveloped and integrated Belleville Terminal is a prime opportunity for pre-clearance, leveraging the Canada-United States Beyond the Border action plan. Furthermore having the capacity for pre-clearance in Victoria's Inner Harbour positions the GHVA's Ogden Point Cruise Ship Terminal to become a home port for boutique cruise lines. For this reason, Tourism Victoria is working with partners such as the City of Victoria, GVHA,

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Pacific Northwest Economic Region (PNWER) and Tourism Industry Association of British Columbia (TIABC) to make pilot projects in pre-clearance a priority in Victoria.

## Attracting Investment in Product

By sharing information about the commercial opportunities in Greater Victoria, entrepreneurs whose capital is at risk will have good information to consider investments to improve the tourism product in Greater Victoria.

**Objective Target:** Work with the City of Victoria, the Province of British Columbia and other partners to complete the three-phased approach to Belleville Terminal and position Victoria's Inner Harbour for pre-clearance. Pre-clearance would help position Greater Victoria to become a home port for small and boutique cruise ships.

*By focusing only on critical supply side efforts, Tourism Victoria will ensure that it has the greatest chance of success in moving the needle forward on critical files. At the present time, Tourism Victoria's primary Destination Management priority remains the execution of a viable plan to improve the customer's experience of the destination's Inner Harbour at the Belleville Terminal and positioning Victoria's Inner Harbour for pre-clearance.*

## Objective Four: Telling Tourism's Story

*Increase appreciation and support for Greater Victoria's vibrant visitor economy.*

As referenced earlier in this document, the travel and tourism industry is a massive global industry. Another key reason why policy makers are increasingly focused on tourism in terms of community building is that it is also a business that is innately local. Goods and services are consumed locally, but because tourism brings in foreign exchange through international travellers it is considered an export industry by Statistics Canada.

Tourism supports small business, entrepreneurs and families of all kinds. According to Statistics Canada, it takes \$113,000 in gross tourism revenue to create or protect a full-time job that pays \$65,000 annually.

Jurisdictions around the world are competing vigorously to attract tourism in a sustainable and progressive manner because of the meaningful positive impact on the economy and society with integrated policy and aggressive investments in marketing. In spite of these positive attributes, the tourism industry is often underappreciated. This is particularly experienced in jurisdictions where tourism has long been a part of community, such Hawai'i and Greater Victoria.

To counter this possibility, Tourism Victoria will work with partners to:

- Research to understand the size and scope of the tourism industry
- Fully support the trend in experiential tourism that embraces tourism at a human, neighbourhood and community scale
- Share the story of successful small business, entrepreneurship and wealth creation within Greater Victoria's community by telling the story of the faces of the tourism industry
- Embrace the role of travel and tourism as part of the broader mobility and trade economy
- Share the story of how tourism is often the first step in trade or foreign direct investment in the destination's community

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**Objective Target:** Work with partners to increase appreciation for the experiential tourism sector in Greater Victoria by eight per cent between 2017 and 2021. Benchmark sentiment in 2016 to provide insight into the target going forward.

*“Tourism is innately local and drives spending in communities. You can’t outsource tourism.”*

— Roger Dow, President United States Travel Association

*“At any moment in time there are between 200,000 and 300,000 international tourists in Canada. These people are hyper consumers and all they want to do is spend their money and leave it in our communities. So essentially the customers of the tourism industry represents a community bigger than Windsor, Ontario, perpetually spending money, enjoying themselves and if they have a good experience, encouraging their friends to come and spend money. They don’t need health care, don’t need a social support network of any kind. All they want to do is spend and generate taxes. While there are some minor externalities, why would anyone be opposed to the tourism industry?”*

— David Goldstein, former President & CEO, Tourism Industry Association of Canada

## TARGETS

In developing this 2017-2021 plan, Tourism Victoria collaborated with its accommodations sector to seek their input into the target setting process. Because accommodation results had entered into record territory in 2015 it was important to seek input from industry as to what they thought were realistic results for the years of 2017, 2018 and 2019.

Looking beyond 2019, it is difficult to assess with precision what targets will be, however for the five year planning horizon five high level targets have been determined to align with the objectives outlined in the plan.

**Operational Priorities:** Whereas Strategic Objectives are what a plan is to achieve, Operational Priorities are created to guide how the plan is to be executed. Below are the five Operational Priorities that will guide Tourism Victoria’s operation over the next five years.

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Target	Description	Comment
1. Reach and maintain an average occupancy rate of 72.2% on a consistent basis.	Greater Victoria reached record occupancy of 70.1% in 2015. A target occupancy rate of 72.2% provides a stretch target.	This target will ensure strong visitor volumes benefitting all sectors and consistent profitability allowing the accommodation sector to re-invest to provide ongoing improvements to their product.
2. Grow RevPAR in Greater Victoria to \$110 by 2021.	Greater Victoria reached RevPAR of \$103.65 in 2015 demonstrating a very significant increase over 2014 when RevPAR was \$90.24. It is important to consolidate this growth and provide incremental lift.	This target is to ensure effort is being place on driving topline revenue as well as rate and focusing on segments of visitors to Greater Victoria are more likely to spend and contribute more to all segments of the visitor economy.
3. Reach and maintain an average off-peak season occupancy rate of 59%.	This target will allow businesses, shops and services to remain open year round, adding to the vibrancy and excitement of our destination.	This target is aligned with the City of Victoria's Task Force on Economic Development and Prosperity entitled <i>Making Victoria</i> .
4. Work with partners to increase appreciation for the Experiential Tourism sector in Greater Victoria by 8% between 2017 and 2021.	Benchmark sentiment in 2016 to provide insight into the target going forward.	It is important for the Tourism Industry to appreciate for the contributions it makes to our community in society. There is a broader Provincial effort underway to better tell the story of the Tourism Industry. Tourism Victoria will support that effort.
5. Work with the City of Victoria, the Province of British Columbia and other partners to complete the three-phased approach to Belleville Terminal and position Victoria's Inner Harbour for pre-clearance.	The completion of the Belleville Terminal would significantly improve the customer experience in from key source markets of Seattle and Port Angeles, Washington.	Pre-clearance would help position Greater Victoria to become a home port for small and boutique cruise ships. This target is also aligned with the City of Victoria's Task Force on Economic Development and Prosperity entitled <i>Making Victoria</i> .

## FOUNDATIONAL KEYS TO SUCCESS

As reflected in the Strategy Map, these foundational elements form the underpinnings and create the platform for Tourism Victoria's work over the next five years. These foundational elements must always be worked on and cultivated.

1. **Robust Governance:** An engaged Board of Directors that provides oversight, strategic advice and support to Tourism Victoria's management team their governance function. The Board of Directors will be engaged at the strategic level to provide the optimum contribution.
2. **Sustainable Funding:** Reliable, competitive levels of funding allow Tourism Victoria to plan for the long term and focus its energy at what it does best: market and sell Greater Victoria. Moving to a five year renewal cycle, like most other Destination Marketing Organizations in British Columbia, and being named the Eligible Entity will support this foundational pillar.
3. **Strong Tourism Brand:** By adding depth and dimension to the strong tourism brand position Victoria Full of Life, the destination will be able to share the essence of the vacation experience to prospective customers and compel them to visit now.
4. **Industry/Membership Support:** Tourism Victoria is sustained by its partners and works in partnership in everything

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that it does. Cultivating strong industry and membership support is vital to continued success.

5. Destination Management: Ensuring industry coalesces around critical issues that affect the health and prospects of the destination.
6. Telling Tourism’s Story: A robust corporate communications and public affairs program will help build appreciation for the vibrant tourism industry in Greater Victoria.

## STRATEGIES AND KEY ACTIONS

Tourism Victoria takes an integrated approach to all of its sales, marketing and visitor services activities. Increasingly, destination management is integrated into the organization’s approach. This section provides a description of the key strategic functional areas and their relative investment percentage. It should be noted that some areas, such as Visitor Services, generate off-setting revenues.

### Direct to Consumer Marketing

Promote Greater Victoria to consumers to generate demand for the destination while driving rate and occupancy.





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## Media Relations

Promote Greater Victoria to media to achieve positive editorial coverage of the destination that helps build the brand and drive visitation.

## Content Marketing

Create, curate, share and syndicate content to promote Greater Victoria to a growing and engaged audience.

## Travel Trade

Build on the strategically refined, geographical approach to international markets by increasing shelf space, distribution and relationships with international operators and their Canadian receptive partners. Tourism Victoria's travel trade approach is being modernized in 2016 in order to be more aggressive in its focus to add shelf space and Greater Victoria product into intermediaries' sales platforms.

## Business Events Victoria

Operationalize Tourism Victoria's Business Events Victoria with a renewed focus on delivering business results of increased confirmed room nights and economic impact to the region by confirming room nights and creating a long term foundation of predictable business on the books. Tourism Victoria and the VCC will be integrating its efforts in order to achieve maximize possible impact in the marketplace.

## Visitor Services

Apply superior destination knowledge and outstanding customer service to provide visitor information and booking services that help create an unforgettable travel experience and extend length of stay.

## Corporate Communications, Public Affairs, Destination Management and Research/ Data Analytics

Work with industry and support initiatives that ultimately drive demand for the destination focusing on critical supply side issues. Over the course of this planning period, Tourism Victoria will increase its research and data analytics capacity to increase the efficiency and precision of our marketing and sales efforts and to better measure our impacts.

## Member Services

Maximize membership opportunities and deliver consistent value for Tourism Victoria's valued members.

## Corporate Services

Ensure Tourism Victoria has proper internal structure and controls to support technology, human resources and financial management while also improving and simplifying reporting.

## Target Markets

Tourism Victoria is guided by research and input from stakeholders in order to prioritize its target source markets for this plan. Most importantly, Tourism Victoria believes in alignment. In business and consumer marketing campaigns Tourism Victoria operates predominantly in short and medium haul markets where the Victoria brand is already strong and customers are close to conversion.

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In the Travel Trade segment Tourism Victoria aligns with Destination BC and Destination Canada to support their efforts. In 2014, Tourism Victoria undertook a comprehensive survey of its members to understand their priorities in the travel trade channel and ultimately create strategy and segmentation guided by that insight.

In the meetings segment Tourism Victoria has a clear plan developed through VCON and leverages its partnership with Destination Canada. Destination BC is not actively involved in the meetings space. While it is recognized that market conditions may shift between the writing of this plan and 2021, at this time the priorities in various market channels are as follows:

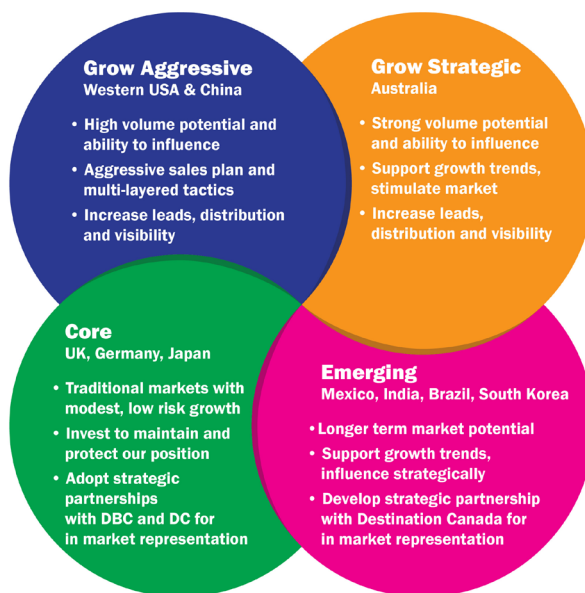
## 1. Direct to Consumer Priority Source Markets

*Promote Greater Victoria to consumers to generate demand for the destination while driving rate and occupancy.*

- Primary: Seattle, Vancouver and San Francisco
- Secondary: Calgary and Portland

## 2. Travel Trade

*Build on the strategically refined, geographical approach to international markets by increasing shelf space, distribution and relationships with international operators and their Canadian receptive partners.*



## Media Relations

*Promote Greater Victoria to media to achieve positive editorial coverage of the destination that helps build the brand and drive visitation.*

## 3. Business Events Victoria

*Operationalize Tourism Victoria's BEV with a renewed focus on delivering business results of increased confirmed room nights and economic impact to the region by confirming room nights and a long term foundation of predictable business on the books.*

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BEV will resource against opportunities to shift strategy to focus on growth prospects in the corporate meetings market while maintaining association opportunities. This new strategy merges an increased emphasis on the growing corporate meetings segment with a strategic focus on vertical industry sectors that are aligned with Destination Canada's Business Events Canada division and capitalize on the destination's regional competitive advantages. Tourism Victoria's priority sectors to pursue:

- Marine: Ocean sciences, shipbuilding, defense
- Aerospace: Manufacturing, maintenance, repair and overhaul
- Technology & Clean/Green Technology: Support VIATEC partners and initiatives
- Education: Use local universities as key assets
- Natural Resources: Forestry, mining, oil and gas
- Agriculture and Food: Animal and crop production, food/beverage processing
- Life & Health Sciences: Pharmaceutical, bio-pharmaceutical, medical devices and research

## MANAGEMENT, GOVERNANCE AND ADMINISTRATION

Tourism Victoria and the City of Victoria have worked together to advance mutual objectives for many years. The two organizations' business partnership was last updated in 2010 with a renewed emphasis on the governance relationship. Through this process, the City of Victoria is naming Tourism Victoria as the Eligible Entity for MRDT and Tourism Victoria will deliver a services contract to the City of Victoria, based broadly around destination marketing and management in the City of Victoria, but also with specific deliverables for Marketing and Sales of the VCC, which the City of Victoria owns.

Tourism Victoria is not-for-profit organization governed under the British Columbia Societies Act. Tourism Victoria has comprehensive Constitution and bylaws that were last updated and approved by general membership in April 2014.

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Tourism Victoria's Constitution and bylaws can be found online.

Tourism Victoria is governed by a 16 person Board of Directors with 11 members of the board elected from its membership and six appointed representatives. The composition of Tourism Victoria's Board of Directors is:

Elected:

- Accommodation – More than 149 Rooms
- Accommodation – From 26 to 149 Rooms
- Accommodation – 25 Rooms or fewer
- Arts, Culture & Societies
- Attractions
- Retail & Restaurants
- Sports & Outdoor Adventure
- Transportation
- Member at Large (three Directors elected)

Appointed Representatives:

- City of Victoria (contributes MRDT to Tourism Victoria)
- District of Saanich (contributes MRDT to Tourism Victoria)
- Tourism Vancouver Island (regional DMO)
- Greater Victoria Chamber of Commerce
- Past Chair

In addition to the Board of Directors, Tourism Victoria is supported by four advisory Committees. These Committees provide an important connection to the membership, as well as provide advice and input to both management and the Board of Directors.

Advisory Committees:

- Transportation Committee
- Finance and Membership Committee
- Sales & Marketing Committee
- Governance, Human Resources & Risk Committee

Tourism Victoria's Board of Directors and advisory Committees meet four times a year. Additionally, Tourism Victoria's Board of Director's holds an annual strategic retreat with management each June with the purpose to plan for the following year's business plan.

## Management & Administration

Tourism Victoria's Board of Directors has one employee, the President & CEO. The President & CEO leads the day-to-day operations of the organization and is accountable for execution of the strategy. The President & CEO reports to the Chair of the Board of Directors. There are currently two officers of the company, the President & CEO along with

# 2017-2021 STRATEGIC PLAN

the Chief Financial Officer & VP Operations. The CFO & VP Operations has a dotted line relationship to the Chair of the Finance and Membership Committee and Chair of the Board in regards to the financial health and well-being of the organization. It is a prudent control measure to have two officers with fiduciary accountability in the organization. Tourism Victoria's executive team has four roles:

- President & CEO
- Chief Financial Officer & Vice President Operations
- Chief Marketing Officer
- Director of Sales, Leisure, Cruise and Sports Tourism
- Director of Sales, Victoria Conference Centre and Business Events Victoria

Tourism Victoria is supported by robust management and administration tools. As previously referenced, Tourism Victoria uses Kaplan & Norton tools such as Strategy Map and Balanced Scorecard in order to translate strategy into operational terms. In addition, Tourism Victoria has a robust Human Resources strategy that guides all aspects of its Human Resources program and has clear Board of Directors regulators for percentage of budget dedicated to compensation.

## Sources of Funding

Tourism Victoria has provided destination marketing, management and visitor services to the Greater Victoria area for 41 years. However, its funding is annual and always vulnerable. This plan and the organization's renewed relationship with the City of Victoria is designed to move to a medium term resourcing horizon, which is on the same playing field as most other destination marketing organizations and communities who started to access MRDT after 1997. Tourism Victoria has an increasingly strong track record of success and active support of the business community, as demonstrated by a measured return on investment and growing membership base.

In 2014, Tourism Victoria has an operating budget of \$4.84 million dollars, which is largely divided into four resourcing buckets. A description of the current sources of funding is as follows:

1. MRDT: Under the current bylaw that dates back to 1988, the City of Victoria retains \$500,000 (adjusted for inflation, in 2014 this figure was just under \$600,000) with the purpose of sales and marketing of the VCC. The balance is disbursed to Tourism Victoria for overall destination marketing purposes. In 2014, Tourism Victoria received \$2,284,123 in MRDT. This arrangement has long caused underlying friction between the private sector tourism industry and the City of Victoria. There are roughly 100,000 delegate days at the VCC per year and there are an estimated 3.5 million visitors to the Greater Victoria region annually. This perceived overweighting in resources to the VCC, although agreed to in 1988, drives a great deal of the need to renew the relationship under the new MRDT guidelines.
2. Membership and Membership buy-ins: Tourism Victoria has a very strong and growing membership base. Between membership dues and buy-ins to optional advertising opportunities, their financial contribution in 2014 was \$1,005,003.
3. Grants: Tourism Victoria currently receives grants from Destination BC for Visitor Services, along with grants from the City of Victoria and District of Saanich. Tourism Victoria has received notice that grants from two of these parties will be decreasing in 2016 and beyond. It is likely that over the medium term, grants will become less of a revenue source for Tourism Victoria. Total grants received in 2014 was \$203,500.



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4. Destination Marketing Fee: In 2011 a voluntary Destination Marketing Fee (DMF) was brought to bear by 21 Victoria hotels. This DMF took more than a year to develop and the purpose in creating the DMF was in direct response to the cancellation of the City Stays Program by Tourism British Columbia. Unlike many DMFs, the language in the contract with the hotels to their DMF association, the Victoria Destination Marketing Hotel Association, specifically states the purpose of the DMF revenues are to support Tourism Victoria in generating hotel stays in Victoria through marketing efforts. Therefore, unlike other DMO and DMF relationships, there is strong alignment in Victoria on the purpose and intent of the program. The DMF has been a good transitional measure to ensure strong marketing for Victoria after the cancellation of the City Stays Program. In 2014, \$1,124,415 in DMF was deployed into marketing efforts by Tourism Victoria.

However, a DMF is inherently an unstable resourcing mechanism for the following reasons:

- It is voluntary to the customer, some groups refuse to pay
- There are competitive pressures. Should one major hotel leave the DMF, the other hotels would have no other choice but to leave as well
- Intermittent legal challenges because it is a voluntary fee. Like other voluntary fees, such as resort fees and/or facilities fees at hotels, DMFs have been challenged in court. There has yet to be a challenge that has been successful; however, there is currently a significant legal challenge underway

In 2015, due to industry growth and growth in membership, Tourism Victoria ended its fiscal year with revenues of approximately \$5.1 million. For the sake of budgeting purposes, this plan starts with a baseline budget of \$6.2 million in 2017. This 2016 budget includes an anticipated increase in MRDT, and includes resourcing for Tourism Victoria's new role in delivering sales and marketing services for the VCC.

For the sake of this strategy, only MRDT, membership revenue and grants are considered. It is an annual choice of the Victoria Hotel Destination Marketing Association should it wish to continue with its DMF.

## TOURISM PROJECT

Industry Contribution to the David Foster Harbour Pathway. The MRDT guidelines specify that MRDT is designed for community tourism promotion and projects. As part of the renewal of the funding agreement agreed to between the City of Victoria, Tourism Victoria and the Accommodation Sector in Greater Victoria, the tourism industry, through Tourism Victoria, will make a \$1 million dollar industry contribution to building the David Foster Harbour Pathway (DFHP). This investment is focused on Phase Two of the Belleville Street Terminal plan. Specifically, through the plan designed by the British Columbia Ministry of Transportation and Infrastructure and the City of Victoria, the entrance to the Belleville Terminal along with the sidewalk will be improved and link up with the improved sidewalk and walkway at the Steamship Terminal on Belleville Street. The City of Victoria will match industry's contribution of \$1 million for a total budget of \$2 million dollars to complete this work. This partnership has been supported by various stakeholder and secured letters of support in the fall of 2015, as the renewed framework was coming together, from the Hotel Association of Greater Victoria, the Greater Victoria Harbour Authority, the Greater Victoria Chamber of Commerce, Sporthost Victoria and the Greater Victoria Development Agency.

Both the DFHP and completion of the Belleville Street Terminal are important priorities of the City of Victoria strategic plan. The City of Victoria receives meaningful and concrete consideration for granting eligible entity status to Tourism Victoria and is treated as a true and meaningful partner. This industry contribution is a vital and important contribution

## 2017-2021 STRATEGIC PLAN

in completing the long anticipated renewed Belleville Street terminal as it would largely secure resourcing for Phase Two of the terminal. All stakeholders agree that an improved Inner Harbour experience provides a better experience for visitors and improved amenities for residents. This is a tourism project that all can support.

Below is the payment schedule for Tourism Victoria's industry contribution to the David Foster Harbour Pathway:

Year	Contribution	Comment
2015 - 2016	\$0	Time required for new provincial guidelines to be released, Accommodation Sector vote, City Council approval, etc. <i>If Eligible Entity Status is achieved sooner, industry contributions could begin sooner.</i>
2017	\$95,000	
2018	\$95,000	
2019	\$95,000	
2020	\$95,000	
2021	\$100,000	
2022	\$100,000	
2023	\$105,000	
2024	\$105,000	
2025	\$105,000	
2026	\$105,000	Payments end after \$1M is completed.
2027 and beyond	\$0	No further commitment from industry through Tourism Victoria.

## BUDGET

The following budget is prepared for Tourism Victoria's fiscal year 2017 in anticipation of a successful application and approval. This budget is intended to demonstrate the investment priorities to support this plan. A detailed budget will be prepared for each year with the operational plan that is required to be submitted by the end of November each year.

# 2017-2021 STRATEGIC PLAN

## MRDT Budget for One-Year Tactical Plan – 2017

Revenues	2017 Budget \$
Carry forward from previous calendar year based on 2016 budget	\$ 10,760
<b>MRDT</b>	<b>4,487,300</b>
Local government contribution	-
Stakeholder contributions (Membership)	1,016,400
Co-op funds received (e.g. CTO; DMO-led projects)	-
Other local stakeholder contributions	200,000
Grants - Federal	-
Grants - Provincial (DBC)	120,000
Grants/Fee for Service - Municipal	49,000
Retail Sales	77,500
Interest	-
Fundraising	27,000
Commission	176,700
Other	73,100
<b>Total Revenues</b>	<b>6,237,760</b>
Expenses	
<b>Marketing and Sales</b>	
Marketing, media, PR, content staff - wage and benefits	\$ 905,400
Media advertising and production	1,073,330
Website - hosting, development, maintenance	124,700
Social media	104,360
Consumer shows and events	-
Collateral production and distribution	214,900
Travel media relations	104,360
Travel trade	142,800
Other - Festivals and events	258,750
Other - Sports tourism	100,000
Other - Business to business events and sponsorships	29,500
<b>Subtotal</b>	<b>3,058,100</b>
<b>Meetings and Conventions</b>	
Meetings, wages and salaries	\$ 163,700
Meetings, conventions, conferences, sales, events, promotions, etc.	866,000
Business Development Fund	100,000
<b>Subtotal</b>	<b>1,129,700</b>
<b>Destination &amp; Product Experience Management</b>	
Dest'n, product exp., membership and reasearch mgmt / staff - wage and benefits	\$ 344,800
Industry development and training and educational workshops	43,200
Product experience enhancement and training	17,500
Research and evaluation	28,100
Tourism Project - David Foster Harbour Walkway industry contribution	95,000
<b>Subtotal</b>	<b>528,600</b>
<b>Visitor Services</b>	
Visitor Services activities	\$ 381,000
Cost of goods sold	63,900
Banking / CC fees (membership product sales)	73,400
Other (please describe)	-
<b>Subtotal</b>	<b>518,300</b>
<b>Administration</b>	
Mgmt & staff nonprogram implementation - wages and benefits	\$ 107,500
Finance staff - wages and benefits	75,200
Human Resources staff - wages and benefits	32,200
Board of Directors costs - comes off of General Office Expenses	7,500
IT costs – workstation related costs (e.g. computers, telephone, support, networks)	120,400
Office lease/rent - Corporate Headquarters and Visitor Centre	451,900
General office expenses	92,800
<b>Subtotal</b>	<b>887,500</b>
<b>Other</b>	
All other wages and benefits not included above	\$ -
Other - Professional services (audit, legal, IT support, consulting et al)	102,900
Other	-
<b>Subtotal</b>	<b>102,900</b>
<b>Total Expenses</b>	<b>6,225,100</b>
<b>Balance or Carry Forward</b>	<b>\$ 12,660</b>

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## Spending by Market – 2017

2017

Geographic Market	MRDT \$ by Market	Other \$ by Market *	Total (gross) \$ by Market	% of Total \$ by Market
BC	\$ 710,445	\$ 75,000	\$ 785,445	24%
Alberta	\$ 327,952	\$ -	\$ 327,952	10%
Ontario	\$ 192,494	\$ -	\$ 192,494	6%
Other Canada	\$ 322,605	\$ -	\$ 322,605	10%
Washington	\$ 577,125	\$ 50,000	\$ 627,125	19%
California	\$ 86,979	\$ 25,000	\$ 111,979	3%
Other USA	\$ 285,176	\$ -	\$ 285,176	9%
China	\$ 358,965	\$ 50,000	\$ 408,965	13%
UK	\$ 153,282	\$ -	\$ 153,282	5%
Germany	\$ -	\$ -	\$ -	0%
Australia	\$ -	\$ -	\$ -	0%
Japan	\$ 42,776	\$ -	\$ 42,776	1%
Other International (Please specify)	\$ -	\$ -	\$ -	0%
<b>Total</b>	<b>\$ 3,057,800</b>	<b>\$ 200,000</b>	<b>\$ 3,257,800</b>	<b>100%</b>

\* Partnership(s) investment amounts - estimated

# 2017-2021 STRATEGIC PLAN



<sup>1</sup> Transient Hotel Guests have been traditionally defined as a guest seeking short and often “urgent” or last-minute stays. Traditionally viewed towards the bottom of the revenue pyramid, in recent years last minute bookings from business and high end experientially travellers have changed the perception of the transient guest to be a critical source of revenue and yield. Source: HotelLogix, July 13, 2014

<sup>2</sup> “Destination Management and Economic Background: Defining and Monitoring Local Tourist Destinations”, Mara Marete, University of Venice for UNWTO, 2008

<sup>3</sup> Government Revenue Attributable to Tourism, Statistics Canada, 2012

<sup>4</sup> Tourism Victoria Annual Report, 2014

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