

*Visit*   
**LOUDOUN**  
– DC's Wine Country® –

*2017-2019 Strategic Plan*

*facilitated by*

ZEITGEIST CONSULTING

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## *Developing the Strategic Plan for Visit Loudoun*

The art and science of Destination Marketing has been evolving rapidly since Visit Loudoun's last Strategic Plan was developed in 2013. Successful Destination Marketing Organizations (DMOs) like Visit Loudoun are increasingly free to "color outside the lines" if it will produce the greatest impact for the greatest number of residents. No longer do the traditional "rules" apply. Today's DMOs are more entrepreneurial and more nimble than their predecessors.

During the first quarter of 2016, Visit Loudoun engaged DMOProz to assist the organization in updating its Strategic Plan. The process was designed to elicit a high level of local comment and visioning from business, cultural and governmental leaders in Loudoun County to ensure that the Strategic Plan for their DMO was as reflective of their needs and desires as possible.

To this end, an online survey was designed and invitations sent to roughly 300 community stakeholders to provide feedback to the process. Expecting the traditional 20% response rate, we were simply stunned when 175 responses were received.

DMOProz also staged four Focus Groups to develop a deeper understanding of the issues that might be holding the destination back...as well as the opportunities that may be in its future. An additional 66 stakeholders participated in these meetings. All told, when it came time for the Board to discuss next steps for the destination and the organization, just over 240 stakeholders had offered their thoughts for consideration and action.

The 2017-2019 Visit Loudoun Strategic Plan, as developed by the Board of Directors with an assist from Professional Staff, follows on the next page. Stakeholder responses can be found in the addendum to this document.



# *2017-2019 Strategic Plan*



## *2017-2019 Strategic Plan*

### *GOAL*

## *Advocate for Destination Enhancing Development*

#### **OBJECTIVE A**

***Serve as the County's Trusted Expert and Advisor on Tourism Industry and Visitor Economy issues in its Comprehensive Plan Update***

#### *Suggested Tactics:*

- Work with County leadership to identify key moments along its timeline for research, analysis and industry comment in the Comprehensive Plan process
- Encourage and coordinate industry partners to become actively engaged and provide subject matter expertise in the public comment component of the Comprehensive Plan process
- Schedule meetings with County leadership to share the Visit Loudoun Strategic Plan and identify opportunities to enhance the region from a visitor acquisition standpoint
- Stress that visitor acquisition is the "First Date" for prospective clients of the DED
- Partner with the DED to support their efforts to achieve "Centers of Vibrancy"
- Identify opportunities to provide the County with actionable research data to assist in their decision processes
- Be engaged during discussions on zoning to provide the voice of the visitor and serve as the advocate for the hospitality industry

## **OBJECTIVE B**

### ***Analyze Opportunities to Develop Tournament-Grade Sports Complexes to Attract Regional, National and International Competitions to Loudoun County***

#### *Suggested Tactics:*

- Develop a Memorandum of Understanding with Loudoun County Parks, Recreation and Community Services
- Complete research into the interest of tournament rights-holder interest, given the destination's present hotel inventory
- Identify facilities that could support next generation sports interests
- Combine research with existing proposals to identify when additional hotel inventory is needed

## **OBJECTIVE C**

### ***Analyze Opportunities to Develop a Public Assembly Facility to Attract Countywide Events, Meetings and Conferences to Loudoun County***

#### *Suggested Tactics:*

- Research trends in meetings and conferences to identify opportunities to build a next-generation multi-use facility that could support performing arts and sports events that will stand out amidst the competition
- Research event planner interest, given the destination's present hotel inventory
- Engage the DED in discussions regarding how the right facility could facilitate their work to attract more business to Loudoun County
- Determine how such a facility supports the recommendations of the Nighttime Economy Adhoc Committee
- Identify opportunities to welcome more Full-service Hotels into the destination

## **OBJECTIVE D**

### ***Facilitate a Destination-wide Conversation Regarding Transit and Transportation***

#### *Suggested Tactics:*

- Invite all community-development focused agencies to a series of meetings in which each can share their visions and frustrations with transportation into and throughout the destination
- Identify the impact on businesses and residents of the present availability of transit throughout the County
  - Loss of revenue
  - Safety concerns
  - Future needs to support economic and workforce development
  - Others, as identified
- Research opportunities to engage entrepreneurs to ideate transit solutions
- Determine how such a facility supports the recommendations of the Nighttime Economy Adhoc Committee
- Market new transit options

## **OBJECTIVE E**

### ***Encourage the Development of Destination Enhancing Festivals & Events***

#### *Suggested Tactics:*

- Create a program that encourages regional organizations to develop new or enhance existing events
  - Commitment to market the event
  - Offer to assist with permitting and infrastructure needs
  - Offer other professional services as appropriate
- Consider bidding for traveling events that fit the Loudoun County brand
- Ideate concepts for events that advance the destination brand and search for appropriate producers and sponsors to manage
- Determine how this supports the recommendations of the Nighttime Economy Adhoc Committee
- Hold a community forum on event management
- Create toolkit to make it easier to bring a festival or event to Loudoun County

## **OBJECTIVE F**

### ***Support other Destination Enhancing Developments as Proposed by Destination Partners***

*Such as (but not limited to):*

- Adaptive Reuse of Old Structures
- Performing Arts Center
- Public Art Installations
- Development of a more robust nighttime economy
- Waterfront Development
- Wayfinding Signage
- Enhanced Parking

# GOAL

## *Enhance the Destination Experience*

### **OBJECTIVE A**

#### ***Increase Community Awareness, Appreciation and Support of Visit Loudoun***

##### *Suggested Tactics:*

- Become the “Voice of Loudoun County” for residents regarding events and attractions
- Coordinate marketing efforts between the DED, the Chamber and other community development organizations to more effectively brand the destination
- Tell Visit Loudoun’s story locally to residents, businesses and elected officials
- Demonstrate the impact of sports tournaments, meetings, weddings and other events on Loudoun County
- Push impact data to stakeholders as a way to Increase destination pride & engagement
- Work to increase destination pride and engagement

### **OBJECTIVE B**

#### ***Analyze Opportunities to Enhance the Impact of Visit Loudoun University***

##### *Suggested Tactics:*

- Review what made the program so successful in past years
- Research industry partners regarding their future needs for customer service, marketing and sales guidance and professional development
- Identify potential partner businesses and industries that would also find value in VLU to share programming costs
- Consider ways to broaden VLU to residents to create destination ambassadors
- Consider ways to add video and online options
- Investigate the opportunity to develop a FAM for the destination’s workforce to enable them to cross-promote and raise awareness of attractions

### **OBJECTIVE C**

#### ***Investigate Opportunities to Develop a DIY Platform for Creating Partner Packages***

##### *Suggested Tactics:*

- Develop regular networking events in which partners are invited to bring a new or existing product/service/offering to offer as part of a package
- Create an event format that allows partners to create their own packages with other partners
- Visit Loudoun will then promote appropriate packages online and in social media, encouraging packaging partners to cross-promote in their businesses and marketing



# GOAL

## *Enhance Organizational Excellence*

### **OBJECTIVE A**

#### ***Maintain International DMAP Accreditation***

##### *Suggested Tactics:*

- Annually monitor updates to the DMAP requirements in order to stay compliant
- Maintain running files for each requirement so that the renewal process is easier

### **OBJECTIVE B**

#### ***Continue to Evolve as a Research-based Destination Marketing Organization***

##### *Suggested Tactics:*

- Analyze opportunities to schedule fact-finding visits to innovative destinations to learn how they have approached Destination Marketing and Management
- Build upon the successes of the Brewery and Sports studies, identify topics and other partners to commission future studies to better understand future opportunities
- Continually encourage staff to utilize data to develop new programming and tactics
- Utilize data to drive all sales decisions
- Develop new performance measures to quantify and qualify the new ways that Visit Loudoun is pursuing its Vision and working within its Mission
- Maintain Dashboard Metrics to showcase Visit Loudoun production and impact
- Become the “go-to” resource for hospitality and travel industry data
- Schedule regular updates with local governments, stakeholders and investors
- Share research findings with partners, as appropriate

## **OBJECTIVE C**

### ***Dedicate Visit Loudoun to a Corporate Culture that Values Creativity, Passion and Collaboration***

#### *Suggested Tactics:*

- Design a development process for the board of directors that positions succession planning as one of the most important aspects of the board's role
- Encourage a culture that celebrates new ideas and philosophies
- Maintain the organization's commitment to professional development for staff members
- Be willing to revisit by-laws and policies on a regular basis to identify areas for organizational enhancement
- Continually search for opportunities to collaborate with community and industry partners
- Search for strategic partnerships and shared investment in every initiative
- Monitor DestinationNEXT research for best practices concepts from around the world
- Dedicate resources to support professional development for staff and board

## **OBJECTIVE D**

### ***Identify Opportunities to Increase and Diversify Revenue Streams to more Effectively Compete for the Visitor Economy***

#### *Suggested Tactics:*

- Formalize Memorandums of Understanding with a standard funding model for the investment of Transient Occupancy Tax revenues in Leesburg and Middleburg
- Work with local governments to develop an opportunity fund with which to bid on countywide events identified by Visit Loudoun staff
- Analyze revenue streams being utilized by other DMOs, such as (but not limited to):
  - Monetize the Visit Loudoun website, mobile platform and other opportunities
  - Tourism Business Improvement District (the California Model\*)
  - Corporate Investment in Brand Building (the Tulsa Model\*)
  - Selling Calendar Feeds to other Organizations (the Salt Lake City model\*)
  - Others, as identified

\* Descriptions of these funding models can be found on the last page of the Addendum

# *Addendum*

## *Survey and Focus Group Responses*

### *Board and Staff Discussions*

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# *Online Survey Responses*

Over 150 Stakeholders from Loudoun County completed an online survey in late January and early February of 2016, providing their thoughts the strengths and challenges of Visit Loudoun and suggestions on ways to enhance the destination. A synopsis of responses follows:

## *The Most Important Physical Asset that Could be Developed*

- Indoor sports complex (cited by 11% of respondents)
- More wineries, breweries and distilleries (9%)
- Performing arts center (8%)
- A convention center (5%)
- Better public transportation options (5%)
- More agri-tourism opportunities
- More lodging options
- Preservation of what makes Loudoun so unique
- More independent dining options
- Better parking
- Theme park
- Waterfront development
- Widening of Route 15
- More wedding venues
- Visitor information center at the Silver Line Platform

## *Organizational Strengths*

- Bright, energetic, talented, motivate staff (cited by 21% of respondents)
- Great marketing (17%)
- Steering visitors to area businesses (13%)
- Leadership (11%)
- Dedicated sales team (8%)
- Networking and relationships
- Creative
- Professionalism
- Great branding
- A unified voice for the hospitality industry
- Responsive
- Event production
- Strong board of directors
- Research-based decisions
- Award winning
- Respected
- Expertise in social media

## *Organizational Challenges*

- Perception of a predominate focus on other assets (e.g., respondents in the East thought the West got all the attention and vice versa, Attractions felt hotels get all the love while hotels think it's all about wine, etc.) 19% of respondents cited uneven focus as a Challenge
- Lack of visibility to and targeting of local residents (7%)
- Insufficient funding and staff (4%)
- Lack of follow-through (4%)
- Visit Loudoun website (4%)
- Mission creep
- Lack of public engagement
- Frustrating membership process
- Lack of diversity in marketing pieces
- Lack of packaging
- Location of the office
- Staff turnover

# *Stakeholder Focus Groups*

Once in Loudoun County, DMOProz conducted a series of Focus Groups to better understand Stakeholders' feelings regarding what was working in the marketing and delivery of a stellar visitor experience...and what wasn't. The roughly 66 Stakeholders also opined on what they thought the most appropriate additions to the visitor infrastructure would be.

## *What's Working*

- Marketing the DC Wine Country brand (cited by roughly 40% of respondents)
- The sports market (30%)
- The wedding market (20%)
- Assistance for startup businesses and attractions (20%)
- Partner engagement
- Media relations
- Sponsoring the film festival
- Social media
- The Wine Trail
- The diversity of experience
- The "Get Lost" video

## *What's Not Working*

- Transportation to and throughout the destination (cited by roughly 40% of respondents)
- Lack of sufficient parking in small towns (20%)
- Uneven evening retail hours (20%)
- Not enough cross-promotion of experiences by partners (15%)
- Infrastructure limitations for groups
- Traversing the Wine Trail can be difficult for visitors
- Leesburg is becoming a bottleneck with new development
- Lodging properties are often not walkable to attractions
- A perceived lack of partnering and packaging
- Current Federal per diem rates for hotels hurt Loudoun County's lodging properties
- Empty storefronts in Leesburg
- Working relations between producers of craft beverages and area restaurants

## *What's Next?*

- Increased DMO resources (cited by roughly 20% of respondents)
- Indoor sports complex (20%)
- Enhance the nighttime economy (20%)
- A complete and centralized calendar of events
- A public marketplace
- Performing Arts Center
- More effective commercial zoning
- A focus on healthy lifestyle, nature and outdoor recreation / athletics
- Enhanced itineraries for visitors of all kinds
- Develop a networking plan for independent restaurateurs, local farmers and craft drink producers
- More international sports tournaments
- A Wine Museum
- Waterfront development
- The DMO to facilitate the discussion on future development
- Acquire more visibility at Dulles
- More history tours and step on guide services
- Semi-pro sports
- More turf fields for amateur sports tournaments
- Uber in west Loudoun County
- More outfitters
- More brunch offerings
- More independent restaurants
- A selfie-centric attraction (e.g., Chicago's metallic bean in Millennium Park)
- Utilize roundabouts for public art
- Better signage to and along the trails
- Maximize the annual migration of equine interests

## *Board Online Survey Results*

*In addition to Industry and Community Stakeholders, the Board of Directors of Visit Loudoun was asked to complete its own pre-Strategic Planning Workshop. While some questions were similar to the other online survey, these queries recognized the ability of the Organization's Board to have a more sophisticated and nuanced level of opinion, given their higher level of understanding of Visit Loudoun's Program of Work. Their responses follow:*

### *In the Year 2025*

*We asked Board Members to imagine what Loudoun County would look and feel like in the year 2025. Among their responses:*

*"It's focused on wineries and the 'tasting experience,' as always, but craft breweries will have more of a presence. The same local dining experiences exist, but with more of a focus on new builds in the major "cities" of LoCo (One Loudoun and The Village). This allows for more nightlife and encouraging the county to stay up a bit later than now. Uber has expanded, which lets visitors really move around the county, especially considering the tasting experience."*

*"The visitor product in Loudoun still offers a balance between rural and urban 'products.' As urban sprawl continues, our proximity to Dulles and DC has made the country roads and farm experiences all the more important. As people become more aware of our food sources, the authenticity and very existence of dirt roads with animal/vegetable farms and orchards is what travelers crave. And, even if they don't want to experience it, they want to know it's there. It feels safe and good to know that their cosmopolitan was made with locally grown raspberries and locally distilled liquor. Authentic, salt of the earth, back to basics."*

*"More public transportation is available to allow easier access around the county. The Eastern side of the county has more developments, shopping, restaurants and new venues for entertainment. The Western end still has wineries/breweries, with their land being used to grow what is needed. The entertainment part of their business has changed, with more hands-on classes. Bike lanes have been added to roadways. And, there are more outdoor activities for folks to enjoy, including family events."*

*"Western Loudoun has been protected from development and has quaint towns, farm to table restaurants, unique shopping experiences, natural adventure opportunities such as trails, bed and breakfasts and lots of cultural things to do (theater, music, lectures). The best aspects of Sonoma and Napa is now found in Loudoun County."*



"Loudoun has continued to grow significantly in population, which enhances the attractions and experiences which allows the county to emerge as a prime destination for visitors. Loudoun has assumed the role of leader in Tourism for the DC metro area in 2025."

"By 2025, our Winery visitors know that Leesburg, Ashburn, & Dulles provide a multitude of 21st century entertainment. As the millennial generation seeks authenticity and greater knowledge of the products they buy, meeting the wine maker and hearing their story and the story of the product that they buy has become even more important. The charm of our towns, led by Leesburg, has drawn families who are now seeking a unique and authentic experience."

"More day trips. More arrivals by Metro Silver Line. More foreigners as tourists; more destinations capable of speaking foreign languages. More Nightlife. International signage at Dulles Airport (whereas almost all of it in 2016 was only in English). Western Loudoun is an independent, seven-day, regional leisure destination...the upscale wine/beer and hospitality center for the East Coast."

"The growth of the Route 28 and 7 corridors and development at metro stations has generated significant change as visitors are coming to train, work and meet via rail. An increase in the amount of dining and shopping options near Dulles Airport and the metro stations has changed the experience for our visitors. More upscale options are available."

"Lots of public transportation options have reduced the number of vehicles on the roads. The west end of the county continues to have open land, tasting rooms for many different types of alcohols, with surrounding land being used to grow the crops needed to produce such. The east end of the county is the heavily populated entertainment hub of the county. Visitors still enjoy coming out to the rural part of the county to enjoy the slower pace."

"A new full service hotel with state of the art conference capabilities has taken further advantage of the new Silver Line station in the County to expand tourism."

## *The Past 24 Months*

Board Members were then asked to consider the events of the past 24 months and identify how they have served to move the Organization and Destination closer to their visions for the future:

### **CLOSER**

- Enhanced communication and partnering with local and statewide government and CVBs.
- Allowing more craft breweries to operate.
- Uber coming to LoCo (and being encouraged to do so).
- Welcoming developments like One Loudoun that bring additional entertainment options like Top Golf and Alamo to the county.
- The winery, brewery and restaurant industries are all flourishing in Loudoun because we are doing a great job of nurturing industries that, at a very basic level, promote farming.
- There has been an increase in awareness of all that LCVA has to offer visitors to the area.
- The wedding business in the county has increased significantly.
- Brew Trail / Winery Trails have been established.
- The opening of Salamander has helped expand the viability of the destination.
- Increased support to protect the West and appreciate its value in tourism.
- Increasing alliance with B&Bs.
- Sensational advances is Digital Marketing/Branding.
- Transportation enhancements (Silver Line) and new rural development. (wineries, breweries and B&Bs).
- The County allowing increased residential density near the metro stations increases the likelihood of strong, upscale mixed used development.
- The arrival of Geico and One Loudoun's growth.
- Approval of the development plan for the quarry site at the toll road and Route 28.
- Dulles airport pulling out of its decline.

### **FURTHER**

- Low per diems continue to hurt the destination.
- The cost of Epicurience and the opportunity cost of not focusing on Visit Loudoun's core competencies.
- No movement on plan for Metro station design and surroundings.
- No outreach to our destinations with advice for servicing international visitors.
- The onslaught of new breweries and wineries has put a hard strain on sustainable growth for a wine and beer industry that will be long term.

## *What's Next?*

When asked what could move the Destination to that proverbial next level, the Board offered the following responses:

- More Sports Complex(es).
- Concert Venue(s).
- Protection of Rural Landscapes.
- More Wedding Venues.
- Visitor Center at the Silver Line Terminal.
- Large Convention Center.
- More Lodging (especially in the Western half of the County).
- Mixed Use Entertainment District on the Waterfront.
- A Theme Park.
- An Iconic Art Installation.
- Enhanced Public Transportation.
- Equestrian Center.
- Better Parking.
- More Events & Festivals.
- More Independent Restaurants.
- Performing & Visual Arts Center.
- Winery/Brewery Discovery Center.
- Widened Route 15.
- Semi-Pro Baseball.

# *Organizational Strengths and Challenges*

Board Members were also asked to reflect on Visit Loudoun's strengths and challenges:

## **STRENGTHS**

- The CEO, Beth Erickson.
- Leadership team, both staff and volunteers.
- Focus and Innovation.
- A passionate staff that truly believes in the mission and the organization.
- The marketing team has its finger on the pulse of the county.
- Working collaboratively within each industry silo (sports, wedding, food, history, etc) to create a comprehensive, multifaceted experience for its visitors.
- A diverse, working Board that is committed to growing visitation to the area and is extremely involved with the Management team.
- The Diversification of its membership.
- Great networking opportunities and its support of rural destinations and products.
- Ability to build partnership and relationships with influencers in and out of Loudoun.
- Effective execution and implementation of the Strategic Plan.
- Incredibly strong marketing and sales knowledge.
- Great face for the industry and well liked by officials.
- The ability to stay one step ahead of what other DMOs are doing.
- It's nimble and able to react quickly to changing landscapes.

## **CHALLENGES**

- Lack of visibility within in the county.
- Much of the staff is new and without a long collective destination memory and experience.
- Balancing the expectations of lodging with the need to market the industries that cause visitors to want to experience Loudoun County.
- The stark differences between the eastern and western portions of the county.
- Finding ways to increase and diversify funding streams.
- Communication with partners with limited staff and resources.
- Dreaming big when the day-to-day commitment to programming is so large.

## *Destinational Challenges*

*The Board then tuned its attention back to the Destination...and considered the challenges ahead:*

- Transportation Issues.
- The perception (even in DC) that Loudoun County is extremely far away.
- Lack of national and regional recognition as a destination.
- Lack of nightlife in Loudoun County.
- Lack of availability of sports facilities for tournaments and residents alike.
- Potential over-saturation of restaurants and shops without the population center to support them.
- Runaway real estate development.
- Low Federal Per Diem.

# *2017-2019 Strategic Plan Board Retreat Notes*

*On February 17, 2016, the Visit Loudoun Board of Directors met in a Strategic Planning Retreat setting at Top Golf. Armed with the intel from a number of onsite Focus Groups of key destination Stakeholders and responses from the online Board Survey, the assembled first assessed the Vision and Mission Statements that have guided the organization since 2013 to ensure they were still appropriate and inspirational.*

*And, after discussion, the Board was in agreement that the Statements were generally accurate...but could benefit from slight editing. Our suggested reworking of both are below for the Board's consideration and approval:*

## *Vision Statement*

### **Current**

Visit Loudoun's vision for tourism in Loudoun is to be a "must visit" destination supported by the community that recognizes the economic and quality of life benefits that come from sharing our home with visitors. We seek to be the preferred East Coast wine country experience.

### **Suggested**

To be a "must visit" destination supported by a community that recognizes the economic and quality of life benefits that come from sharing our home with visitors. Loudoun County will be the preferred east coast destination for lovers of artisanal, epicurean, recreation, and culturally rich experiences as well as a preferred destination for weddings, tournaments, meetings, and retreats.

## *Mission Statement*

### **Current**

The mission of Visit Loudoun is to generate economic benefits for Loudoun County and its jurisdictions through marketing Loudoun as a visitor destination.

### **Suggested**

To stimulate the sustainability and enhancement of Loudoun County's economy and quality of life by advocating for smart destination development and marketing an exceptional experience to travel consumers worldwide.

## *What's Next?*

*When reviewing the list of potential Destination Developments offered from both Stakeholders and the online Board Survey, the Board added the following thoughts:*

- Live entertainment and music incubation. More venues for the Arts.
- A way to more easily transport guests around the county; Winery shuttles within each cluster.
- More outdoor activities (water sports, hiking, biking, historic tourism); more hands on classes and family attractions.
- An indoor sports complex.
- Expansion of western Loudoun County lodging (i.e., B&Bs, lodges, campgrounds, cabins).
- Wine centers and town development to match the surroundings.
- A strong Convention, Conference or Expo Center that is convenient to Dulles and transportation links to D.C.

## *DMO Opportunities*

*Based upon the intel gathered, the Board offered the following as some of the most important initiatives for consideration for inclusion in its Strategic Plan:*

- The DED is refocusing its efforts on “Centers of Vibrancy” .
  - In other words, the types of enclaves that attract visitors.
- Thus, Visit Loudoun has a partner in its role in Destination Development & Preservation.
  - Together, along with municipalities and Economic Development, Visit Loudoun can help guide the sensitive development of the destination.
- Enhance Communication and an Esprit de Corps among Partners.
  - Can the DMO become the choreographer of the destination experience?
- Develop New Programming for Partners.
  - Some partners crave Visit Loudoun’s expertise and counsel in building magnetism.
- Develop New Revenue Streams.
  - Outgunned by several competing destinations, Visit Loudoun needs to build its budget.
- Develop THE Calendar of Events.
  - A complete calendar will support more nightlife and reasons to visit and stay longer.
- More effectively communicate with and engage residents in the destination.
  - As 50% of all leisure visits to a destination are by friends and relatives, residents can become a great source of business for the County.
- The Board’s Role in Education and Advocacy.
  - The Board has an opportunity to communicate the value of the visitor economy in ways that staff cannot.

*It is from this gathered intelligence and consensus derived from the Board Workshop that the 2016-2018 Strategic Plan, Goals and Objectives were developed.*



# Staff Workshop Discussion Notes

After the Board Retreat, professional staff from Visit Loudoun gathered to discuss the intel that had been gathered and the Board's response to potential next steps. Listed here are the primary discussion points from that meeting:

- Awareness of the need to manage expectations of partner businesses as Visit Loudoun continues the transition from a Membership to a Partnership Platform.
  - Visit Loudoun must set goals for the transition.
- Acknowledgement that the mobile site is awful...and that the whole calendar discussion becomes moot if this isn't repaired.
- The re-imagination of Meetings/Conference Sales: The Questions:
  - Is there duplication in the sales effort with hotels?
  - Is there a better way to communicate Leads / Lost Business?
  - Should we work the leads we generates rather than distribute to hotels?
  - Should we shift to a Services model (the Oakland model)?
    - Planners want help staging a successful meeting and recruitment of attendees.
    - One hotel salesperson said, "we should have you on every site visit!"
  - Should we target the industries being targeted by the DED?
  - Should we develop goals and measurements for retention of groups?
  - Should we strive to be the bid data resource for our hotel partners?
- Can Visit Loudoun County become a Service+Design advisor for our partners, helping them to design a response for every decision moments, including a month out and a month past?
- Can we help the B&Bs by allowing them to participate in the artisan trails?
- Agreement on the need to continue doing international with the Capital Region USA... and adding relationships with Sister Cities.
- Big issue: Wineries and Restaurants are slammed on the weekends but the Hotels are not. Does this diminish the experience?
- Should we reconsider the former Roadshow program in which the organization brought destination assets to events with meeting planners?
- Motorcoach travel is occurring at a much higher rate then initial studies indicate.
- Consider whether Loudoun County's hotel inventory matches with our target markets:
  - Does the current hotel inventory of 2 Kings to 1 Double room negatively impact our efforts in Sports and Motorcoach?
  - Is our charge to focus on Countywide events subverted by the lack of walkability

## *New DMO Revenue Streams in America*

Over the past few years, destinations around the country have developed new revenue streams to increase DMO sales and marketing budgets and, in some cases, provide revenues for destination enhancing development projects. Here are descriptions of the three “models” referenced on page 8 of the Strategic Plan:

**THE CALIFORNIA MODEL:** So named because the concept originated and has the highest adoption rate in California. More commonly referred to as a Tourism Improvement District, the model is based on that of the Business Improvement District program that has helped downtowns and Main Streets augment city services in areas such as beautification, facade renovation, landscaping and security. In both models, the businesses within a defined district (which could be an entire County) agree to assess themselves a fee based upon a pre-determined criteria to be invested in a fund to do work that the business agree is worthwhile but individually don't have the means to pay for it.

In the Tourism Improvement District Model, the businesses are generally limited to hotels and the assessments are usually 1%-2% or \$1-\$2 per occupied room. In the case of Loudoun County, a \$1/night assessment would generate \$350,000/year given an occupancy rate of only 50%.

The initial response from most hoteliers not familiar with the over 125 destinations across the country that have adopted this model is typically opposed. And, we would tend to agree that adding another fee on top of the already existing Room Tax doesn't seem fair. However, a TID has some advantages going for it:

- It is an Assessment...and not a Tax
  - That's a significant distinction because Government can never appropriate revenues from an Assessment without the assessed's approval
- Hoteliers must vote in the majority to activate the Assessment
  - And, if the hotel community doesn't believe the increased revenues to the DMO have moved the needle, they can vote to discontinue the Assessment
- The governing Board of the TID has the authority to direct how the DMO will invest the revenues
  - For instance, Seattle and Portland OR hoteliers agreed to their assessments only when the DMO agreed to use the revenue to pursue weekend business

At the end of the day, observers need only look to California for the efficacy of the TID. Of the 90 destinations whose hotel communities have authorized TIDs, 89 have renewed their agreements at least one...and several twice or more. That wouldn't happen if TIDs didn't produce measurable results.

**THE TULSA MODEL:** Visit Tulsa recently took a time honored funding mechanism from the Economic Development world to significantly increase its marketing budget. For years, Economic Development agencies have done corporate fundraising using a 3-year pledge format. Local corporations that agree that there needs to be a concerted effort to bring more businesses to town agree to a figure to be paid over three years. With these pledges in hand, the EDC can design a program of work, knowing it has a stable funding stream.

Visit Tulsa took this concept and visited the non-hospitality corporate interests in their community with a simple premise: We are the marketing agency for Tulsa. We don't believe that Tulsa gets the national attention it should...and we want to do something about it. If you'll join other like-minded businesses that believe that higher brand visibility and advertising will help your business and your ability to attract a professional workforce, join us with a 3-year pledge.

Their first round of fundraising in 2011 generated \$4 million in corporate pledges over the next three years. Their second round of fundraising last year saw over \$6 million committed over the next three. Through this time, fundraising for the Tulsa EDC has continued, unimpeded, at \$14 million a round.

**THE SALT LAKE CITY MODEL:** While not the originators of the idea, Visit Salt Lake has generated the most revenue from the concept. Management there realized that the DMO was sending an incomplete (and potentially harmful) message to consumers by listing only their dues-paying Members. And, when faced with a situation in which only 4 bars had chosen to join the DMO, Visit Salt Lake was inadvertently reinforcing a negative stereotype about the destination (no fun after dark).

Despite the potential that the DMO could lose significant revenue by discontinuing their membership program, they announced that they would begin listing all businesses in the publications and online. However, for those businesses that valued the visibility that Visit Salt Lake provided, they could purchase enhanced listings and first-in search preferences. Without members, the DMO was free to market as they believed best, be more inclusive to businesses that had not previously been financially able to join and to tell consumers a better story.

As to the revenue lost by discontinuing its Membership program? Management reports that they are \$300,000 in the black from private sector investment since the change.

In addition, Visit Salt Lake has entrepreneurially begun providing services (for a fee) to organizations that also want a robust calendar of events. The DMO agreed to invest the personnel to ensure a comprehensive calendar for which 4 other local and State agencies hungered. The revenue from these partners has effectively covered the cost to develop the calendar that Visit Salt Lake needed in the first place. The perfect Win-Win scenario.