

GOALS/OBJECTIVES/PERFORMANCE MEASURES

The Vermont Department of Tourism and Marketing's (VDTM) primary objective is to expand awareness of Vermont as a tourism destination and to increase the number of visitors to the state. More broadly, our mission is to promote Vermont's travel, recreation, cultural and historic attractions, as well as the state's goods and services, in coordination with public and private sector partners and to market to a global audience in a manner consistent with the values and traditions of the state for the economic benefit of all Vermonters.

As with the entire Agency of Commerce and Community Development (ACCD), the operations of VDTM have been transformed in order to support the state's recovery from the COVID-19 pandemic. In addition to our work to inform visitors of ever-fluctuating travel conditions – while still being mindful of the need to protect Vermont's brand as a vacation and relocation destination – the Department has provided enterprise-wide crisis communications support, created new grant programs to support local and regional marketing partners, and created and implemented several never-before considered consumer stimulus programs and events. The audience to which our work is directed has also shifted more than ever to a local audience, in addition to a regional, national and global audience.

DEPARTMENT/PROGRAM DESCRIPTIONS

Marketing and Advertising

To promote Vermont as a top, year-round, global tourism destination and an ideal place to live and work, VDTM implements seasonal, direct advertising campaigns to Vermont's core demographic audiences in our top markets. Work by the Department includes developing all advertising creative and promoted content; coordinating purchase of advertising media; engaging in digital marketing and promoting owned media; and collaborating with regional, industry and private partners.

PAID MEDIA

VDTM's FY21 paid advertising strategy includes a combination of digital advertising, native advertising (sponsored content), advertising on social media, streaming audio, print and broadcast (TV and radio) channels, as well as out-of-home (outdoor advertising). Campaign investments are geotargeted to key drive (Massachusetts, New York, New Jersey, Connecticut and Rhode Island) and drive/fly markets (Philadelphia and Washington, D.C. metro areas) based on behavior and intent to increase brand awareness and encourage conversions. The call-to-action on all our advertising and collateral has traditionally directed consumers to 'Start Planning Today' at VermontVacation.com. At the height of the COVID-19 pandemic, our messaging shifted to 'Quarantine Required' and all traffic was directed to current travel restrictions, quarantine guidance and online experiences and resources.

OWNED MEDIA

The state's official tourism website, VermontVacation.com, provides travelers with useful tools and trip ideas to research and plan their vacations. Major content areas include specific landing pages for each season; things to do (recreation, arts and heritage, family and made in Vermont); towns and regions; and an Explore Vermont section that includes trip ideas, sample itineraries, an events calendar, lodging deals; and access to the Stay & Play business directory for detailed information on specific dining, lodging or entertainment properties. VDTM's long-standing partner, the Vermont Chamber of Commerce, manages the Stay & Play directory to ensure business listings are accurate and current. This critical planning tool for visitors was redesigned in FY21 to improve user experience and drive more direct bookings and reservations to tourism properties across Vermont.

In addition to VermontVacation.com, VDTM communicates directly with potential Vermont visitors and industry partners using e-mail marketing. VDTM's consumer and events newsletters support the overall advertising and marketing efforts with interest-specific seasonal promotions. Currently, over 120,000 consumers have "opt-ed in" to receive monthly e-newsletters highlighting the best of Vermont.

VDTM also produces in-house video content, featuring downtowns, artists, attractions, and businesses telling the story of Vermont in a visual way. This content is then shared across all digital platforms, the website, and in certain instances, paid advertising.

Industry Support and Outreach

Travel trade relations provide industry support, including national and international representation, to promote tourism properties and attractions in Vermont. VDTM maintains relationships among statewide tourism, outdoor recreation, agriculture, arts and cultural heritage organizations to leverage cooperative advertising opportunities and expand our collective reach to potential visitors.

INTERNATIONAL MARKETS

The key international markets for Vermont are Canada, the UK and Europe, and Japan. Tactics VDTM employs to encourage international visitation include media familiarization trips with journalists to achieve positive press coverage; participation in domestic and international trade shows and sales missions; direct outreach to tour operators and consumers; paid advertising; and owned media and social media.

Membership in the U.S. Travel Association enables VDTM access to opportunities under the Brand USA public-private partnership established at the federal level to increase international visitation to the United States. In addition to co-op marketing, international media and tour operator tradeshow opportunities, Brand USA participation allows Vermont to have a page on VisittheUSA.com which is translated in Japanese, Chinese, and Spanish, among other languages.

VDTM also maintains relationships with U.S. based receptive tour operators who contract with lodging properties in Vermont to sell rooms via tour operators abroad. These relationships allow properties to fill rooms mid-week as international visitors tend to come for longer periods of time and generally spend more than domestic visitors.

While FY21 saw an abrupt end to international visitation with the global pandemic and the closure of the Canadian border, networks and relationships have been maintained to enable a nimble resumption of activities as conditions allow.

DOMESTIC SALES

Group tours and travel continues to be an integral part of Vermont tourism's mix. VDTM partners with the Vermont Tourism Network, a group tour planning resource, to support group travel operators that bring hundreds of motor coaches with thousands of travelers to Vermont during all four seasons. Group travel was another casualty of the pandemic, contributing to severe revenue losses at many tourism properties, especially attractions and cultural institutions. One early sign of recovery is the new bookings now being seen for group travel for Fall 2021.

VDTM staff interact with consumers at special events and at select travel and adventure shows to speak directly to consumers to highlight Vermont as a vacation destination, some of whom may not have even considered a trip to Vermont before speaking to our staff. VDTM also manages the tourism booth in the Vermont building at the Eastern States Exposition (Big E) each year, which attracts over 1.6 million visitors over the course of 17 days. VDTM manages about 40 partner volunteers to be able to staff the booth for 12 hours a day. In response to the cancellation of this event in 2020, VDTM created a 'virtual Big E' shopping experience online to connect with past visitors and promote sales of Vermont products from Big E vendors from Vermont.

PARTNERSHIPS AND REGIONAL SUPPORT

Collaborative marketing relationships with industry associations allow VDTM to align strategies and best leverage the state's investment in the tourism sector. Annual agreements with the Vermont Convention Bureau, the Vermont Ski Areas Association, the Vermont Chamber of Commerce and the Vermont Mountain Bike Association give VDTM the opportunity to set goals and expectations to measure the impact of such partnerships.

VDTM also works regularly with regional chambers of commerce, downtown organizations and activity or sector-specific partners across the tourism industry, such as the Vermont Arts Council, the Vermont Fresh Network, the Vermont Outdoor Business Alliance, the Maple Sugar Makers Association, and the Vermont Brewers Association to name a few, in addition to state of Vermont partners including Vermont State Parks, the Department of Fish and Wildlife and our State Historic Sites. We collaborate to produce content to be shared across our own channels and those of our partner organizations, as well as cross-promote events, initiatives and the authentic experiences visitors are seeking when they come to Vermont and want to immerse themselves in the local culture, whether it be history, arts, culinary, communities, or recreation.

With the appropriation of Coronavirus Relief Funds in FY21, VDTM was able to help aid many of these organizations in support of Vermont's recovery from COVID-19 through a \$600,000 Restart Vermont Regional Marketing and Stimulus Grant Program. Over 60 communities and organizations were able to take advantage of grants up to \$10,000 each to increase consumer spending and support local businesses. VDTM also implemented a statewide Buy Local Consumer Stimulus Program that leveraged \$30 discounts targeted at the hard-hit restaurant, retail, lodging and entertainment sectors to incentivize local purchases, resulting in an average

73% overspend that benefitted just shy of 1000 Vermont businesses who participated in the pilot program.

Communications and Public Relations

VDTM actively engages with the media for positive coverage of Vermont as a tourism destination by distributing press releases, generating and pitching storylines, facilitating news coverage, and coordinating media familiarization trips for journalists travel to Vermont to experience our tourism destinations and attractions for themselves. These editorial stories inspire potential travelers, reinforce frequent visitors' affinity for the State, and collectively strengthen the Vermont brand. Travel articles published about Vermont translate into millions of dollars in advertising equivalent publicity annually.

SOCIAL MEDIA

VDTM nurtures social media engagement to build a community of passionate Vermont enthusiasts who amplify our marketing efforts with their personal social media connections. Through social media channels Facebook, Twitter, Instagram and YouTube, VDTM provides a fully interactive experience, enabling Vermont "fans" to share, comment on, and recommend locations, attractions and events that ultimately build Vermont brand awareness and motivate others to visit Vermont. As with editorial coverage, these social media posts illuminate our many tourism assets, reinforce brand affinity and inspire further visitation. The reach of our communications, as measured by followers across social media channels, has seen a consistent and steady growth of over 10 percent year over year.

ACCD OWNED MEDIA

In addition to the owned media activities described under Marketing and Advertising, the VDTM quickly shifted priorities to aid in the enterprise-wide response to COVID-19. Bringing together the work of all of ACCD, VDTM created the Resource Recovery Center on the ACCD website to keep business and residents alike informed of all the latest recovery resources. As the central location that hosted all sector-specific reopening guidance, the economic recovery grant programs and the cross-state travel map, the team was responsible for constant content updates, a COVID newsletter produced 2-3x per week, and outreach on social media to provide a consistent drumbeat of news, resources and grant information to aid in business and community recovery.

Cross-Agency Initiatives

The Department has increasingly been playing a greater role in providing communications and marketing expertise to support additional Agency goals, namely: to recruit new businesses and residents to the state through the Think Vermont campaign; to position Vermont as the ideal place to pursue an education and start a career through the Choose Vermont scholarship program; and to convert visitors to become full-time residents through the Stay to Stay Weekends program.

THINK VERMONT

VDTM has been working with the Department of Economic Development (DED) since FY16 to develop a targeted marketing program to attract investment, entrepreneurs, and talent to Vermont. The website ThinkVermont.com is the primary tool of Vermont's recruitment efforts. Site features include economic sector profiles, community resources, an automated jobs board

that aggregates job postings from across the state, and a newsroom to promote stories about incentive programs and the unique accomplishments of Vermonters and Vermont businesses to provide inspiration to potential investors and future residents. First launched in 2017, the website is being fully redesigned in FY21 with new content, functionality, and appearance to emphasize the state's focus on recruiting new Vermonters and new businesses.

CHOOSE VERMONT SCHOLARSHIP

In the wake of the closure of several Vermont colleges in the Spring of 2019, ACCD participated in multiple rapid response efforts and brainstormed on ways to help the communities recover. As a result, ACCD led the first state-sponsored collaborative higher education marketing campaign in more than two decades, working with the Vermont Student Assistance Corporation (VSAC) and the Association of Vermont Independent Colleges (AVIC) to provide \$5,000 scholarships to incoming freshman who commit to attending a Vermont college or university.

The Choose Vermont Scholarship program was expanded in FY21 to include 12 individual \$5,000 scholarships, totaling \$60,000 in available aid. A similar level of commitment is expected in FY22. Promotional efforts will run throughout the Winter and Spring 'college commitment' season to increase awareness of Vermont as the best place in the country to go to college and encourage accepted students to 'choose' Vermont for their education and hopefully, a career and future residency in Vermont.

STAY TO STAY WEEKENDS

The Stay to Stay Weekends program is an economic development tourism initiative that aims to attract more residents to Vermont and help reverse declines in the state's workforce and population. The three-day networking weekends are jointly administered by VDTM and regional partners who connect participants with community leaders, employers, entrepreneurs, realtors, and potential neighbors to begin building a support network that can help facilitate their relocation to Vermont.

After three successful and instructive years, planning was underway for more targeted, sector-based programming when COVID-19 required the entire program to go on hiatus. Interest in moving to Vermont has only increased since the pandemic started, and regional partners continue to experience a high volume of inquiries from people looking to relocate. In response, VDTM is working with partners, including the Department of Labor, to develop a more robust intake system and reinvent Stay to Stay into a virtual experience, with plans to launch in late FY21. We are pursuing a cloud-based software lead management solution to allow all partners to track new recruits and provide more comprehensive reporting. In FY22 the newly relaunched Stay to Stay program will also focus on retention of new Vermonters.

Research and Analysis

Every two years, VDTM prepares a benchmark report on the tourism industry to describe qualitatively and quantitatively the impacts of tourism on the Vermont economy. These impacts include jobs and income for Vermonters, revenue for state and local governments, and improved cultural and recreational opportunities for Vermont residents. The 2019 benchmark report has been delayed due to COVID-19 response needs but is scheduled to be released in early 2021.

The interim 2018 tourism impact report indicates direct visitor spending in Vermont was \$2.9 billion. The tourism sector supports 32,000 jobs with over \$1 billion in wages. The report further estimates that visitor lodging receipts generated \$368 million in tax and fee revenue to the State and its municipalities. This revenue provides \$1,400 in tax relief to every Vermont household.

Creative Services

As of FY21, the Office of the Chief Marketing Office (CMO), previously part of the Department of Administration, has been fully integrated into the Department of Tourism and Marketing. This budget restructure formalizes the collaborative relationship that currently exists between the two teams to maximize capacity and consolidate marketing expertise within the Agency.

The CMO supports promotional and marketing initiatives by agencies across state government with strategic expertise, brand and digital asset management, and tactical support, encouraging cost efficiencies and collaboration. For the many state agencies and departments who do not have dedicated communications staff, the marketing consultancy and creative services provided by the CMO are a crucial resource to help them accomplish their outreach and marketing goals. The CMO's office can provide creative services from graphic design, branding support, copywriting and digital advertising to web design, content strategy and data visualization. The centralized creative services the CMO offers results in improved quality and effectiveness of outreach materials, dollars saved, and enhanced success of marketing programs. As importantly, through centralized creative services the Vermont brand is consistently represented and messaged across state government.

The CMO also maintains master contracts for marketing and creative services, media buying, and photography to make it easier and more efficient for state entities to enter into agreements with outside vendors when it is determined that the required skills or capacity for a marketing-related initiative are not available in-house.

KEY BUDGET ISSUES:

Consecutive years of level funding have created consistent challenges for Vermont, especially when competing in a global marketplace and directly with neighboring states that substantially outspend Vermont. Vermont has the smallest tourism marketing budget in New England and the Northeast (New Hampshire's tourism budget is \$8M; Maine's is \$17M; New York's is \$50M) and the second smallest (next to Delaware) in the country.

The State has been losing market share due to this competitive disadvantage with our closest competing markets and we will have even more ground to catch up to reinvigorate travel and the visitor spending that Vermont depends on as the nation recovers from the COVID-19 pandemic. Tourism and hospitality businesses all over the state have been severely impacted and are depending on the work of the Department to bring in customers, keep their doors open, and keep employees employed. Any financial reduction in our ability to promote Vermont puts those businesses in greater jeopardy, as well as the communities that depend on those jobs and all the economic benefits that visitors and visitor spending bring.