WS - 21
10-28-03

Tourism in the City of Alexandria
An Economic Analysis

Fiscal Year 2003

Alexandria Tourism Facts

(based on 2001 Virginia figures)

- Nearly 8,000 people are directly employed in tourism-related jobs.
- Travel payroll was $127,507,833.

(based on ACVA 2003 figures)

- Overnight visitors in Alexandria generated over $440,000,000 in visitors' spending, which in turn provided more than $10 million in local taxes for health, education and other services.

Overnight Non-Government Travelers

% spending based on Virginia Tourism Corporation figures.

SPENDING	DOLLARS	LOCAL TAXES	TAX REC'D
Lodging (20.4%)	$ 89,660,990.48	5.25%	$ 4,707,202.00
Meals (28.3%)	$124,382,648.55	3%	$ 3,731,479.46
Public Transport (17.4%)	$ 76,475,550.70		
Auto Transport (16.1%)	$ 70,761,860.13	1%	$ 707,618.60
General Retail (9.8%)	$ 43,072,436.60	1%	$ 430,724.37
Admission/Recreation (8%)	$ 35,161,172.74		
Total	$439,514,659.20		**$ 9,577,024.42**
$1 per room night tax			$ 783,782.00
Total direct taxes collected for overnight visitors.			**$10,360,806.42**

Alexandria Convention & Visitors Association

- The ACVA is a not-for-profit membership organization that serves as the tourism marketing agency for the City of Alexandria.

- Mission: to generate tourism and conventions that increase revenues and promote the City of Alexandria and its assets.

ACVA's Corporate Structure

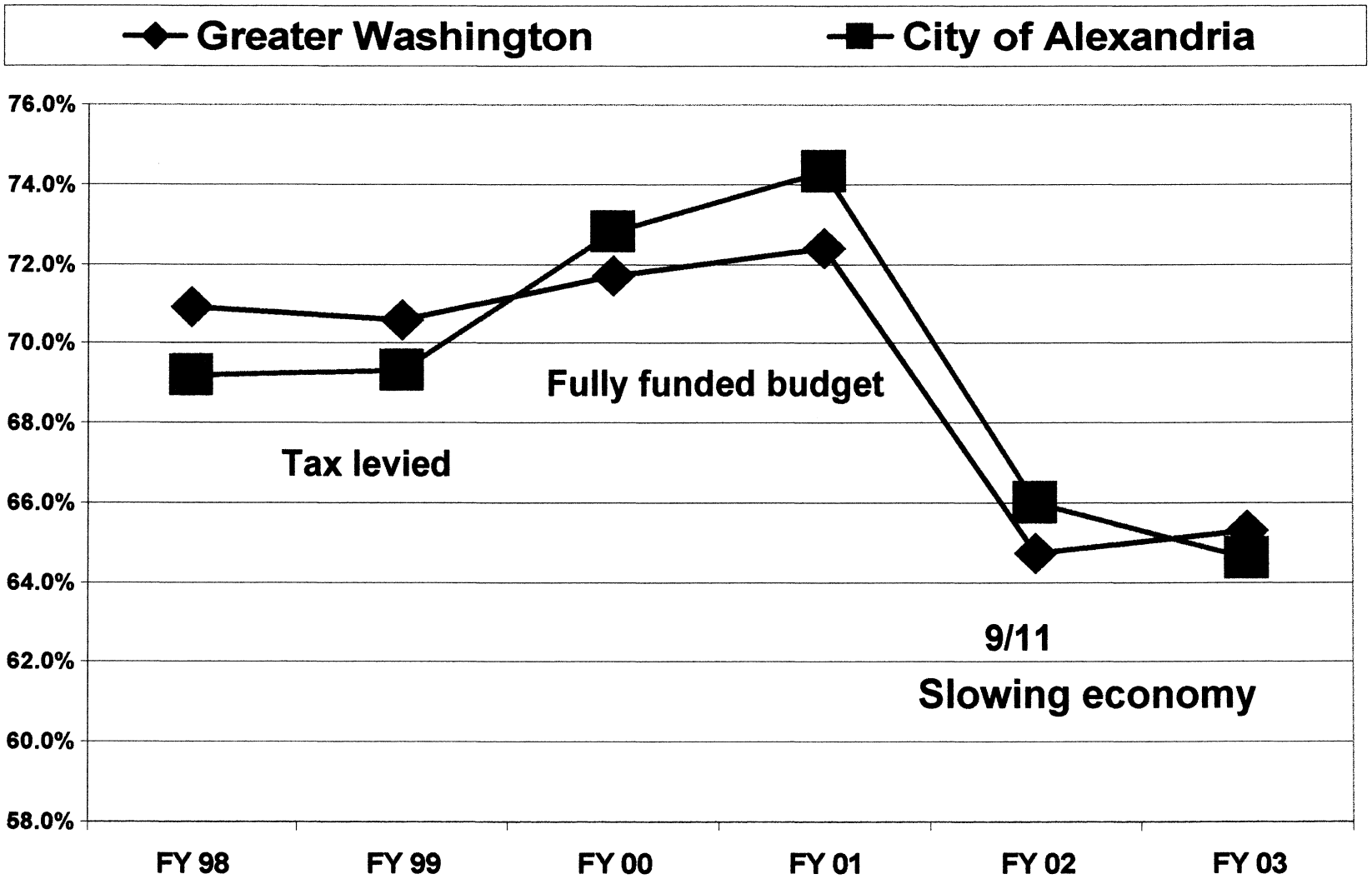
- Governance Board sets policy.
- Professional staff develop and implement marketing strategies based on certifiable market data.
- ACVA reports annually to City Council.

ACVA Funding

- Primary funding source – City of Alexandria.

- 1999 – Alexandria Hotel Association requested the City to levy a ***$1 per-room-night tax*** in order to provide adequate funding for the ACVA's marketing programs.

Hotel Occupancy or Market Share



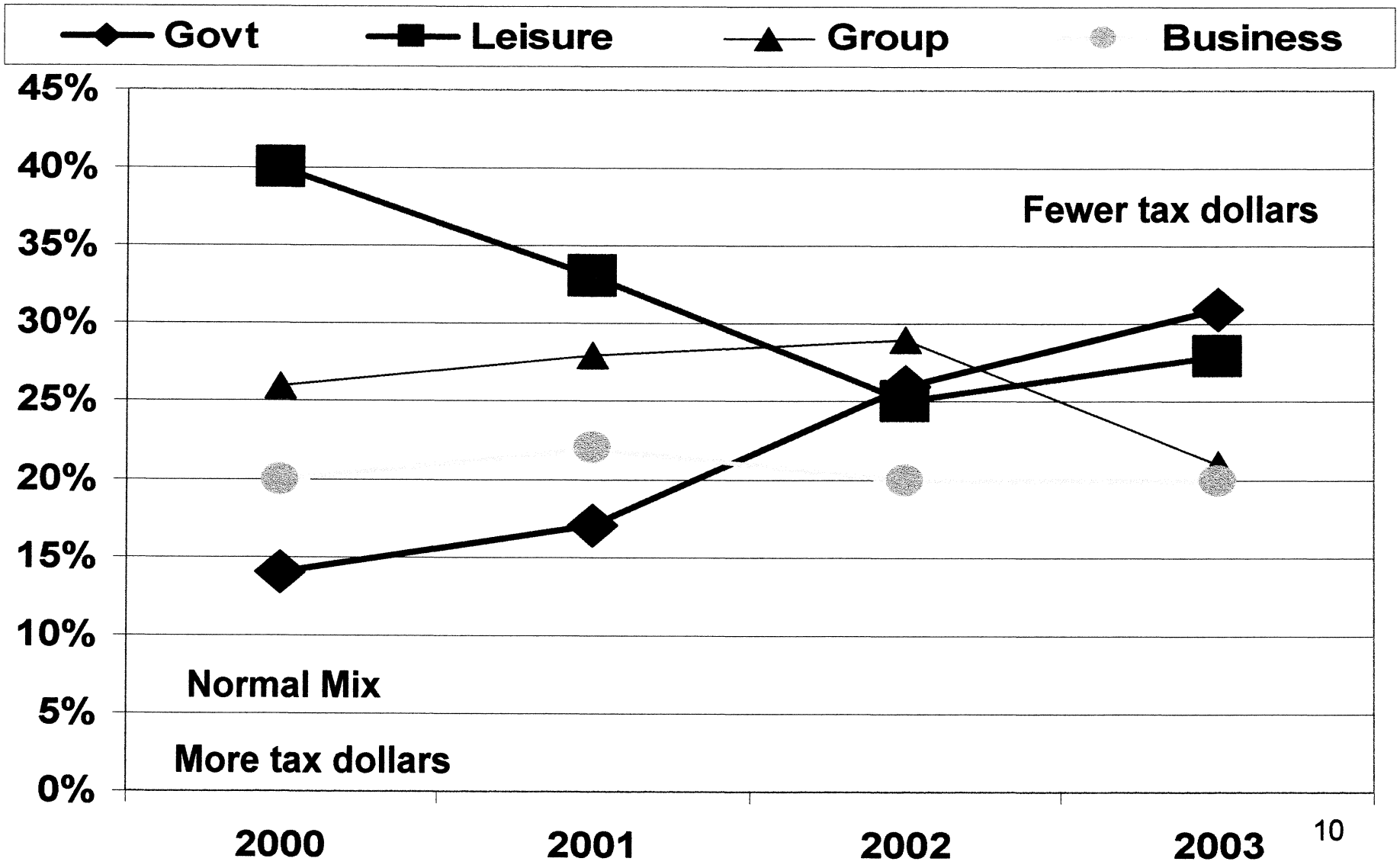
What ACVA Does

- Develops and implements Board approved:
  - Three-Year Long Range Plans
  - Annual Marketing Plans
  - Annual Business Plans
- Builds programs on reliable, certified travel data.
- Tracks and analyzes programs.

ACVA Report Card

	FY 2003	FY 2002		FY 2003		FY 2002		
			% +/-	Greater Washington	% +/-	National (calendar)	% +/-	GDP
Revenue Generation								1.2%
Room Tax Collected	4,707,202	4,561,495	3%					
$1 per room night	783,782	769,296	2%					
Food Tax Collected	8,476,297	8,514,867	0%					
Gross Retail Sales	21,216,124	20,316,345	4%					
Hard Measurements								
Hotel Occupancy	65%	66%	-2%	65%	1%	59%	-1%	
Hotel ADR	$ 99.64	$ 99.10	1%	$ 110.59	-1%	$ 83.15	-2%	
Hotel RevPar	$ 64.71	$ 65.93	-2%	$ 72.59	0%	$ 49.24	-3%	

Alexandria Market Mix



Reasons for New Mix

- Slowing economy and national and international events
- Weather conditions
- Changes in travel trends
  - Staying closer to home
  - taking shorter trips
  - looking for value on internet
- Increased competition and smaller markets
  - secondary destinations building “town centers”
  - luxury hotels reducing prices

Market Research

- Consumers concerned about “time”
- Staying closer to home
- Want to be in charge
- Baby Boomers (35-54)
  - travel more
  - most affluent
  - spend more money on travel
  - more likely to stay in hotel, etc.
  - prefer shopping, outdoor activities, visiting historic sites, attending festivals, going to beach and state parks

...more data

- Mature travelers
  - aged 55 and older
  - longer trips
  - 53% stay in hotel/motel
  - 42% stay with friends/relatives
  - Financially powerful/Time available

....more data

- Geotourism – new trend
  - majority – baby boomers
  - looking for the "authentic" environment and experience
  - interested locations that protect their environment
- Historic/cultural travelers
  - 81% of all travelers
  - spend more $ and more nights
  - 30% base trip on specific h/c event
  - Prefer places with historic significance
  - #1 choice: Washington, D.C.

.....more data

- Motorcoach tours
  - one day visit = $2,536 -$4,563
  - overnight visit = $5,094 - $11,264
  - two or more nights = $9,021 - $16,080
  - 18.3% - 40% increase in local retail, hotels attractions, and restaurant sales
  - types: historic/cultural, rural/ethnic, urban/entertainment
  - older/historic/cultural tours – higher end

….more data

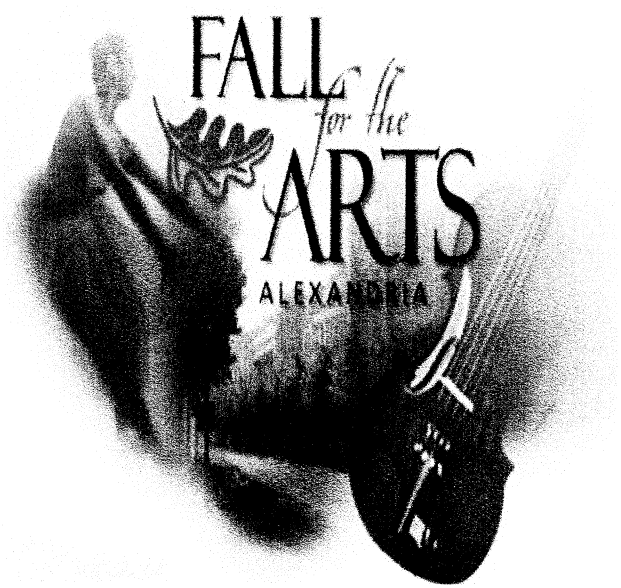
- Festival travelers
  - 1/5 of all adults attended festival on a trip
  - each festival was 100+ miles from home
  - 33% festival goers prefer art/music festival
  - majority: baby boomers
  - usually two or more wage earners in family
  - most travel with spouse
  - higher annual household incomes

Alexandria Market Research

- **Alexandria visitor**
  - 48 years old
  - $77,700 - median income
  - 47% from South (mainly Virginia)
  - 59% stay 2+ days
  - 62% repeat visitors

- **Reasons for Visit**
  - historic (authentic) ambience
  - proximity to Washington, D.C.
  - place to relax and have fun

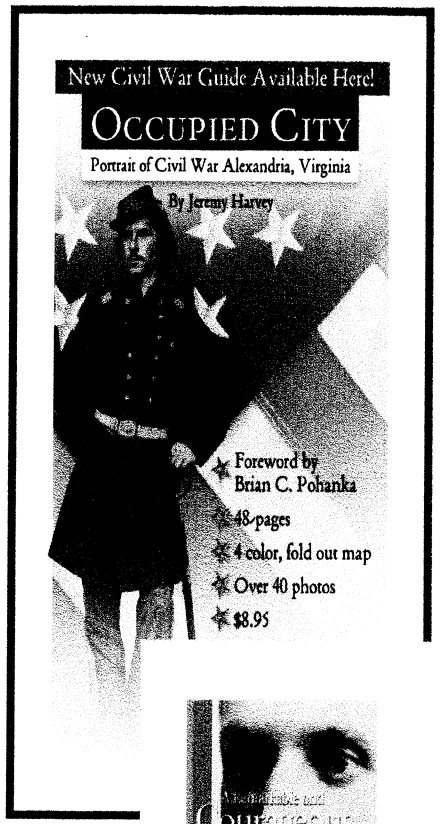
Alexandria Festivities

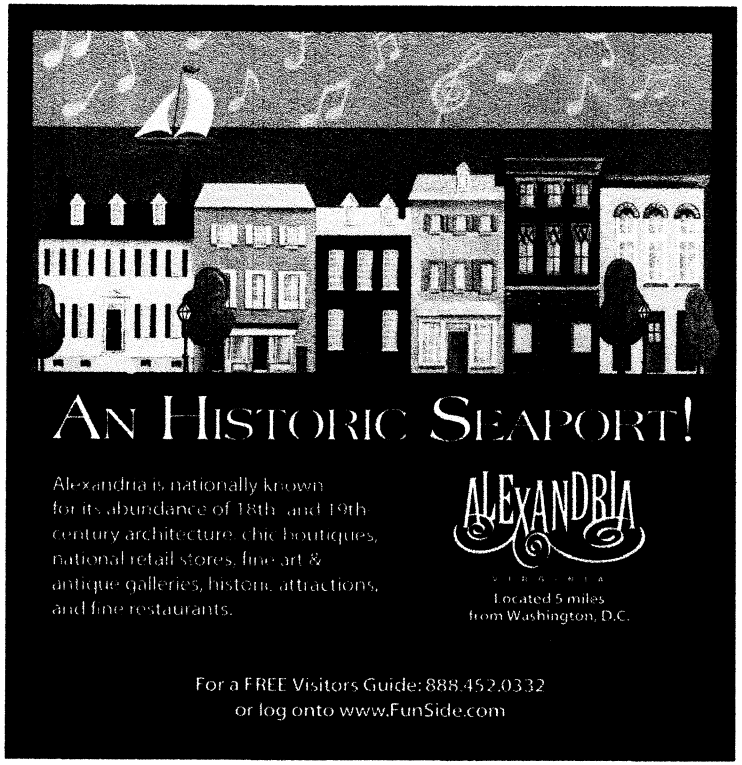


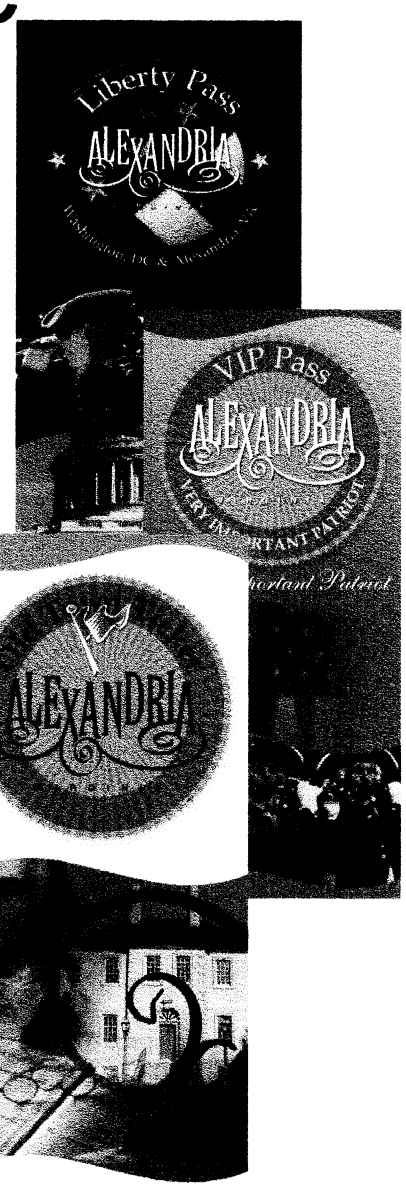
ALEXANDRIA
Festival of the Arts

First Night Alexandria, Art on the Avenue, George Washington Birthday Parade, Campagna Center's Scottish Walk, St. Patrick's Day Parade, Red Cross Waterfront Festival, Ethnic Festivals, Historic Garden Week, Historic Tour of Homes, Antique Show, Scottish Games, Holiday Boat Parade .....And much, much, much more!!!!

Alexandria Heritage





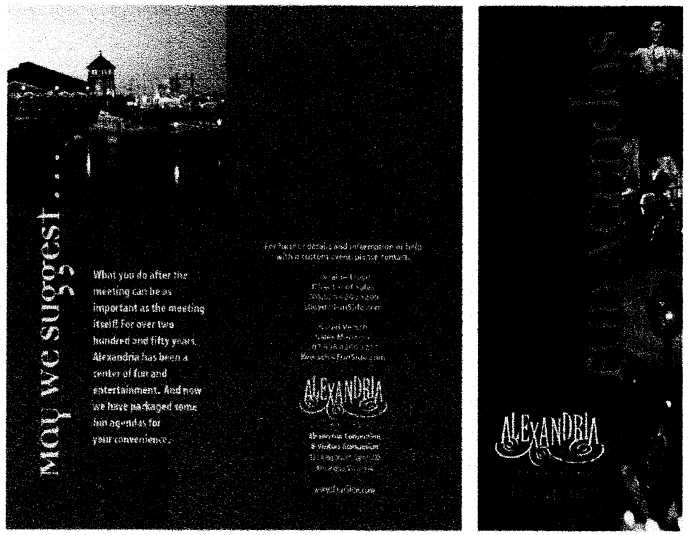


52% increase in sales of Heritage Passes.

www.FunSide.com

- •107,000 first time visitors
- •400 visitors a day
- •+40% over last year
- •+20 % in visitor guide requests on-line
- •+29% to "opt-in" quarterly Email Update Program

Meetings & Groups

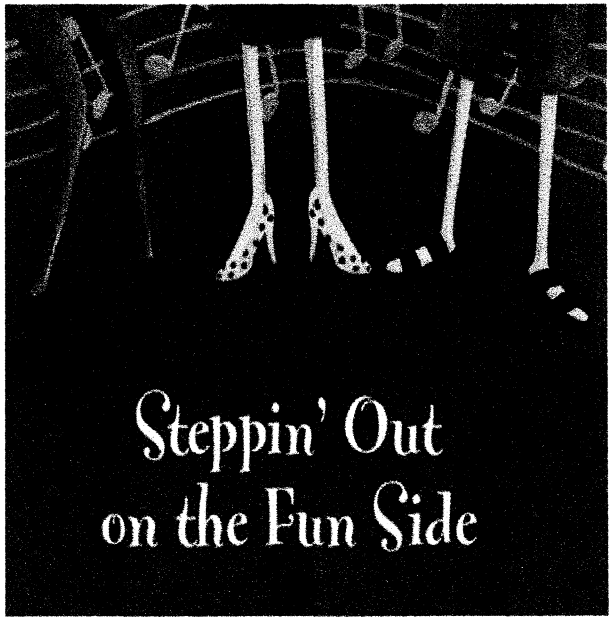


- Fun Agendas, Preferred Planners Program, Sales Blitz, On-Site Visits, Trade Shows, ACVA Hosted Receptions

+37% qualified leads

+17% actualized revenue

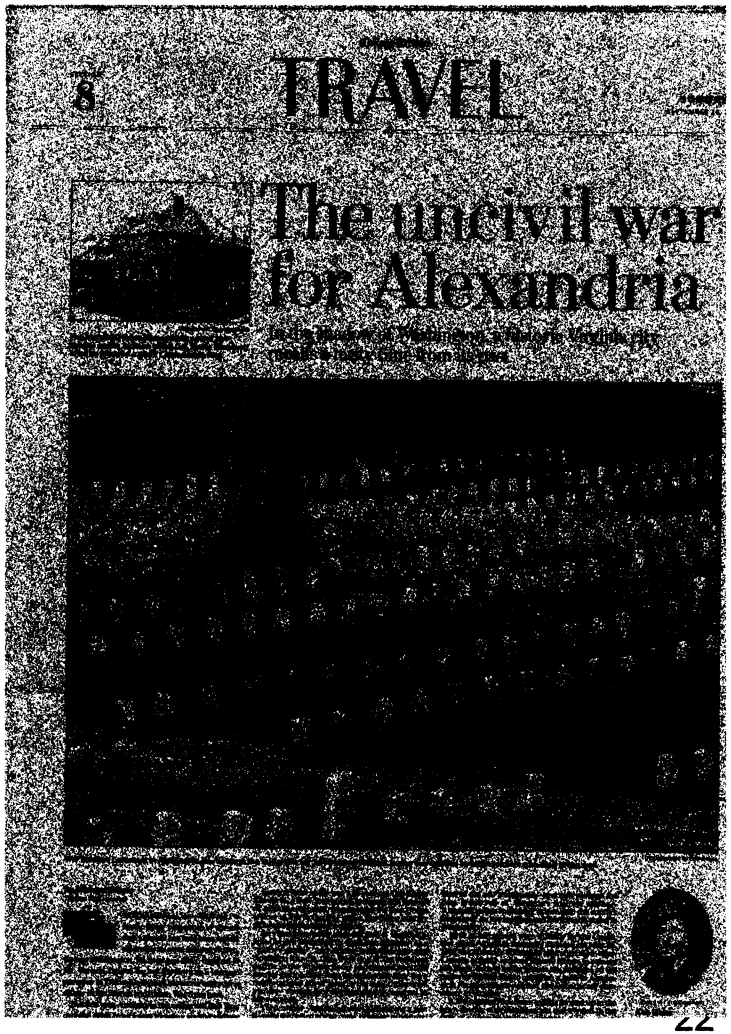
$10,222,225 leads sent



Media

Value = $1,000,000+

- Local, regional, national, international coverage in print, TV, radio
- 160+ articles in 24 major U.S., UK, Germany, France, South America
- 61 journalists hosted by ACVA from *Chicago Tribune*, *AP, New York Times*, *LA Times*,and more


8 TRAVEL

The uncivil war for Alexandria

Regionalism

- Greater Washington Tourism Alliance
  - Holiday Planner
  - Summer Planner
  - AAA Cooperative ad
  - WWII Memorial Dedication
- Northern Virginia Visitors Consortium
  - "Pursuit of Happiness Campaign"
    - ✓Heritage Trail
    - ✓Shopping Trail
    - ✓Golf Trail
  - www.VisitNorthernVirginia.com
  - Civil War Trails

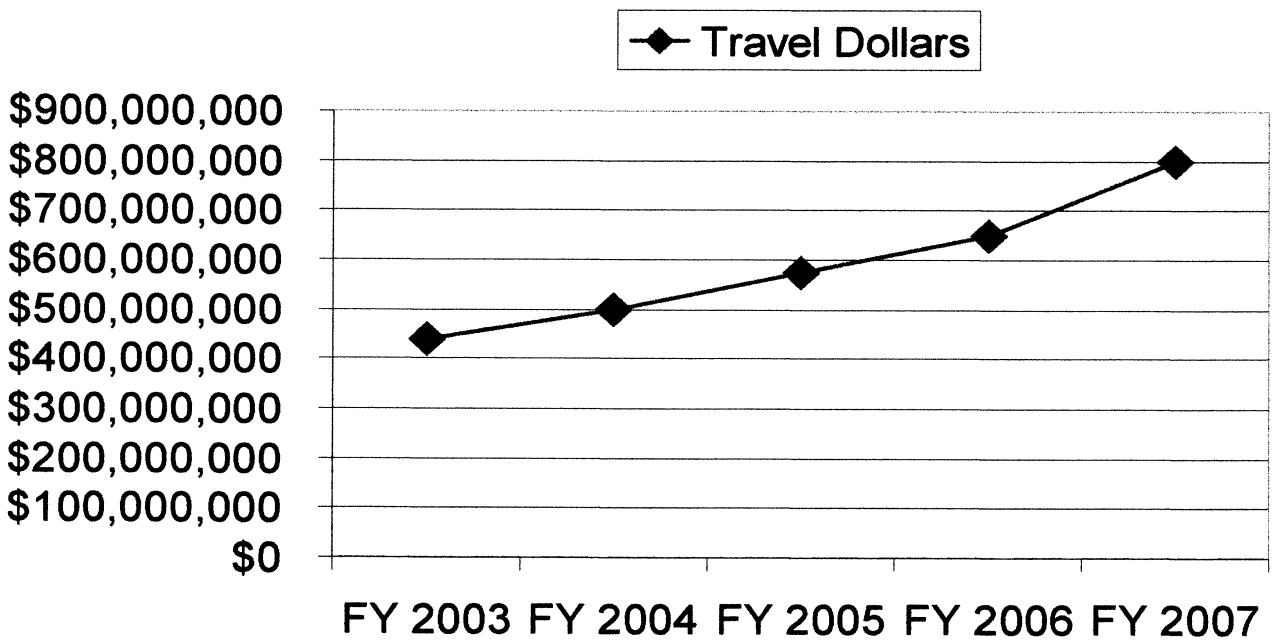
Why Regionalism

- Visitors know no boundaries.
- Greater Washington region – more well known nationally and internationally.
- More diverse product – events, attractions, etc.
- Leverage existing marketing dollars.
- Everybody benefits – more $ to each local government, save tax payers $884 annually in property taxes.

What ACVA Plans to Do

- Advertise/market more to our own “backyard”.
- Strengthen existing historic/cultural programs, and events.
- Create energy and excitement through new, innovative programming.
- Analyze other affluent markets for inclusion.
- Work closely with business organizations to develop City-wide programs.
- Develop motorcoach tour program to increase economic vitality while preserving the integrity of residential communities.

If we do this:

- Work together for the common good.
- Create an environment of hospitality.
- Embrace new ideas and attitudes.

Then we will see this: