

Appendix 1.2 Five-Year Strategic Business Plan

A municipality, regional district or eligible not-for-profit business association interested in applying for the Municipal and Regional District Tax or a renewal of the Municipal and Regional District Tax must submit an application as set out in the MRDT Program Requirements. A Five-Year Strategic Business Plan is required **at time of application**. This Five-Year Strategic Business Plan must include a detailed One-Year Tactical Plan for the first year of program implementation. Each year (years two through five of the program), the One-Year Tactical Plan must be updated and resubmitted (by November 30th) to reflect current marketing activities for the year as part of the annual reporting obligations. A separate template has been provided to guide the development of these year two through five plans (refer to Appendix 2.3).

The Five-Year Strategic Business Plan must encompass the five-year period covered by the application and it **must** include the following elements:

- Section 1: Five-year strategic overview with identified targets and actions for the five year period
- Section 2: One-Year Tactical Plan with performance measures, and
- Section 3: Detailed Budget for Year One

Your Five-Year Strategic Business Plan must adhere to the MRDT program principles.

Please ensure there is alignment between provincial tourism strategies and community tourism efforts. The applicant and designated recipients not subject to renewal applications are required to make their Five-year Strategic Business Plan available to tourism industry stakeholders and accommodation providers as part of the industry consultation and accommodation support requirements.

Your Five-Year Strategic Business Plan must identify marketing strategies, key markets and targets that the community will focus on to build its tourism business and the steps it needs to take to achieve desired results.

Your Five-year Strategic Business Plan should answer the following key questions:

- What business objectives related to tourism does your community expect to achieve?
- What type of growth does your community want to achieve (in the short and long term)?
- How will your community achieve these objectives?
- What type of tourism products will you need?
- What type of visitor are you hoping to attract?

Please contact Destination British Columbia at MRDT@destinationbc.ca for any questions.

Quick Reference Guide

(from the MRDT Program Requirements):

- *The intention of the tax is to assist designated recipients to fund tourism marketing, programs and projects. Affordable housing was added as a permissible use of funds in Budget 2018.*
- *Funds from the MRDT program are intended to augment current funding and cannot be used to replace existing sources of tourism funding in a community.*
- *The MRDT program is intended to contribute to the increase of local tourism revenue, visitation, and economic benefits and should be supported by local government and tourism stakeholders.*

The MRDT program principles are:

- *Effective tourism marketing, programs and projects*
- *Effective local-level stakeholder support, and inter-community collaboration*
- *Marketing efforts that are coordinated and complementary to provincial marketing strategies and tactics*
- *Fiscal prudence and accountability.*

Five-Year Strategic Business Plan Template

Designated Recipient: _____
Community Name: _____
Date Prepared: _____
MRDT Term Expiry Date: _____
Five Year Period: _____

A description/instructions pertaining to each section is provided in grey text as a guide only. **The format of your Five-Year Strategic Business Plan may be developed specific to your community needs and resources, but must include all required sections of the Five-Year Strategic Business Plan listed below.** If using this template, please delete the grey text and provide your response accordingly.

Section 1: Five-Year Strategic Overview	
Vision and Mission	<ul style="list-style-type: none"> • <i>The Vision is future focused, something to be pursued, a destination, inspirational, and verifiable.</i> • <i>The Mission is present focused, reason for being, a roadmap, concrete, and measurable.</i>
Strategic Context	<ul style="list-style-type: none"> • <i>The Strategic Context will be developed by conducting a situation analysis. The situation analysis is an integral part of this Five-Year Strategic Business Plan and should include current trends, forecasts and areas of priority to address the following:</i> <ul style="list-style-type: none"> ○ <i>What are the current economic and tourism conditions?</i> ○ <i>What challenges and opportunities exist?</i> ○ <i>Key learnings.</i>
Overall Goals, Objectives and Targets	<ul style="list-style-type: none"> • <i>Goals and Objectives are the quantifiable results the recipient expects to achieve over the five-year period. Goals should be realistic, achievable, yet challenging and should include a timeline.</i> • <i>Example objectives include amount of MRDT revenue, visitation levels, or visitor revenue desired by a certain date. If an objective is difficult to measure, indicators can be used; for example, the increase in visitors to a sample of operators or the number of enquiries at a website or visitor center could be indicators for overall visitation levels.</i> • <i>Targets should be identified for all Objectives for the five-year period.</i>
Strategies - Key Actions	<ul style="list-style-type: none"> • <i>Strategies describe the broad direction the community will take to achieve the stated goals and objectives.</i> • <i>Strategies look longer term and may not change from year to year while tactics are short-term actions to achieve the implementation of a strategy.</i> • <i>Strategies could include but are not limited to promotional strategies as well as relevant Destination development and Product experience and visitor services strategies:</i> <ul style="list-style-type: none"> ○ <i>Examples of promotional strategies are social media, media</i>

Section 1: Five-Year Strategic Overview	
	<p><i>relations, advertising, joint or levered promotions, or consumer shows.</i></p> <ul style="list-style-type: none"> ○ <i>Destination development and product experience strategies may include those addressing infrastructure and policy issues, or products for tourism development.</i> ○ <i>Visitor services strategies may include approaches to satisfy visitor information needs.</i> <ul style="list-style-type: none"> ● <i>Applicants should provide a description of the overall resource allocation by major category</i> ● <i>Applicants should list key actions for each year of the five year period with more detail in the first three years.</i>
Stakeholder Engagement	<p><i>The applicant is required to make its five-year strategic business plan available to tourism industry stakeholders and provide an opportunity for input. Please provide a summary of your stakeholder engagement.</i></p>
Brand Positioning	<p><i>Please provide the following:</i></p> <ul style="list-style-type: none"> ● <i>A statement that clearly defines how the community will be positioned and the rationale.</i> ● <i>This positioning statement should provide direction for product development and promotional activities.</i> ● <i>Brand positioning may include other communities clustered within a larger area.</i>
Target Markets	<p><i>Please provide:</i></p> <ul style="list-style-type: none"> ● <i>The types of visitors that are priorities for the community, stating primary and secondary target markets.</i> ● <i>Geographic target markets, demographic, and activity-based target groups.</i>
Management, Governance, and Administration	<p><i>Please provide:</i></p> <ul style="list-style-type: none"> ● <i>A description of the proposed management, governance and administration process for the activities and funds.</i> ● <i>For example, whether the applicant will be carrying out the proposed activities or, in the case of a municipality or regional district, whether a service provider such as a local tourism association or other organization will be responsible for carrying out the proposed activities.</i> ● <i>The applicant remains responsible for monitoring and reporting on the use of funds, even where the activities are delegated.</i>

Sources of Funding	<ul style="list-style-type: none">• <i>Please indicate other available sources of funding to fund tourism marketing, programs and projects in addition to the MRDT.</i>• <i>Funds from the MRDT must be incremental to existing sources of funding.</i>• <i>The funds from the MRDT must not replace existing sources of tourism funding in the community.</i>
Affordable Housing (if applicable)	<ul style="list-style-type: none">• <i>Please provide an overview of what your affordable housing plans seek to achieve over the five-year period (what are the intent and end state).</i>• <i>Specific details are to be included in Appendix 1.8.</i>

Section 2: One-Year Tactical Plan with Performance Measures

Please provide a **Project Plan** for each major activity you will undertake in the year ahead using MRDT funds. Authorized purposes of MRDT funds are tourism marketing, programs and projects and any other prescribed purposes as set out by regulation.

Project plans should include the following information for each activity. The recipient can organize the plan in a manner that best reflects their individual approach. Please note that Destination BC may share relevant tactical information with applicable Destination BC program areas to facilitate increased collaboration and alignment.

1. The **major category** of the activity. Examples could include marketing, destination and product experience management, visitor services, etc.

Marketing, which may include:

- Media Advertising and Production (for example: print, radio, television, out-of-home, paper direct mail, email marketing, search engine marketing, paid social media, display, and native advertising)
- Website - Hosting, Development, Maintenance
- Social Media Management Platforms and Tools (i.e. Hootsuite)
- Consumer Shows and Events
- Collateral production and distribution
- Travel Media Relations (for example: story idea creation, media and influencer FAM hosting/support, attendance at media marketplaces, etc.)
- Travel Trade (for example: trade and FAM hosting/support, etc.)
- Consumer-focused asset development (for example: curation or production of written content, photography, videography)
- Other.

Destination and Product Experience Management, which may include:

- Industry Development and Training - Enhancing Education and Knowledge (for example: market readiness, digital readiness, industry conferences, packaging and tourism-related industry workshops, etc.)
- Product Experience Enhancement and Training (for example: Itinerary Development, Content Development and Key Experience Creation)
- Research, Evaluation and Analytics
- Other.

Visitor Services, which may include:

- Visitor Services Activities (for example: staff wage and benefits, visitor services via social media, digital tools, including mobile apps, kiosks, beacons, etc, roving/mobile visitor services, ambassador programs, FAMs)
- Other.

Meetings, Conventions, Events and Sport:

- Examples could include conferences, events, sales, sport, grant programs, etc.

Affordable Housing, which may include:

- Details on affordable housing projects (project description and rationale, authorizing documents, budget and applicable funding partners)
- Please complete and attach Appendix 1.8.

Other:

- Other activities not covered by the above categories, such as capital expenditures if **pre-approved by government** (prior to application), etc.

2. Please list and describe **the tactics** your community will use to achieve the strategies outlined in Section 1 of your Five-Year Strategic Business Plan. There may be several tactics for each activity.
3. Please provide an **implementation plan** that includes a short description, quantifiable objectives, rationale, action steps, potential partnerships, resources, sources of funding, responsibilities, timeframe, budget, and evaluation mechanism.
4. Please outline the **performance measures, expected outputs and outcomes**. Note, designated recipients receiving a tax rate of 3% are subject to additional reporting requirements. Please refer to Appendix 2.2 for more information about annual reporting of performance measures.

Project Plan Template

A description/instructions pertaining to each section is provided in grey text as a guide only. **The format of your Project Plan may be developed specific to your community needs and resources. If using this template, please delete the grey text and provide your response accordingly.**

Major Category: <i>(e.g., Marketing - Travel Trade; Visitor Services – Mobile Apps; Conferences)</i>
Activity Title: <i>Please provide the title of activity.</i>
Tactics: <i>Please list and describe the tactics to be used to achieve the strategies outlined in Section 1 of the Strategic Business Plan. There may be several tactics for each activity.</i>
Implementation Plan: <i>For each activity, an implementation plan should include the following information:</i> Short Description: Quantifiable Objectives: Rationale: Action Steps: Potential Partnerships: Resources: Sources of Funding: Timeframe: <i>(when will the tactic begin and end or is it ongoing?)</i> Budget:

Performance Measures:

- *Please review the tactics listed above and identify expected outcomes and outputs for each.*
- *Report out annually on the performance measures (refer to Appendix 2.2).*
- *The performance measures must align with the four MRDT Program Principles:*
 - *Effective tourism marketing, programs and projects*
 - *Effective local-level stakeholder support, and inter-community collaboration*
 - *Marketing efforts that are coordinated and complementary to provincial marketing strategies and tactics*
 - *Fiscal prudence and accountability.*
- *Consider the following definitions when preparing the output and outcome measures:*
 - *Outputs - measure the level of service provided by a project or provides information about what was done. They define "what you did", e.g., hosted four media familiarization trips.*
 - *Outcomes - measures on the achievement of broader goals such as increasing average visitor yield or enhancing the customer experience.*

• *Examples only:*Output Measures:

- *Types of marketing activities*
- *Number of event campaigns and results*
- *Description of social media activities and outcomes*
- *Number of media placements*
- *Number of conventions and meeting sales*
- *Webpage visits*
- *Visitor inquiries/calls*

Outcome Measures:

- *Visitor volume*
- *Visitor nights & visitor spending*
- *Visitor revenues*
- *Average length of stay*
- *Accommodation revenues*
- *Number of new tourism businesses*

Section 3: MRDT Budget for Year One

Designated recipients **must** complete the budget table as provided below.

Revenues (MRDT and Non-MRDT)		Budget \$
Ending Carry Forward from Previous Year (All Net Assets Restricted and Unrestricted)		
MRDT (net of admin fees)		
MRDT from online accommodation platforms (OAP)		
Local government contribution		
Stakeholder contributions (i.e. membership dues)		
Estimated Co-op funding (e.g. CTO, CMO-led projects)		
Grants – Federal		
Grants – Provincial		
Grants/Fee for Service - Municipal		
Retail Sales		
Interest		
Other (please describe)		
Total Revenues		
Expenses (MRDT and Non-MRDT)		Budget \$
Marketing		
Marketing staff – wage and benefits		
Media advertising and production		
Website - hosting, development, maintenance		
Social media		
Consumer shows and events		
Collateral production and distribution		
Travel media relations		
Travel trade		
Consumer-focused asset development (imagery, video, written content)		
Other (please describe)		
<i>Subtotal</i>		
Destination & Product Experience Management		
Destination & Product Experience Management Staff – wage and benefits		
Industry development and training		
Product experience enhancement and training		
Research and evaluation		
Other (please describe)		
<i>Subtotal</i>		
Visitor Services		
Visitor Services Wages and Benefits		
Visitor services Operating Expenses		
Other (please describe)		
<i>Subtotal</i>		
Meetings, Conventions, Events and Sport		
Staff – wages and benefits (if stand alone)		
Meetings, conferences, conventions, sales, events, sport, etc.		

	<i>Subtotal</i>	
Administration		
Management and staff unrelated to program implementation – wages and benefits		
Finance staff – wages and benefits		
Human Resources staff – wages and benefits		
Board of Directors costs		
Information technology costs – workstation-related costs (i.e. computers, telephone, support, networks)		
Office lease/rent		
General office expenses		
	<i>Subtotal</i>	
Affordable Housing		
OAP Revenue		
General MRDT Revenue		
	<i>Subtotal</i>	
Other		
All other wages and benefits not included (please describe)		
Other activities not included above (please describe)		
	<i>Subtotal</i>	
	Total Expenses	
	Estimated Carry Forward – all Net Assets Restricted and Unrestricted	
Balance		

Section 3: Projected Spend by Market (*broad estimate*) for LEISURE activities only & projected percentage of spend focused on each season (*broad estimate*)

Add more rows as needed.

Geographic Market	Total Marketing Budget by Market	% of Total \$ by Market
BC		
Alberta		
Ontario		
Other Canada (<i>please specify</i>)		
Washington State		
California		
Other USA (<i>please specify</i>)		
Mexico		
China		
UK		
Germany		
Australia		
Japan		
Other International (<i>Please specify</i>)		
Total		100%