GOLDMAN & ASSOCIATES
PUBLIC RELATIONS

And

Stephanie Slocum

Surry County Competitive Tourism Position Travel Market Research Study

April 29, 2014

GOLDMAN & ASSOCIATES
PUBLIC RELATIONS

And

Stephanie Slocum

Tourism is the fifth largest industry in the state of Virginia, generating $21.2 billion in domestic visitor spending, supporting 210,000 jobs and providing $1.36 billion in state and local taxes in 2012. The Coastal Virginia/Hampton Roads ("Coastal Virginia") region that includes Surry County is the second most popular tourism region in Virginia based on tourism-related expenditures, jobs and tax dollars generated with 19% of total visitation volume, growing 6% from 2007 to 2011. Northern Virginia was the number one region, based on the same factors, with 44% of Virginia's total visitation volume.[1]

As the primary or secondary revenue generator in many rural communities and for many businesses in Virginia, tourism is an important economic development tool,

- bringing in money from outside of Surry County
- retaining and creating jobs
- supplying tax revenues
- providing income for business owners and payroll funds for employees—re-invested into communities and counties
- supporting amenities that enhance the quality of life for citizens and visitors—covering a significant portion of municipal services funding
- contributing to small business development: business retention, business attraction and new business creation
- fueling a positive economic climate for other commercial/industrial development, and
- enhancing community pride and civic tourism

In order to maximize the success of a tourism development initiative, it is critical to understand the specifics of the opportunity. This document explores travel trends and activities, current and potential visitor profiles, tourism brands across the region, local destination asset visitation numbers, travel themes and Surry County's tourism value. Understanding the behavioral traits of who is traveling, to what, and to where is essential to the successful development of a tourism improvement strategy and will serve as the basis for the implementation of the County's branding and marketing solutions.

---

[1] Virginia Tourism Corporation ("VTC")

Visitors are more attracted to a destination with a diversity of travel product offerings that include a strong overall experience and world-class quality customer service. The goal of a destination region should be to highlight a wide variety of attractions that entice visitors and result in extended stays.

By understanding visitation preferences and trends, marketing and advertising strategies can more effectively reach specific travel segments by targeting interests through demographic or psychographic characteristics. Using traveler intent data, appropriately established strategies can reach the right people with the right message at the right time. For building brand awareness, correctly targeted, traveler-focused multi-media placements are crucial to engaging potential visitors to spend a day in Surry County.

Travel Trends

To better position a destination's attraction value it is important to understand what the traveling public's interests are. Fortunately for Surry County, the potential for increased tourism visitation based on its geographic location is significant. Understanding the purpose of travel to Coastal Virginia presents a unique opportunity for tourism promoters to get their products in front of an extremely valuable audience: travelers.

<u>Nationally</u>

Important destination attributes to travelers in the United States include overall atmosphere (86%), relaxation (82%), accommodations (82%), food and dining (76%), excitement (65%), entertainment/ cultural activities (62%), good for families (58%), outdoor recreation (55%), good for couples (52%) and sporting events/tournaments (18%).

Nation-wide leisure travel interests include historic sites and building tours (28%), museums (25%) and festivals (20%). National park visitation is on the increase annually, with 285 million visits in 2009, theme parks with 340 million visits and museums with 850 million visits. Museums are among the top three family vacation destinations.[2]

The top leisure travel activities for domestic travelers are: (1) visiting relatives, (2) shopping, (3) visiting friends, (4) fine dining, and (5) beaches.[3]

In 2012, international travelers visiting urban areas and small towns were attracted in significant numbers to nature and cultural-based experiences such as visiting historic sites (40%), cultural sites (23%), and national parks (20%).

In recent years, there is less of an emphasis on the cost of a trip (18%) versus the type of destination (34%) and the type of trip (33%), preferring a full service hotel or resort (80%) and an emphasis on "quality" over "savings".[4] In 2014, in spite of fears of increased fuel prices,

---

[2] Cultural and Heritage Traveler, 2009, Mandala Reseach, LLC and U.S. Department of Commerce/Office of Travel and Tourism Industries

[3] 2014 US Travel Fact Sheet, US Travel Association

[4] 2012 Portrait of the American Travelers by MMGY

higher travel costs (including lodging and food) and poor service, tourism levels are expected to increase. Travelers are more interested in[5]:

- unique experiences ("conspicuous leisure")
- creative tourism travel, based on an engaged and authentic experience, providing a connection with those who reside in the destination. (The creative tourist differs from a cultural tourist in that he or she is active and interacts with the locals.)
- luxury travel
- multi-generational travel, having reliable staying power--especially with baby boomers, centered around milestone events, trading memories, convenience and value.

Current Activity Trends[6]
Travelers are focused on vacation destinations that will provide them diverse and authentic experiences, such as the following activities:

- Active touring

To actively participate in their trips, travelers are looking to hike, climb, bike, ride a horse, and explore -- physically as well as intellectually.

  - Outdoor recreation and/or visiting national or state parks
    One in four (23%) leisure person-trips includes some form of outdoor recreation and/or a visit to a national or state park. Outdoor trips are also likely to be taken by car (76%), and one in six (17%) outdoor trips includes camping in an RV or tent. (Source: Domestic Travel Market Report, 2003 Edition)
  - Camping
    The number one outdoor vacation activity in America is camping, with one-third of U.S. adults having gone on a camping vacation in the past five years. Camping vacationers tend to be married with children at home and camped with their spouses (59%) and children (nearly 50%). The average age of travelers who go camping is 37 with a median household income of $43,000. People who go camping also tend to enjoy hiking, biking and canoeing. (Source: Adventure Travel Report.) Retirees are interested in "glamping" (a hybrid word that stands for glamorous camping), for people who want to commune with nature in comfort and style, with plenty of amenities and planned activities.
  - Biking
    More than 27 million travelers in the past five years biked on vacation, ranking as the third most popular outdoor vacation activity in America (following camping and hiking). People who take biking trips tend to be young and affluent, with about half between the ages of 18 and 34. More than 80% of biking travelers took a camping trip in the past five years, and 72% took hiking trips in the past five years. (Source: Adventure Travel Report.)

---

[5] Resonance Consultancy president Chris Fair, as quoted in SIX TRAVEL TRENDS TO WATCH IN 2014 & BEYOND by Robin Amster, November 14, 2013

[6] "Five Noteworthy Travel Trends of 2013", blog.FriendlyPlanet.com and Travel Industry Association of America ("TIA")

- Voluntourism

Many travelers are interested in opportunities to outreach and volunteer to make a difference in areas such as the protection of endangered species, helping improve conditions for people in poverty with a lack of basic conveniences like electricity and clean water, providing educational supplies to children in a local community, supporting the improvement of and/or construction of facilities, or assisting with archaeological digs. Retirees are especially interested in these types of activities.

- "Togethering"

"Togethering" represents multigenerational, extended families vacationing together to strengthen family ties. Spending time and participating in activities together are recognized as building relationships among family members. (Destinations have generally lagged when it comes to providing services and amenities that appeal to the multigenerational travel market, and addressing this trend could a significant opportunity.)

- Food

Whether taking cooking classes or seeing cooking demonstrations, tasting local specialties, sampling new and different foods, experiencing food products -- how they are grown, prepared, and served, visiting local markets, and preparing foods under the guidance of local chefs have become really popular inclusions in travel plans.

- Wine, beer and spirits

Travelers are interested in local wine, beer and spirits, and locations are offering unique ways to sample them. With both food and beverages, tastings can increase product sales for local businesses. Wine, beer and spirits aficionados are looking for opportunities to learn about local, unique offerings and often make choices about where to go based on what is being served.

- Beaches

Access to water and beaches is one of the most popular travel activities. One in ten person-trips includes going to a beach, equating to 109.5 million domestic person-trips taken in the U.S. in 2003. Long trips are popular with beach-goers as 36 percent of beach person-trips last a week or longer. Among household trips including beaches, 41 percent include children. (Source: Domestic Travel Market Report, 2004 Edition.)

- Festivals and Fairs

Events are popular ways for travelers to experience new and interesting cultures. Four in ten (41%) domestic adult travelers attended a festival and/or fair during a trip in the past year. Specifically, one in five (20%) past-year travelers say they attended a heritage, ethnic, or folk festival or fair. About one-third (31%) of past-year travelers attended another type of festival or fair, such as a state or county fair or arts and crafts fair. (Source: The Historic/Cultural Traveler, 2003 Edition.)

- Tours

Travel packages offering two or more tourism themes with tour operators are quite popular for rural sightseeing. Generally the tour operators will create, assemble, promote, and sell the packages themselves. To assist in their promotion, destinations should develop an itinerary or itineraries to generate ideas for tour operators (and place on the VTC web site, for example). The most popular packages today are educationally-, culturally-, or holiday-themed, national parks-based, and for niche groups such as for voluntourism, women-only, adventure, and wine tasting. Tours generally are taken by seniors (43%), baby boomers (25%), adults from 22-38 (22%), and students (10%)

Virginia[7]

The Coastal Virginia region is the number one vacation destination in Virginia with 73% appeal. The Eastern Shore follows with 66%, and Northern Virginia with about 50%. Of the most frequently visited cities in Virginia, Virginia Beach ranks as #1, Williamsburg #2, Norfolk #3, Newport News #4, Chesapeake #6, Hampton #8, Suffolk # 9, and Portsmouth #10.

Included in the top 25 Virginia attractions most frequently visited by travelers are Colonial Williamsburg #1, Chesapeake Bay Bridge Tunnel #2, Busch Gardens #3, Prime Outlets/Williamsburg #4, Norfolk Naval Station #5, Williamsburg Pottery #6, Virginia Zoo #7, MacArthur Center Mall #8, Yorktown Battlefield #9, Colonial Parkway #10, Jamestown Settlement #12, Virginia Aquarium & Marine Science #15, Yorktown Victory Center #17, Virginia Air and Space Center #18, Virginia Living Museum #21, Water Country USA #22, Nauticus/National Maritime Center #24, and Hampton Roads Naval Museum #25.

To quantify potential visitation to Surry County, some regional visitation numbers are as follows[8]:

- paid attendance:
  - Colonial Williamsburg (2013) 651,000
  - Jamestown (2013) 401,455
  - Yorktown Victory Center (2013) 158,617
  - Busch Gardens (2012) 2.85 million
  - Water County (2012) 748,000
- overnight visitation (2013)
  - Historic Triangle 3.3 million with average length of stay of 3.8 days
  - Virginia Beach 5.5 million with average length of stay of 4.4 days
- increase in regional tourism expenditures (2012 over 2011)[9] (one half of gain is likely due to inflation)
  - Historic Triangle: Williamsburg 4.1%, James City County 5.3%, and York County 2.6% (attracting more people earning $75,000 or more than other competing destinations)
  - Norfolk 5.3%
  - Surry County 2.5%
  - Virginia Beach 5.0%

[7] VTC
[8] Virginia Gazette, April 5 and 9, 2014
[9] VTC

Virginia's/Coastal Virginia's Visitors[10]

A regional tourism perspective is critical, in that the level of success of increasing tourism visitation to Surry County is dependent primarily on attracting visitors who have already been drawn to the Coastal Virginia region. Fortunately, this region is currently a very popular destination for leisure tourism visitation. A 2011 Trip Advisor American Best Family Destinations lists Williamsburg as #1 and Virginia Beach as #2 for vacation excursions.

From a branding perspective, Colonial Williamsburg remains one of the most popular historic and themed destinations with several family theme parks. Virginia Beach's primary draw is the oceanfront beach and outdoor recreation assets. Norfolk promotes its waterfront activities, arts and culture, history and museums, and shopping. Hampton highlights its history, museums, and shopping. Newport News markets its history, museums, and outdoor activities at its parks--and that it is "close to ships, history, and the great outdoors". Portsmouth speaks to its history, shopping, museum, art, and dining. Smithfield's message is "hams, history, hospitality, and heart".

The following are statistics on today's travelers and specifically for those who are coming to Virginia and to Coastal Virginia:

- leisure travelers are older than business travelers, with an average age of 47.5 years old. Mature travelers comprise 36% of leisure travel.
- age of travelers:
  - U.S.: 20% are 25-34, 19%/45-55, 18%/65+, 18%/55-64, 17%/35-44, and 8%/18-24 years old.
  - Virginia: 20% are 25-34, 20%/35-44, 20%/55-64, 19%/45-54, 16%/65+, and 6%/18-24.
  - Generally,[11]
    - Millennials (18 to 30 year-olds) are of growing importance to the travel industry, as a much more ethnically diverse group than other generations and more interested in urban than resort destinations. They are more likely to travel in pursuit of favorite interests or activities and more likely to travel with friends in organized groups.
    - Young professional prefer destinations with diverse activities, outdoor recreation, and arts and cultural attractions.
    - Seniors, the world's wealthiest group and the most demanding travelers, take a trip primarily for rest and relaxation and tend to favor quieter, less congested destinations. Customer service is crucial to this group, getting frustrated at higher levels resulting in zero tolerance for poor service.
- 59% [51%] of visitors to Virginia [Coastal Virginia visitors][12] are married, 19% [23%] have never been married, and 23% [26%] are divorced, widowed, or separated.
- Travelers to Virginia [Coastal Virginia] are highly educated (head of households): Some college 16% [22%], graduated college 25% [34%], and post graduate degree 14% [18%].

---

[10] VTC

[11] Resonance Consultancy president Chris Fair, as quoted in SIX TRAVEL TRENDS TO WATCH IN 2014 & BEYOND by Robin Amster, November 14, 2013

[12] Listed statistics are generally from the State of Virginia perspective. When statistics are also listed for Coastal Virginia, those specific statistics are enclosed by [ ].

- Fewer adults are traveling with children. In 2012, 26% of domestic leisure travelers traveled with children under the age of 18 (408.5 million trips) compared with 2008, when 31% of adults traveled with children (466.2 million trips).
- In the second quarter of 2013, men traveled significantly more than women at 59% versus 41%, but in the third quarter of 2013, women traveled more than men at 51% versus 49%. In the fourth quarter of 2013, women and men made up the same percentage of travelers for the first time all year.
- The ethnic background of travelers to Virginia [Coastal Virginia]: white 83% [75%], Black/African American 10% [14%], Asian 2% [4%], American Indian/Aleut Eskimo <0.5%, [same], and Other 5% [2%].
- Leisure travel average group size in Virginia: 1/29%, 2/41%, 3/12%, 4/10%, 5/4%, 6+/5%. (VTC)
- Traveling households earn more than non-traveling households. In 2012, the median household income for domestic leisure travelers was $62,500, compared to $52,800 for the general U.S. population.
    - Virginia [Coastal Virginia]: Less than $29,999/16% [21%], $30,000 to $39,999/9% [8%], $40,000 to $49,999/11% [10%], $50,000 to $59,999/7% [6%], $60,000 to $74,999/12% [11%], $75,000 to $100,000/19% [16%], $100,000 to $124,000/$14% [14%] and over $125,000/13% [14%].
- Visitor origin[13] in Virginia [Coastal Virginia]:
    - State: Virginia 32% [35%], North Carolina 10% [13%], Maryland and New York 6% [5%], Pennsylvania [6%] and Florida 5% [4%], New Jersey [4%], Ohio [2%], California [2%] and Georgia 3% [3%].
    - Designated Market Area (DMA): Washington, DC 12% [11%], Coastal Virginia 7% [18%], Richmond/Petersburg 7% [11%], New York [7%] and Roanoke/Lynchburg 6% [3%], Raleigh/Durham 4% [>1%], Philadelphia [3%] and Baltimore 3% [2%] and Greensboro/High Point/Winston Salem and Charlotte 2% [>1].
- The majority of Americans in fourth quarter 2013 traveled for leisure purposes (74%) rather than for business (26%). The two most heavily traveled weeks of the year —Thanksgiving and Christmas — were part of the reason for the uptick in leisure travel in that period.[14]
- In 2012, 33% of domestic business trips included air travel compared to just 11% of leisure trips. Nearly eight in ten (79%) leisure trips were by car compared to less than half (48%) of business trips. 78% traveled to or within the Coastal Virginia region primarily by personal automobile, 3% via rental car, and 13 % by airplane.
- Tourism Spending in Virginia in 2012[15]: Total $887.9 billion
    - Food services $209.2 billion/23%
    - Public transportation $168.0 billion/19%
    - Lodging $167.5 billion/19%
    - Auto transportation $157.4 billion/18%
    - Retail $94.3 billion/11%
    - Recreation/amusement $91.4 billion/10%
- 45% of residents regularly travel within their state while 55% travel out of state.

---

[13] VTC
[14] National Travel Trends, United States, 4th Quarter, 2013, Sojern
[15] VTC

To quantify the significant potential tourism visitation numbers for Surry County of residents in Virginia and bordering states, the population of Virginia is at 8,260,405, Maryland at 5,928,814 and North Carolina at 9,848,060.

When and Length of Visitors' Travel

- The seasonal periods of travel in Virginia[16] breaks down as: Spring (25%), Summer (31%), Fall (24%), and Winter (20%)
- Across the United States, most people (45%) traveled to a destination for a minimum of six days in the fourth quarter of 2013, an increase in longer trips, corresponding to the holiday season. The third quarter of 2013 saw 41% of travelers staying for six or more days. 39% in the fourth quarter traveled between three to five days, consistent with the third quarter (40%). Short turn-around trips — those lasting only one or two days — were the least popular at 16% in the fourth quarter, a decrease from third quarter's numbers at 19%.[17]
- In Virginia [Coastal Virginia][18], 16% [19%] of travelers are taking day trips, with no overnight stays. 12% [13%] stay only one night, with 2 nights 18% [17%], 3 nights 13% [12%], 4 nights 8% [7%], 5 nights 7% [8%], 7 nights 5% [8%], 8 to 13 nights 13% [8%] and over 14 days 5% [3%]. Providing an additional day of activities in Surry County can extend the numbers of overnight stays and be advantageous for partnerships with lodging and dining establishments in Coastal Virginia.
- 49% of travelers are staying in the home of friends or family, with 45% staying in hotels, motels, timeshares, and B&B's, and 7% visiting campgrounds.[19] Coastal Virginia lodging numbers (below) reflect a reduction in nights spent in hotels and motels, and indicate an increase in stays at timeshares and private rental homes, condominiums and townhouses.[20]

Locality	Room Demand % Chg	Room Supply % Chg	Annual Average Room Rates 2013	2012	% Chg	Room Revenue % Chg	Occupancy % 2013	2012	% Chg
Norfolk-Virginia Beach, VA	-3.9	-0.7	88.59	86.26	2.7	-1.3	53.3	55.1	-3.2
Chesapeake/ Suffolk	-4.6	-0.2	69.71	69.32	0.6	-4.0	59.0	61.7	-4.4
Newport News/Hampton	-2.8	-0.2	63.92	62.39	2.5	-0.4	56.5	58.0	-2.6
Norfolk/ Portsmouth	-4.7	-0.0	79.96	80.72	-0.9	-5.6	56.7	59.5	-4.7
Virginia Beach	-4.2	1.2	119.01	114.68	3.8	-0.5	54.3	57.3	-5.3
Williamsburg	-3.5	-4.3	89.90	85.54	5.1	1.4	43.5	43.1	0.8

Visitor Trip Preparation

Trip planning sources have shifted over the last several years, with social media and mobile devices being used more often.

- The Internet is the number one source of travel information, planning, and purchasing. 66% of those booking airlines and hotels use the Internet exclusively to plan vacations versus 35% in 2000.[21]
- In 2012, 23% of domestic leisure travelers relied on friends and relatives to plan their trips, 31% utilized their own past experiences, 10% used destination websites, 9% used traveler

[16] VTC
[17] National Travel Trends, United States, 4th Quarter, 2013, Sojern
[18] VTC
[19] TNS/Travels America Survey 2008.
[20] Virginia Gazette, April 5 and 9, 2014
[21] Y Partnership 2007 National Leisure Travel Monitor

provider websites (e.g., airline, hotel, rental car, cruise, tours, etc.), 5% used social networking, and 4% used a mobile device.
- Comparatively, in 2009, only 2% used social networking sources, and 1% used their mobile device to assist in trip planning. Direct experiences and destination websites were also relied on slightly more in 2009 than in 2012.

Booking Lead Time[22] (The time period between the purchase and travel date is referred to as the booking lead time.)
- While travelers tend to plan the destination of their vacations and book airfare in advance, 55% of travelers are booking their travel-related activities and hotels upon arrival at their destination.[23] (This is a significant opportunity to rely on enticing visitors to Surry County with regionally-based marketing once they are in the region.)
- 83% of leisure vacation trips were booked more than a week in advance in fourth quarter 2013, an increase from the 73% in third quarter 2013. Booking lead time provides advertisers with a prime window in which to optimize targeted messaging with relevant offers for the traveler.
- Most airline bookings (51%) occurred more than 30 days in advance in fourth quarter 2013, a significant increase over third quarter with only 31% booking more than 30 days in advance. Last-minute bookers tend to be business travelers. (Leisure travelers, especially those traveling as a family or in a group, tend to book farther in advance for both flights and hotels. Holidays are the likely cause for extended airline and hotel booking lead time in the fourth quarter.)
- Same-day hotel bookings remained extremely popular (29%) in fourth quarter 2013, compared to 32% in third quarter. Only 12% of travelers booked their hotel in fourth quarter more than 30 days in advance, more than any other quarter last year, with third quarter seeing only 6% do so.
- The tendency for travelers to book their hotel the same day as their departure is a long-term trend. Instead of grabbing the lowest price by booking ahead of time, travelers seem to consider hotel prices as less fluctuating and therefore lower priority for booking.

Travel Destinations and Preferences
Top Motivators to Visit a Destination[24]
- Been to destination before 47%
- General knowledge 28%
- Recommendation from friends and/or family members 33%
- Information on travel web site 8%
- Destination brochure or visitor guide 7%
- Special offer or package 11%
- Advertisement for destination or read a newspaper or magazine article 6%
- Less than 5%: email promotion or newsletter, a book on destination, travel blog, movie or video on, social networking site, visiting family or friends, and travel agent recommendation

[22] National Travel Trends, United States, 4th Quarter, 2013, Sojern
[23] JiWire
[24] U.S Travel Association, Non-Destination Marketing Association assistance

Top Activities That Leisure Visitors to Virginia and Coastal Virginia Do/See (Bolded activities available in Surry County)

CV Priority	Activities	U.S.[25]	Virginia[26]	Coastal Virginia (CV)[27]
#1	**Visiting relatives**	33%	31%	30%
#4	**Visiting friends**	18%	16%	15%
#1	**Shopping**	20%	15%	30%
#6	**Rural sightseeing**	13%	13%	10%
#4	**Historic sites/churches**	7%	12%	15%
#5	**Museums**	7%	10%	13%
#3	**Fine dining**	13%	10%	17%
#8	**State/national parks**	8%	9%	6%
#7	Urban sightseeing	9%	9%	9%
#2	**Beaches**	12%	8%	20%
#9	**Wildlife viewing**	5%	5%	5%
#4	Theme park	5%	4%	14%
#11	**Wine tasting/winery tour**		2%	2%
Various				
	Outdoor recreation			
	Hang gliding/skydiving		.5%	<.5%
	Hiking/backpacking		3%	2%
	Rock/mountain climbing		<.5%	1%
	Scuba diving, snorkeling		<.5%	<.5%
	Skiing/snowboarding		<.5%	<.5
	Water skiing		.5%	1%
	Whitewater rafting/kayaking		<.5%	1%
	Biking		1%	2%
	Fishing		2%	2%
	Golf		1%	1%
	Horseback riding		1%	1%
	Hunting		.5%	<.5%
	Motor boat/jet ski		1%	<.5%
	Sailing		.5%	<.5%
	Snowmobiling		.5%	---
	Snow sports other than skiing		<.5%	---
	Tennis		.5%	---
	Bird watching		2%	2%
	Camping		2%	1%
	Caverns		1%	1%
	Gardens		4%	4%
	Nature travel/eco-touring		3%	2%

[25] U.S. Travel Association
[26] VTC
[27] VTC

Primary Surry County Travel Themes (in alphabetical order)

- Agri-tourism

Agri-tourism is a form of niche tourism that is considered a growth industry in the United States. It is conducted for the enjoyment or education of visitors and generates supplemental income for the farm or business owner. As it is defined most broadly, it involves any agriculturally-based operation or activity that brings visitors to a farm or ranch and includes a wide variety of activities, including buying produce direct from farm stands or shops or famers markets, U-pick fruit and vegetables, educational activities (e.g., cannery tours, cooking classes, or wine tasting), tours (e.g., schools, garden/nursery, winery, agricultural, or technical), historical agricultural exhibits, crop sign ID, microbrewery, animal farm, agricultural fairs and festivals, pumpkin patches, equine events and horseback riding, Christmas tree farms, non-profit agricultural tours, petting zoo, fishing, hunting, working dog trails or training, winery weddings, orchard dinners, youth camps, barn dances, guest ranches, navigating a corn maze, feeding animals, guided tours, staying at a B&B on a farm and more.

The travel trends that support the growth of agri-tourism[28] include:

- tourists are increasingly traveling by cars
- tourists are taking shorter trips and planning at the last minute
- travelers are looking for new experiences as part of their trips
- families want to strengthen their relationships by being together

Results drawn from several Virginia studies suggest local agri-tourism and forest recreation are important components of the state's tourism economic impact, accounting for millions of visitors and several billions of dollars in economic impact each year. A Leisure Trip Profile conducted for the Virginia Tourism Corporation suggests that a significant number of Virginia visitors are attracted by the state's rural amenities and engage in rural outdoors recreation and leisure activities. Approximately 940,000 people attended almost 1,200 Virginia horse shows and competitions in 2010 and generated more than $220 million in travel-related expenditures, much of it outside the horse event venue[29]. A study of the Virginia wine and grapes industry[30] estimated that Virginia's 193 wineries in 2010 attracted 1,618,000 wine-related tourists and generated $131 million in associated tourism expenditures. Virginia also hosts dozens of agricultural festivals each year. They include festivals celebrating farm commodities such as apples, peaches, peanuts, garlic, strawberries, blackberries and dairy products. Although independent estimates of the impact of these festivals are not available, one festival alone, the Pungo Strawberry Festival in Virginia Beach, draws an average of 170,000 visitors each year.[31]

- Eco-tourism

Eco-tourism is a form of tourism intended to offer tourists insight into the impact of human beings on the living parts of the natural environment (typically flora, fauna, and cultural heritage) and to foster a greater appreciation of natural habitats. Generally programs are offered that minimize the negative aspects of conventional tourism on the environment and enhance the

[28] Travel Industry Association of America ("TIA")
[29] Frank, Rimerman + Co. LLP, 2011
[30] Frank, Rimerman + Co. LLP, 2012
[31] Frank, Rimerman + Co. LLP, 2012

cultural integrity of the local people. It involves visiting fragile, pristine and relatively undisturbed natural areas, educating the visitors, providing funds for ecological conservation, benefiting the economic development and political empowerment of local communities and/or fostering respect for different cultures and for human rights. An additional yet integral part of eco-tourism is also the promotion of recycling, energy efficiency, water conservation, and creation of economic opportunities for local communities. Eco-tourism often appeals to advocates of environmental and social responsibility.

Ecotourism is about uniting conservation, communities, and sustainable travel, meaning that ecotourism activities should follow the following eco-tourism principles[32]:

- minimize impact
- build environmental and cultural awareness and respect
- offer positive experiences for both visitors and hosts
- provide direct financial benefits for conservation
- include financial benefits and empowerment for local people
- raise sensitivity to the country's, county's, or community's political, environmental, and social climates

- Events

Event and festival tourism is one of the fastest growing forms of tourism, often playing an important role in tourism development in small regional destinations and providing numerous benefits for communities, regions, and businesses. Local and regional events can increase visitation and expenditures, reduce tourism seasonality, encourage repeat visitation, and heighten regional awareness. They can also provide the stimulus for additional infrastructure development in the local area and building community pride. The fixed length of events and festivals encourages visitors to attend and often attracts new visitors who would otherwise not experience a particular region. In addition to bringing in new visitors, they also help to keep visitors in a region longer. Events can range from a one or two days to a week or a month. Research conducted by the CRC for Sustainable Tourism tends to suggest that participant-based events (e.g., a run or walk) may yield greater expenditure per person than spectator-based events (e.g., a music festival). Therefore, the economic impact of events may differ due to the type of event developed and the traveling market attracted to that event. These events would include revenue to participating or hosting non-profit organizations and businesses as well as businesses in the event's location thus potentially creating temporary jobs. Thousands of dollars in net profit can be generated based on the type and size of the event and the ability to keep expenses at a minimum. The maximum value of events should be viewed by tourism generators as attracting new visitors and creating repeat visitors.

- Food/Wine (formerly known as Culinary Tourism)

The goal of food tourism is to educate and inspire food and wine enthusiasts while giving travelers a chance to explore the local area and learn about local food trends, cooking techniques and food history. Those with an interest in food and wine would enjoy food, winery and brewery tours, food and wine events, foodie competitions, food sampling, food trends, wine making, baking, restaurant weeks, dining events, tours of restaurants and food manufacturing plants,

[32] Principles of Ecotourism, The International Ecotourism Society

conferences and events with culinary professionals and cookbook authors, and ethnic food tastings. These activities give visitors a chance to sample local or regional cuisine. According to the World Food Tourism Association, food tourism is growing exponentially every year. With the steady increase in interest of food channels, travel shows featuring local and regional cuisine, food documentaries and online culinary travel shows, more consumers are traveling to various destinations just to enjoy new food and wine experiences.

Twenty-seven million travelers, or 17% of American leisure travelers, engaged in food- or wine-related activities while traveling within the past three years, based on a report from the Travel Industry Association (TIA). The future is brighter for the food traveler market as 60% of the same travelers are interested in food travel in the near future.

Food travel is a $52 billion/year industry in the United States. Food travelers spend almost $100,000 per minute, 24 hours a day, on food and drink while traveling. Food travelers tend to have average to only slightly higher incomes, skew middle-aged to younger, are better educated than non-food travelers, and are motivated by unique experiences, reinforcing the need for also promoting and developing a destination's other environmental and cultural elements.

On average, food travelers spend $1,194 per trip, with over one-third (36% or $425) of their travel budget going towards food-related activities. Those considered to be "deliberate" food travelers (where culinary activities were the key reason for the trip) tend to spend a significantly higher dollar amount of their overall travel budget on food-related activities ($1,271 average trip cost; $593 or 50% spent on food-related activities).[33]

Wine travelers spend, on average, $973 per trip, with about one-fourth (23% or $219) of their travel budget going towards wine-specific activities. Those considered to be "deliberate" wine travelers spend more of their overall travel budget on wine-related activities ($950 average trip cost; $339 or 36% spent on wine-related activities).[34]

- History & Heritage

Heritage tourism encompasses elements of living culture, history, and natural history of place that are very specific to a community or region. Heritage tourism is especially critical in rural settings.[35] The National Trust for Historic Preservation ("National Trust") defines it as "traveling to experience the places, artifacts and activities that authentically represent the stories and people of the past," which includes historic, cultural, and natural attractions and a personal encounter with traditions, history, and culture. Heritage tourism is based upon the concept that each community has a story to tell and educates residents and visitors about local and regional history and shared traditions. It is a rapidly growing niche market that is directed towards experiencing the local customs, traditions, arts, history, sites, and culture that authentically represent a particular place. According to the National Trust, visiting historic sites or museums ranks only third behind shopping and outdoor pursuits for travelers in the United States.

[33] World Food Travel Association, 2007 Food Travelers Study
[34] World Food Travel Association, 2007 Food Travelers Study
[35] The Heritage Tourism Initiative Core Team

Historic tourism sites have been in a downward trend for more than twenty years, as exemplified by Colonial Williamsburg, Mount Vernon, and Monticello, all seeing decreases in tourism visitation, even as Williamsburg is #3 on the current best nationwide historic destination list compiled by U.S. News. 78% of approximately 118 million U. S. travelers participate in cultural and heritage (e.g., museum and historical site visits) activities on at least one leisure trip a year.[36]

The 2009 study conducted by Mandala Research[37] ranks preferred cultural and heritage activities identified by travelers include visiting a destination, its buildings, and surroundings that have retained their historic character (66%), attending historical re-enactments (64%), traveling for educational purposes and making an effort to explore and learn local arts, culture, environment and history (58%), visiting art museums/galleries (54%), attending arts & crafts fairs or festivals (45%), attending professional dance performances (44%), visiting state/national parks (41%), shopping in museum stores (32%) and exploring urban neighborhoods (30%). Cultural and heritage travelers are also more likely to participate in culinary activities, such as sampling artisan food and wines, dining, attending food and wine festivals and shopping for gourmet foods, visiting farmers markets and natural resources and enjoying unique dining experiences in addition to fine dining, cultural activities, nature, exercise, and shopping.

- Outdoor Recreation

The number of outdoor recreation participants has increased from 134.4 million in 2006 to 141.1 million in 2011. The U.S. Department of Interior estimated that there were 622,000 freshwater anglers, 413,000 hunters and 2.312 million wildlife watchers participating in Virginia for 2006.[38] The anglers were responsible for $481 million in related spending, while the hunters and watchers generated $501 million and $960.2 million, respectively.[39]

The national and state park and forest systems are responsible for a significant portion of the outdoor recreation visitor traffic. Virginia's National Parks attracted 23.5 million visits in 2011 while the Virginia State Park System counted 7.8 million visits.

Impacts in Virginia, 2006[40]

Activity	Participants (thousands)	Total Output ($'s million)	Employment
Freshwater Fishing	622	809.2	9,213
Hunting	413	880.2	9,376
Wildlife Watching	2,312	1,582.4	17,489
Total	3,347	3,271.8	36,078

The most popular adult outdoor activities are fishing, running/jogging/trail running, camping, bicycling, and hiking/backpacking while assisted by recreational outfitters. Youth outdoor

[36] Cultural and Heritage Traveler, 2009, Mandala Reseach, LLC and U.S. Department of Commerce/Office of Travel and Tourism Industries

[37] Cultural and Heritage Traveler, 2009, Mandala Reseach, LLC and U.S. Department of Commerce/Office of Travel and Tourism Industries

[38] U.S. Department of Interior and U.S. Department of Commerce 2008

[39] Southwick Associates 2007, 2008; and U.S. Department of the Interior, U.S. Fish and Wildlife Service 2008b

[40] Southwick Associates (2007, 2008) and U.S. Fish and Wildlife Service (2008b)

activities in priority order are running and jogging, trail running, bicycling, camping, fishing, and hiking. The fastest growing activities are skiing, snowshoeing, kayaking, and triathlons.[41] Also included in the outdoor recreation category are wildlife/bird watching and photography, hunting, horseback riding guided tours or outfitter services, picnicking, wagon/sleigh rides, game preserve, clay bird shooting and off-road vehicle riding.

- Other tourism visitation themes

Additional themes identified by VTC include Sports (participatory and spectator), Meetings & Conferences, Arts and Music, Industry, Commercial Attractions (to include entertainment venues and performing arts centers) and Town/City Centers. Additional desired tourism lures include lodging and resorts, retail shopping, grounds/facilities, and nightlife venues.

Surry County Visitation Data

During the development process for the application for the VTC Marketing Leverage Program, Surry County visitation data was collected, including the following:

- number of annual visitors to one site: 40,235 (maximum number reported)
- number of unique visitors annually to a single Surry County business web site: approximately 50,000 (maximum number reported)
- visitor demographics:
  - sales channel utilized: primarily web site, followed closely by telephone calls
  - states of origin: Virginia (71%), North Carolina (4.3%), Florida (2.94%), Pennsylvania (2.89%), Maryland (2.31%), Ohio (1.42%), New York (1.36%), New Jersey (1.10%), Michigan (1.05%), and Georgia (1.00%).
  - Virginia point of origination for visit to one site (% of total visitors): Chesapeake (9.19%), Chesterfield (7.12%), Hampton (3.8%), Isle of Wight (5.44%), James City County/Williamsburg/York County (3.61%), Mechanicsville (2.21%), Newport News (5.21%), Norfolk (4.71%), Portsmouth (1.62%), Richmond (6.75%), Surry (3.09%), Suffolk (4.56%), and Virginia Beach (11.54%). The average size of visiting was 2.34 people.
- The Jamestown-Scotland Ferry transports 15,000 visitors a year to Smithfield[42]
- Virginia Department of Transportation statistics show an average daily traffic number along Rt. 31 near Rt. 10 as 4,800 and along Rt. 10 between Surry and Smithfield with average daily numbers of 3,800 to 5,300 depending on the specific location.

Surry County's Tourism Value

Goal: Reach the right people with the right message at the right time

Learning from Carl Lum, Busch Gardens President, as he states the priorities for his Williamsburg-based tourism business[43]:

- *Push product, product, product*. (Present the complementary nature of Surry County's tourism products to Coastal Virginia's visitors while promoting the uniqueness of its additional experiences)

---

[41] Outdoor Foundation
[42] Smithfield and Isle of Wight Tourism, April, 2014
[43] Virginia Gazette, April, 2014

- *Extend the length of stay for visitors who come to the Historic Triangle. (*Enlist the promotional cooperation of Coastal Virginia tourism entities for whom the benefit of an additional visitor day spent in Surry County will be mutually significant.)

The following are the current observations and conclusions developed as a result of meetings with Surry County stakeholders, the tourism statistics in Appendix B, a tour of the County's tourism assets, and the consideration of the travel research detailed above.

- Significant numbers of visitors are already drawn to the Coastal Virginia region, the primary tourist destination in Virginia, with the second most successful tourism region in Virginia based on tourism-related expenditures, jobs, and tax dollars generated.
- Substantial marketing funds are being spent annually from Williamsburg ($3.5 million--not including independent marketing done by Busch Gardens, Great Wolf Lodge, and Colonial Williamsburg) and Virginia Beach ($15 million), who with professional resources have identified their target audiences (e.g., North Carolina, Ohio, Washington, D.C., Baltimore, Philadelphia, New York and Boston) and have established strategically effective marketing plans.
- Surry County has a variety of interesting and attractive assets, none of which individually may be sufficient enough to attract many of the Coastal Virginia visitors to travel across the James River and spend the majority of a day in the County.
- The Surry County attractions are extremely complementary to those in Coastal Virginia. The most significant opportunity to draw visitors to Surry County is to create an image for a unique day trip based on the interests of the visitors to the Coastal Virginia region.
- Surry County's assets include: the Jamestown-Scotland ferry, outdoor recreation with critical locations under development, historic sites, churches, museums, Chippokes State Park with camping, beaches, and farming museum, unique African-American and American-Indian heritage, food/wine tourism with real southern cooking, camps, events and rural sightseeing --- and less traffic. Many of these assets should and can be further enhanced and packaged for promotion and increased visitation.
- Opportunities for tourism asset development include agri-tourism, eco-tourism, educational programs, outfitters, shopping, art and culture, and activities for children.

Surry County's greatest opportunities:

- Accept that Surry County will not be the primary destination for visitors. The visitation opportunity is as a secondary destination. The most effective strategy will be to work to attract visitors already in the Coastal Virginia region as the region's biggest attractions already draw over 5 million visitors a year and annually spend over $20 million on marketing.
- Target primarily day trippers who are Virginia residents and out of state visitors staying in Coastal Virginia (especially in Williamsburg with its close proximity) due to lack of lodging establishments. Work with regional lodging associations to convince them that promoting Surry County is a win for them and will extend vacationers’ stays.
- Develop a brand that focuses more on a common thread and a consolidated message that connects several Surry County travel asset themes rather than depending on one segment of tourism assets that may not be sufficient to attract a significant increase in visitors.

- Solicit local residents to be tourism advocates for Surry County since fully a quarter of all travel activity decisions for vacationers are made by family and friends.
- Take advantage of the similarly-themed attractions in Coastal Virginia that draw common visitor demographics. Promote clear, added-value experiences in a well-presented, broadly attractive manner describing a variety of interesting and unique assets in Surry County such as outdoor recreation, history and heritage, agriculture, food and wine, and education.

Appendix A

Travel Market Research Study Index

Appendix B

	2008	2009	2010	2011	2012	Percent Change
Population	7,096	7,088	7,052	6,936	6,821	(1.7) %

	2008	2009	2010	2011	2012	Percent Change
Travel Economic Impacts						
Employment	96	101	99	99	99	0.1%
Expenditures	$ 8,513,307	$ 8,480,152	$ 8,916,948	$ 9,468,736	$ 9,706,654	2.5%
Local Tax Receipts	$ 261,493	$ 263,449	$ 270,191	$ 273,526	$ 277,054	1.3%
Payroll	$ 1,916,696	$ 2,019,382	$ 2,057,643	$ 2,086,591	$ 2,126,388	1.9%
State Tax Receipts	$ 347,715	$ 370,137	$ 377,609	$ 382,782	$ 390,037	1.9%
Local Excise Tax Rates						
Admissions Excise Tax Rate	0 %	10 %	0 %	0 %	0 %	n/a
Food Service Excise Tax Rate	0 %	3 %	0 %	0 %	0 %	n/a
Lodging Excise Tax Rate	0 %	3 %	0 %	0 %	0 %	n/a
Local Excise Tax Collection						
Admissions Excise Tax Collected	$ 0	$ 0	$ 0	$ 0	$ 0	n/a
Food Service Excise Tax Collected	$ 0	$ 0	$ 0	$ 0	$ 0	n/a
Lodging Excise Tax Collected	$ 0	$ 0	$ 0	$ 0	$ 0	n/a

Notes:

Lodging Excise Tax Collected --	The town of Surry is not required to report Lodging Excise Tax Collections to the Auditor of Public Accounts.
Food Service Excise Tax Collected --	The town of Surry is not required to report Food Service Excise Tax Collections to the Auditor of Public Accounts.
Lodging Excise Tax Rate --	Surry (town) - 3%
Food Service Excise Tax Rate --	Surry (town) - 3%