

# Sullivan County Visitors Association

## 2026 Budget Rationale

### Introduction

As the steward of a \$1 billion tourism economy, our responsibility is twofold: to drive measurable visitation and spending, and to ensure those benefits flow back into our community. This budget reflects a balanced approach—rooted in industry best practices, informed by data, and designed to deliver both economic impact and community value.

---

## 1. Marketing & Promotion – 52.4% (\$2.2M)

The largest share of our budget goes exactly where it should—into market-facing promotion.

- **Why?** Research shows that 70–80% of travelers begin their planning online. To remain competitive, we must dominate digital spaces where decisions are made.
- **How we're investing:** Paid social, search/display ads, storytelling and owned content development are combined to build awareness, inspire trips, and drive bookings.
- **Innovation highlight:** Our **Mobile Visitor Centers** embody innovation—instead of waiting for visitors to come to us, four brand-forward vehicles—take our destination to festivals, events, and high-traffic locations. This is visibility that static centers can't achieve.

**Benchmark:** Destinations International recommends that DMOs allocate 50–60% of their budget to marketing. At 52.4%, we are on the conservative side of industry best practice.

---

## 2. Group Sales & Partnerships – 6.5% (\$275K)

Groups, meetings, and travel trade partnerships amplify our reach and diversify our visitor base.

- **Why?** Group business drives high-value visitors, often midweek, helping smooth seasonal peaks and valleys.
- **How we're investing:** Co-op programs with partners stretch dollars further, while direct group engagement ensures we compete in meetings markets.

**Benchmark:** Even modest investment here generates strong returns. Many DMOs dedicate 5–10% here; our 6.5% keeps us competitive without over-weighting.

---

## 3. Research, Analytics & Technology – 10.7% (\$450K)

In today's environment, accountability and transparency are non-negotiable.

- **Why?** We must prove impact to stakeholders and continually optimize strategy.
- **How we're investing:** Visitor dashboards, brand health tracking, and predictive modeling provide actionable insights and validate ROI.

**Benchmark:** Destinations International encourages allocating at least 10% of resources to research. At 10.7%, we lean into a data-driven culture.

---

---

## 4. Community & Product Development – 7.1% (\$300K)

Tourism only succeeds when the community thrives.

- **Why?** Residents are the backbone of our brand, and reinvesting in them builds long-term support and product strength.
- **How we're investing:** A \$300,000 grant pool directly supports local organizations, festivals, and initiatives, extending tourism's benefits to the grassroots level.

**Benchmark:** Few DMOs dedicate real budget to reinvestment. This is more than marketing—it's reinvestment. By visibly sharing resources, we strengthen our “social license to operate” and prove tourism works **for everyone**.

---

## 5. Administration & Operations – 23.2% (\$975K)

Operational excellence is the foundation of performance marketing.

Why this matters: As a 501(c)(6) destination marketing organization, nearly every staff member contributes directly to tourism marketing and visitor generation. Our operational investments are not overhead—they are the infrastructure and human capital that power a \$1 billion visitor economy.

How we're investing:

- **Staffing & Benefits (\$650K):** Ensures retention of the marketing, communications, and analytics talent that directly executes campaigns, partner programs, and visitor engagement initiatives.
- **Overhead & Organizational Infrastructure (\$275K):** Covers insurance, rent, technology, finance, and legal functions—each of which supports compliance, data security, and operational continuity that enable high-impact marketing.

**Leadership Allocation:** As CEO, time is divided between administrative functions and direct marketing leadership (typically 50/50 or 70/30). This structure ensures strategic oversight, fiscal responsibility, and hands-on marketing direction without unnecessary management layers.

**Benchmark:** While charitable nonprofits often target 20–25% for administration, industry best practice for DMOs allows a broader 20–30% range, given the marketing-centric nature of staff functions. At 23.2%, we remain lean, efficient, and directly aligned with performance-driven peers such as county and state-level destination organizations. In summary, our operational spending is not overhead—it's mission delivery infrastructure, ensuring that every campaign dollar is executed efficiently, compliantly, and with measurable impact.

---

# Conclusion

This \$4.2 million budget is strategically weighted and fully defensible:

- **Over half dedicated to marketing**, the core driver of visitation.
- **Increased group sales & partnerships**, ensuring balance across leisure, trade, and meetings markets.
- **Robust research & analytics**, proving ROI and accountability.
- **Community reinvestment**, showing residents that tourism dollars flow back home.
- **Efficient operations**, at the exact range for a high-functioning nonprofit.

## ESTIMATED ROI SCENARIOS FOR A \$1B TOURISM ECONOMY

BUDGET SCENARIO	BUDGET LEVEL	% OF \$1B ECONOMY	VISITOR SPEND ESTIMATE	PERFORMANCE POSITIONING
Treading Water	\$3 million	0.30%	<b>\$60,000,000</b>	Maintains baseline visibility and impact; limits expansion into new markets.
Strategic/Innovative	\$4.2 million	0.42%	<b>\$94,400,000</b>	Competitive funding - fully supports data-driven marketing and analytics investment.
Growth Mode	\$5 million	0.50%	<b>\$120,000,000</b>	Enables market share growth, audience expansion, and faster conversion cycles.

This allocation sustains our \$1B impact, while also demonstrating that tourism is not just an economic driver—it's a community partner. This plan ensures tourism continues to deliver meaningful benefits for both visitors and residents.

## Budget Breakdown by Category

### Marketing & Promotion

**52.4%**

Paid Social Media:	500,000
Organic Social Media & Community Engagement:	250,000
Search/Display Advertising:	600,000
Content Development (Photo, Video, Storytelling):	250,000
Owned Media:	300,000
Mobile Visitors Centers:	300,000
	<hr/>
	\$2,200,000

### Group Sales & Partnerships

**6.5%**

Group & Meeting Sales:	100,000
Travel Trade & Tour Operator Engagement:	25,000
Partner Co-Op Programs:	150,000
	<hr/>
	\$275,000

### Research, Analytics & Technology

**10.7%**

Visitor Data Platforms & Dashboards:	175,000
Brand Health & Awareness Studies:	100,000
Business Intelligence & Predictive Modeling:	175,000
	<hr/>
	\$450,000

### Community & Product Development

**7.1%**

Grant Program Support & Sponsorships:	300,000
	<hr/>
	\$300,000

### Administration & Operations

**23.2%**

Staffing, Benefits & Payload:	650,000
Community Involvement & Sponsorships:	50,000
Overhead (Rent, Insurance, Legal, Finance):	275,000
	<hr/>
	\$975,000

TOTAL BUDGET \$4,200,000