

# **Destination British Columbia**

## **2021/22 – 2023/24 Service Plan**

**April 2021**



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## Board Chair's Accountability Statement



The 2021/22 - 2023/24 Destination British Columbia (Destination BC) Service Plan was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act*. The plan is consistent with government's strategic priorities and fiscal plan. The Board is accountable for the contents of the plan, including what has been included in the plan, and how it has been reported. The Board is responsible for the validity and reliability of the information included in the plan.

All significant assumptions, policy decisions, events and identified risks, as of March 2021, have been considered in preparing the plan. The performance measures presented are consistent with the *Budget Transparency and Accountability Act*, Destination BC mandate and goals, and focus on aspects critical to the organization's performance. The targets in this plan have been determined based on an assessment of Destination BC's operating environment, forecast conditions, risk assessment, and past performance.

*Dawn Black*

Dawn Black

Board Chair

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## Strategic Direction and Alignment with Government Priorities

In 2021/22, British Columbians continue to face significant challenges as a result of the global COVID-19 pandemic. Recovering from the pandemic will require focused direction, strong alignment and ongoing engagement between public sector organizations and the Government of British Columbia. The government has identified five foundational principles that will inform each Crown agency's policies and programs and contribute to COVID recovery: putting people first, lasting and meaningful reconciliation, equity and anti-racism, a better future through fighting climate change and meeting our greenhouse gas commitments, and a strong, sustainable economy that works for everyone.

Destination BC is already contributing to some of the above-mentioned priorities by:

- Working towards making tourism more inclusive and accessible through the creation and implementation of a provincial three-year tourism accessibility action plan;
- Building on an established and ongoing relationship with Indigenous Tourism BC (ITBC). In addition, Destination BC will continue to support ITBC's activities for the next three years; and,
- Continuing to work with the Regional Destination Marketing Organizations (RDMOs) on the implementation and reporting of the Destination Development Program to drive visitation, increase tourism revenues and create long-term competitiveness of B.C.'s tourism industry.

Destination BC's [2020/21-2022/23 Corporate Strategy](#), related Global Marketing and Destination Development Strategies, and the *Super, Natural British Columbia*<sup>®</sup> brand all align with Destination BC's purpose, as articulated in the [Destination BC Corp. Act](#).

Destination BC is committed to working with the Minister to achieve the specific priorities outlined in the [2021/22 Mandate Letter](#).

## Operating Environment

Tourism industry growth is a key indicator of the success of the province's tourism sector and Destination BC's activities; however, from year to year, many factors may affect the tourism industry's performance.

In 2020, the impact of COVID-19 and related restrictions on travel and public gatherings had a significant impact on B.C.'s tourism industry and this will continue until these restrictions are relaxed and the sector begins to recover. Destination BC will continue to actively engage with industry partners and key stakeholders regionally, nationally, and internationally to support the industry, stay engaged with key international partners, and actively participate in the ongoing dialogue for the successful recovery of the tourism sector. While the availability of COVID-19 vaccines in Canada is a significant step forward, an immediate rebound of tourism in fiscal 2021/22 is not anticipated as the recovery of international markets is not expected to begin until the fall of 2021 or later. As a result, Destination BC has revised industry performance forecasts for 2021/22 and beyond. The extent and duration of pandemic impacts will depend on factors such as:

- Travel restrictions for domestic and international visitors, from the Provincial Government, the Government of Canada, and governments of key international markets;
- Health and safety guidelines from the Provincial Health Officer that could impact/limit a business' ability to operate, or operate in a manner that provides a positive visitor experience;
- COVID-19 case numbers and B.C. resident sentiment toward welcoming visitors; and,
- Visitor confidence in returning to travel.

Additional external factors may also include:

- Weather, flooding and wildfires or other emergency events that may occur during the year, which can significantly impact the tourism industry and could require a shift in Destination BC's marketing plan;
- Fluctuations in the value of the Canadian dollar, which can have impacts on visitation from British Columbia's international markets;
- Changes in the price of oil, which could affect the Alberta economy and visitation from that market, as well as transportation costs for all visitors;
- Unanticipated global geopolitical events in priority markets that may impact international visitation to British Columbia; and,
- Additional disruptions in traveler air access, separate from COVID-19, such as temporary airport closures, security issues, changes in visa requirements, etc. which may cause short term impacts on visitation to British Columbia.

Destination BC tracks such factors and adjusts its strategy to capitalize on opportunities and manage risks as they occur.

In 2020/21, Destination BC increased its capacity and resources in digital marketing, industry training, destination development and support for RDMOs, ITBC, and co-op marketing partners. In 2021/22, Destination BC will continue to review its activities to ensure that taxpayers' dollars are spent to maximize impact and cost-efficiency.

## Performance Planning

This Service Plan outlines Destination BC's goals for the 2021/22 to 2023/24 fiscal years and the strategies to achieve them. The goals, objectives, strategies, performance measures, and targets are reflective of Destination BC's mandate and the input of Destination BC's [Tourism Marketing Committee](#), which provides advice to the organization on marketing matters. In addition, regular communication will continue to take place between Destination BC and the Ministry of Tourism, Arts, Culture and Sport in order to ensure ongoing alignment with ministerial direction and the [2021/22 Mandate Letter](#).

Destination BC's goals, objectives and strategies are closely aligned with the [2020/21-2022/23 Corporate Strategy](#) and its three pillars – 'Invest in Iconics', Destination Stewardship, and Globally Competitive Ecosystem – as well as with related Global Marketing and Destination Development Strategies. They are also closely aligned with the [Strategic Framework for Tourism in B.C.](#) and support the tourism industry to generate economic and social benefits for all British Columbians. Destination BC will continue to work in lockstep with Government and industry partners to ensure that collective COVID-19 recovery efforts and plans are aligned.

## Goal 1: Growth of Overnight Visitor Expenditures

To increase industry revenue, a critical component of the tourism industry’s recovery from the COVID-19 pandemic, British Columbia needs to attract back high-yield visitors – international visitors who contribute the most to the British Columbia economy through higher than average expenditures on B.C. produced goods and services. In 2021/22, B.C.’s marketing strategy is designed to first encourage travel by British Columbians, then other Canadians and then to attract high yield international visitors when international borders open in alignment with Provincial Health Officer travel advisories, thus generating revenue for British Columbian businesses and employment for British Columbia’s residents.

### Objective 1.1: B.C. travel content captivates travellers and creates emotional urgency to visit British Columbia

#### Key Strategies

- Provide captivating travel content through online and offline channels that will inspire potential visitors to British Columbia.
- Promote travel within British Columbia to residents encouraging travel to all areas of the province during all seasons.
- Enable greater geographic dispersion, across all seasons, of visitors and responsible travel by promoting areas and travel routes with strong dispersion potential throughout rural B.C.
- Respond to changing market conditions locally and globally (e.g. border openings, air routes, visa requirements, natural disasters, competition, the path of the pandemic etc.).

Performance Measures	2020/21 Forecast	2021/22 Target	2022/23 Target	2023/24 Target
1.1a Consumption of B.C. travel content promoted by Destination BC (in million [M]) <sup>1</sup>	30 M	Maintain	Maintain	Maintain
1.1b B.C. tourism industry revenue <sup>2</sup>	-70%	+10%	+50%	+30%

<sup>1</sup> Data Source: Numbers aggregated by Destination BC based on reporting from Destination BC, its digital marketing agencies, and marketing partners.

<sup>2</sup> Data Source: BC Stats. Measured on a calendar year basis.

#### Linking Performance Measures to Objective

1.1a: The consumption of, and engagement with, content promoted by Destination BC measures success in captivating potential visitors, which increases their sense of urgency to visit British Columbia, and hence visitor volume and expenditure. Content consumption includes video ads watched to completion, engagements on social media, and web pages read on Destination BC’s website.

1.1b: Tourism revenue measures the money received by businesses, individuals, and governments due to tourism activities. It reflects Goal 1, increases in visitor expenditures, and is an outcome of achieving related objectives.

**Discussion**

1.1a: Destination BC anticipates content consumption will be lower in 2020/21 compared to 2019/20 (actual of 37.6 million) because of the impact of COVID-19 on the paid media activities that drive the majority of Destination BC’s annual content consumption. Destination BC expenditures on content consumption and distribution are planned to be stable from 2021/22 to 2023/24, assuming no future changes in Destination BC’s annual appropriation. Destination BC expects to meet the revised ‘2020/21 Forecast’ of 30 million (originally 32 million) and future targets.

1.1b: Tourism industry revenue serves as an overall indicator for the growth of the tourism sector. In 2020/21 travel restrictions for domestic and international visitors, and health and safety guidelines from the Provincial Health Officer required to limit the impact of the COVID-19 pandemic have resulted in significant decreases in industry revenue. For 2021/22 and beyond, the targets for tourism revenue growth have been revised (originally +6%) based on revised Destination BC forecasts which project that the recovery of international markets will not begin until the fall of 2021.

**Objective 1.2: Destination BC’s work amplifies traveller advocacy for British Columbia**

**Key Strategies**

- Cultivate a community of brand advocates for British Columbia to recommend travel to B.C. through their networks.
- Forge new relationships with both tourism and non-tourism partners to increase awareness and distribution of the [Explore BC](#) message promoting travel within the province by B.C. residents.

Performance Measure	2020/21 Forecast	2021/22 Target	2022/23 Target	2023/24 Target
1.2a Size of Destination BC’s global social media community of brand advocates (in million [M]) <sup>1</sup>	1.8 M	1.9 M	2.1 M	2.3 M

<sup>1</sup> Data Source: Numbers aggregated by Destination BC based on reporting from Destination BC, its digital marketing agencies, and marketing partners.

Note: This measure indicates the number of followers of all Destination BC’s social media channels (currently including YouTube, Facebook, Instagram, Twitter, Pinterest, Weibo, WeChat).

**Linking Performance Measure to Objective**

1.2a: The size of Destination BC’s global social media community is a key measure of the success of programs designed to encourage people to advocate for British Columbia as a travel destination to their family, friends, and colleagues.



## Discussion

1.2a: Though people are still dreaming of travel, the uncertainty of the longevity and evolution of the pandemic has resulted in a small reduction in growth of our social media community forecast and targets. For 2020/21, Destination BC anticipates its global social media community of brand advocates to hit 1.8 million, instead of the 1.9 million originally forecasted. This shortfall is the result of the pandemic’s impact on paid marketing activities in domestic and international markets, which are a key driver of growth in Destination BC’s social media community size. Future targets anticipate a resumption of growth as the pandemic comes to an end.

Once international travel resumes, Destination BC’s ability to amplify traveller advocacy will be an important component of the tourism industry’s recovery from the COVID-19 pandemic.

## Objective 1.3: Increase direct and indirect customer leads to tourism businesses

### Key Strategies

- Facilitate purchases, once interest is captured, by connecting visitors (directly or indirectly through third parties) to B.C.’s tourism products and services, thus generating customer leads for British Columbia’s tourism businesses.
- Deliver programs to drive tourism sector marketing innovation to help create well-paying jobs in every region of the province.

Performance Measure	2020/21 Forecast	2021/22 Target	2022/23 Target	2023/24 Target
1.3a Number of customer leads for industry generated directly by Destination BC through digital marketing activities <sup>1</sup>	450,000	650,000	845,000	Maintain or Improve

<sup>1</sup> Data Source: Numbers aggregated by Destination BC based on reporting from diverse sources including Destination BC, its digital marketing agencies, and marketing partners.

### Linking Performance Measure to Objective

1.3a: The number of customer leads for industry through Destination BC’s digital marketing activities measures success in generating leads for tourism businesses, online travel agencies and the travel trade, enabling them to translate those leads into sales and bookings.

## Discussion

1.3a: In 2020/21, Destination BC redirected most international marketing funding to the B.C. market to drive travel within B.C. directly or via Destination BC’s Co-Op Marketing Partnerships Program, which funds communities and sector associations in B.C. Given the limited ability to do marketing outside of B.C., the additional waves of the pandemic, and less people willing to travel, the 2020/21 Forecast for direct referrals was reduced to 450,000 (originally ‘Maintain’) and future targets have been revised (originally ‘Maintain’).

Destination BC’s ability to generate leads for the tourism industry is critical to its recovery from the COVID-19 pandemic.

## Goal 2: Remarkable Guest Experiences

Assist industry to deliver a world-class guest experience and secure the highest [Net Promoter Score®](#) in North America for British Columbia.

### Objective 2.1: Work in partnership with industry and training organizations to assist tourism businesses to meet and exceed guest needs and expectations

#### Key Strategies

- Deliver online and on demand industry training, as well as online resources, that are available to tourism organizations across the province, including rural communities that are diversifying, growing, and strengthening their economies.
- Work collaboratively with Destination BC’s Visitor Services Network members, community stakeholders, local businesses, and Government partners to create more contemporary, innovative, and authentic approaches to meeting guests’ information needs as they travel throughout the province.
- Encourage communities to continue to adopt visitor services with enhanced accessibility and promote the hiring of persons with disabilities into the tourism sector.
- Encourage community visitor centres to adopt re-opening and operating guidelines during the COVID-19 pandemic.
- Help make British Columbia a more inclusive and accessible tourism destination.

Performance Measures	2020/21 Forecast	2021/22 Target	2022/23 Target	2023/24 Target
2.1a Visitor satisfaction with visitor information services <sup>1</sup>	N/A	Establish New Baseline	N/A	Maintain or Improve
2.1b Competitive ranking of British Columbia’s Net Promoter Score <sup>2</sup>	N/A	Establish New Baseline	Maintain or Improve	Maintain or Improve

<sup>1</sup> Data Source: Destination BC’s Visitor Satisfaction with Visitor Services Information Study (conducted by independent third-party research firm). Visitor satisfaction with visitor services is measured every second year.

<sup>2</sup> Data Source: Destination BC’s Key Performance Indicator Study (conducted by independent third-party research firm). [Net Promoter Score®](#) measures the likelihood of visitors to recommend B.C. to their friends or family.

#### Linking Performance Measures to Objective

2.1a: Visitor satisfaction with information services measures the success of the Visitor Services Network members in assisting travellers to have memorable trips in British Columbia.

2.1b: British Columbia’s ranking by key North American markets measures our success, relative to competing destinations, in assisting tourism businesses to create remarkable on-the-ground experiences for their guests in today’s fiercely competitive global tourism market.

## Discussion

2.1a: Due to the impact of the COVID-19 pandemic, Destination BC's biannual 'Visitor satisfaction with visitor information services' survey, which is compiled from August to November every two years, was cancelled for the 2020/21 period; thus, a result is not available for 2020/21. The 2020/21 survey will now take place in 2021/22. In 2021/22, Destination BC will establish a new baseline as the impacts of the pandemic on visitor information needs and services may make comparisons with previous years uninformative.

2.1b: This measure is closely aligned with its corporate goal: to be the 'most highly recommended destination in North America'. B.C.'s key North American competitor markets include Alberta, Ontario, Washington, and California. Due to the impact of the COVID-19 pandemic, Destination BC's annual competitive ranking of British Columbia's Net Promoter Score, which is compiled in November each year, was cancelled for 2020/21; thus, the score is not available for 2020/21. In 2021/22, Destination BC will establish a new baseline, recognizing that the pandemic may have affected visitor perceptions of B.C. and our key competitors in unpredictable ways.

## Goal 3: A Powerful Marketing Network

Destination BC uses the term 'marketing' in the broad sense, including destination and product development as well as distribution and advertising and promotion. In alignment with the provincial tourism priorities, Destination BC will collaborate with stakeholders, partners, and communities to align and focus collective marketing and development efforts, in order to amplify British Columbia's competitive position in the global marketplace.

### **Objective 3.1: Collaborate with Regional Destination Marketing Organizations, and other key stakeholders, partners, and communities to align and focus on collective marketing and destination development efforts**

#### **Key Strategies**

- Continue to work with the Ministry of Tourism, Arts, Culture and Sport and the RDMOs on the strategic planning and reporting of the Destination Development Program to ensure alignment with provincial tourism priorities outlined in the [Strategic Framework for Tourism in B.C.](#) and Destination BC's 'Invest in Iconics' strategy.
- Continue Destination BC's Co-Op Marketing Partnerships Program to leverage public and private funds effectively, enhance the Corporation's marketing capacity and drive greater alignment and coordination across each of British Columbia's six tourism regions.
- Work with B.C.'s Indigenous cultural tourism sector by providing support for ITBC to activate the implementation of their [Indigenous tourism strategy](#) to increase revenues and jobs and the number of market-ready Indigenous tourism businesses across the province and partnering with ITBC in the development of the 'Invest in Iconics' strategy.
- Create opportunities for strategic alignment of marketing and data technologies across tourism organizations and businesses in all regions of B.C. to advance marketing capabilities.

- Execute tourism marketing and industry development (i.e. training and learning) activities that improve industry’s ability to compete globally.

Performance Measures	2020/21 Forecast	2021/22 Target	2022/23 Target	2023/24 Target
3.1a Tourism businesses’ satisfaction with Destination BC programs and services <sup>1</sup>	Establish New Baseline	Improve	Improve	Improve
3.1b Net Promoter Score of Participants (trimmed mean) in all ongoing Destination BC delivered workshops or webinars <sup>2</sup>	50.0 or greater	50.0 or greater	50.0 or greater	50.0 or greater
3.1c <b>a)</b> Number of communities and sectors participating in Destination BC’s application-based co-op marketing program <b>b)</b> Number of participating communities outside Metro Vancouver, Victoria and Whistler <sup>3</sup>	120 (total)  100 (regional)	120 (total)  100 (regional)	120 (total)  100 (regional)	120 (total)  100 (regional)

<sup>1</sup> Data Source: Destination BC’s Annual Stakeholder Survey (conducted by independent third-party research firm). Tourism businesses comprise one of the six strata whose satisfaction is tracked through the corporate stakeholder survey. Scores of the other strata are reported elsewhere and are used to inform corporate planning and program evaluation.

<sup>2</sup> Data Source: Destination BC survey of workshop and webinar participants. Note: Excludes one-time webinars, etc. (e.g. COVID-19 response).

<sup>3</sup> Data Source: Overall evaluation of Destination BC’s learning programs.

## Linking Performance Measures to Objective

3.1a: Destination BC’s annual corporate stakeholder survey measures success in terms of stakeholder satisfaction with Destination BC’s programs and services, while strengthening communications and relationships with key industry stakeholders, and cross-government partners.

3.1b: The workshops or webinars’ Net Promoter Scores are a key measure of success in assisting tourism businesses in their efforts to deliver outstanding guest experiences, increase their digital marketing skill sets, and manage the impacts of COVID-19 key elements to help the industry rebound in 2021/22 and increase their ability to compete globally.

3.1c: The level of participation in Destination BC’s application-based Co-op Marketing Partnerships Program measures success in encouraging the collaboration and alignment of marketing activities of community Destination Management Organizations across British Columbia.

## Discussion

3.1a: Destination BC continues to review, revise, and improve programs and services based on feedback from tourism businesses and other stakeholders, and anticipates incremental improvements in tourism businesses’ satisfaction over time. Due to the COVID-19 pandemic, Destination BC’s annual Stakeholder Survey, which is conducted in April/May each year, was cancelled for the 2019/20 period; thus the ‘Tourism businesses’ satisfaction with Destination BC

programs and services’ score will not be available for the 2019/20 period. Destination BC will reinstitute the survey in 2021 for the 2020/21 period and establish a new baseline since the impact of the pandemic on tourism businesses may limit the usefulness of comparisons with previous years.

3.1b: In 2020/21 Destination BC redesigned workshops and webinars to be shorter and more targeted, allowing operators to select programs that met their pandemic-induced needs. Destination BC anticipates meeting the 2020/21 Forecast of ‘50.0 or greater’. Future targets remain consistent because 50.0 is a strong long run equilibrium score for these types of training programs.

The tourism industry’s ability to compete globally, which is enhanced by training, will be a key driver of the rate at which the tourism industry recovers from the COVID-19 pandemic once international travel resumes.

3.1c: Destination BC’s investment will not change in 2021/22. Market penetration of the program is high as most communities and sectors already participate. Accordingly, Destination BC anticipates meeting its 2020/21 Target of 120 (total) and 100 (regional) participating communities. Destination BC has kept its future targets consistent, which are determined as a feasible level of participants for the equilibrium state of the program. Without changes in Destination BC’s budget, minor fluctuations in the number of participants from year to year will reflect isolated changes in the circumstances of community and sector participants, rather than changes in Destination BC’s funding or the reach of the program.

The Co-op Marketing Partnerships Program will continue to play a critical support role for the tourism industry as it moves towards recovery from the COVID-19 pandemic.

#### **Goal 4: Business Efficiency**

Conduct business efficiently and improve productivity in a changing environment.

#### **Objective 4.1: Conduct business efficiently to ensure cost effective provision of support services that meet evolving business requirements**

#### **Key Strategies**

- Lower support services costs to increase the funds available for tourism marketing.
- Make programs, systems, and knowledge more accessible, user-friendly, and shareable for tourism stakeholders, while simplifying application processes and accountability reports to make it easy to do business with Destination BC.

<b>Performance Measure</b>	<b>2020/21 Forecast</b>	<b>2021/22 Target</b>	<b>2022/23 Target</b>	<b>2023/24 Target</b>
4.1a Percentage of Destination BC funds allocated to support services <sup>1</sup>	<10%	<10%	<10%	<10%

<sup>1</sup>Data Source: Destination BC’s annual [Financial Statements](#) (Corporate Services expenditures).

## Linking Performance Measure to Objective

4.1a: The percentage of funds allocated to support services measures Destination BC’s ability to ensure cost effectiveness in meeting business requirements while improving the ability to compete in the global tourism market by dedicating more funds to tourism marketing.

### Discussion

4.1a: For 2021/22, Destination BC anticipates meeting this measure’s forecasted target of <10% of funds allocated to support services. Targets have been met and exceeded in the past through a continued commitment to economical and efficient program delivery.

## Goal 5: Our People

Build a collaborative, insight-driven, results-focused team.

### Objective 5.1: Attract, retain, and develop highly skilled and engaged people.

#### Key Strategies

- Maintain the annual evaluation of employee satisfaction and engagement to assist the Board of Directors and senior management in identifying opportunities to build employee engagement, continue talent development by providing employees with ongoing learning opportunities, increase capacity to innovate, strengthen Destination BC’s ability to compete for top talent, and uphold commitments to diversity and inclusion to maintain a stable and thriving workplace.

Performance Measure	2020/21 Forecast	2021/22 Target	2022/23 Target	2023/24 Target
5.1a Employee engagement <sup>1</sup>	Establish New Baseline	Maintain or Improve	Maintain or Improve	Maintain or Improve

<sup>1</sup> Data Source: Destination BC’s Annual Employee Engagement Survey (conducted by independent third-party research firm).

## Linking Performance Measure to Objective

5.1a: Destination BC’s annual employee engagement survey enables the organization to measure success in attracting, retaining, and developing highly skilled and engaged people, and strive to enhance their collective capabilities.

### Discussion

5.1a: Due to the disruption to staff working arrangements caused by the COVID-19 pandemic, Destination BC’s annual Employee Engagement Survey, which is conducted in April each year for the previous fiscal year, was cancelled for 2019/20. Instead, Destination BC focused on monitoring and maintaining the emotional wellness, remote office needs, and productivity of Destination BC employees during the year. In 2021/22, Destination BC will continue working towards maintaining and increasing employee satisfaction and engagement and will establish a new baseline, from the 2020/21 survey in April 2021.

## Financial Plan

### Financial Summary

(\$m)	2020/21 Forecast	2021/22 Budget	2022/23 Plan	2023/24 Plan
<b>Total Revenue</b>				
Government Transfers	58.473	51.373	51.373	51.373
Deferred Government Contributions	0.196	0.196	0.163	0.026
Other Revenue	7.290	0.176	0.176	0.176
<b>Total Revenue</b>	<b>65.959</b>	<b>51.745</b>	<b>51.712</b>	<b>51.575</b>
<b>Total Expenses</b>				
Marketing	36.101	32.342	32.342	32.342
Destination Management	22.606	11.400	11.400	11.400
Strategy, Research & Communications	2.780	3.170	3.170	3.170
Corporate Services	4.160	4.487	4.487	4.487
Amortization	0.312	0.346	0.313	0.176
<b>Total Expenses</b>	<b>65.959</b>	<b>51.745</b>	<b>51.712</b>	<b>51.575</b>
<b>Annual Surplus (Deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Debt</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities</b>	<b>7.885</b>	<b>7.633</b>	<b>7.414</b>	<b>7.332</b>
<b>Accumulated Surpluses</b>	<b>1.389</b>	<b>1.389</b>	<b>1.389</b>	<b>1.389</b>
<b>Capital Expenditures</b>	<b>0.901</b>	<b>0.195</b>	<b>0.290</b>	<b>TBD</b>
<b>Dividends/Other Transfers</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Key Forecast Assumptions, Risks and Sensitivities

Revenue and Expense forecasts for 2021/22-2023/24 include conservative estimates of Other Revenue. Destination BC will manage any fluctuations through continued sound financial management practices that help ensure Government-funded program spending remains affordable and flexible within Destination BC's business planning. There have been no changes in assumptions from the 2020/21-2022/23 Service Plan. There are no substantive forecast risks to Destination BC's financial plan.

As part of the Crown's performance-based funding model, Destination BC is required to report annually on its corporate performance. The 2021/22-2023/24 Service Plan includes four measures of corporate performance, specifically measures 1.2a, 1.3a, 3.1b and 3.1c.

## **Management's Perspective on the Financial Outlook**

Destination BC is primarily funded through Provincial Government appropriations. Provincial funding is expected to remain as identified in the 2021/22-2023/24 Financial Plan, thus limiting financial risks to Destination BC. As described in this Service Plan, Destination BC allocates this funding to programs that deliver on its mandate.

Destination BC is subject to significant financial pressures from the effects of increasing costs of digital marketing world-wide and the depreciation of the Canadian dollar on the cost of marketing in the United States and other international markets. Destination BC works to mitigate these pressures by investing in continual improvement of workforce productivity, developing innovative new marketing partnerships, and ensuring efficient cost-effective program delivery. If performance-based funding measures are achieved and base funding increases, the incremental resources will be applied to marketing and destination management programs.



## **Appendix A: Additional Information**

### **Corporate Governance**

Destination BC is governed by a Board of Directors that is responsible to the Minister of Tourism, Arts, Culture and Sport for the implementation of Government direction. The Board's direction is implemented by management, which carries out the day-to-day operations of Destination BC under the supervision of the Chief Executive Officer. For more information on Corporate Governance, please see the [Leadership](#) section of Destination BC's corporate website

### **Organizational Overview**

For an overview of Destination BC, please see Destination BC's [Organizational Overview](#).