

**City of Alexandria, Virginia**  
**FY 2024 Proposed Operating Budget & CIP**  
**Budget Questions & Answers**

**April 27, 2023**

**Question:** Can you please provide the fiscal impact of potential expansions to the Visit Alexandria regional/national/international advertising budget designed to increase visitation and consumption tax revenue?

**Response:**

An independent Return On Investment (ROI) study conducted by Destination Analysts in 2014 of Visit Alexandria advertising effectiveness indicated a 6:1 tax revenue return. That report was based on an average (not marginal) rate of return, so it is reasonable to assume that incremental advertising investment would experience diminishing marginal returns, yielding a lower return than 6:1, but still significantly positive for the City's General Fund.