

7

2008 YORK REGION TOURISM PROGRAM

The Planning and Economic Development Committee recommends the adoption of the recommendations contained in the following report dated October 9, 2007, from the Commissioner of Planning and Development Services:

1. RECOMMENDATIONS

It is recommended that:

1. The 2008 York Region Tourism Program be adopted as outlined in sections 4.1 to 4.2 and *Attachment 1*, subject to the approval of the 2008 Economic Development operating budget.
2. The Regional Chair and Regional Clerk be authorized to sign the necessary agreement(s) with industry partners and other organizations, subject to review by Legal Services, to acquire funding assistance to support the tourism program.
3. This report be circulated by the Regional Clerk to the local municipalities, the local chambers of commerce and boards of trade for information and engagement.

2. PURPOSE

The purpose of this report is to provide Regional Council with the 2008 York Region Tourism Program and to seek approval in principle to the components of the work plan, subject to approval of the 2008 operating budget.

3. BACKGROUND

The York Region tourism mandate is to support and promote the business of tourism throughout the Region. The Tourism Program identifies tactical marketing, promotional, industry and destination development initiatives that are aligned with the goals of the *2005 York Region Economic Development Strategy, Vision 2026* and builds upon the successes of the 2007 program initiatives. The program builds upon the findings and recommendations from the Premier Ranked Tourist Destination research project completed in 2006, and supports the strategic direction of key tourism stakeholder organizations including the Ontario Tourism Marketing Partnership Corporation and Tourism Toronto. The program was developed in consultation with our industry partners and is based on the needs and interests of visiting consumers.

4. ANALYSIS AND OPTIONS

Trends impacting the tourism industry include an aging population, web savvy consumers, changes in currency exchange rates, rising fuel prices, global travel destination competition, delays in border crossings and the uncertainty around the Western Hemisphere Travel Initiative passport and visa requirements. Provincial data states that the strengthening of the Canadian dollar against the U.S. dollar over the last few years has brought about a significant re-alignment in travel patterns to and from the province. Ontario outbound visits to the U.S. are expected to average a 4.2% increase per year through 2011. Inbound same day and leisure travel from the U.S. into Ontario will continue to decline through 2011. A stronger Canadian dollar and solid economic growth in Ontario provides more affordable destination options for residents to consider than in previous years and is a concern that needs addressing based on the importance of the domestic market from an economic perspective.

Due to changes in the gathering of Statistics Canada domestic tourism consumer data, the Provincial Ministry of Tourism is unable to provide recent visitation and economic impact data specific to York Region but the following Toronto data provides relevant insight into market conditions. A PKF Consulting report on hotel rooms in the Greater Toronto North East Area highlighted an increase in average room rental rates of 1.6% from \$113.38 to \$115.19 but a decline of 3.6% in occupancy for the first six months of 2007. Tourism Toronto states that year to date, the Greater Toronto Area has experienced an estimated 6% decline in overnight visitors from the United States. Offsetting these declines was a modest 3.7% increase in overseas/international visitors.

The Conference Board of Canada projects Toronto to remain flat to slightly ahead with an increase of 1.1% in same-day visitors and overnight visitors projected to 2007 year end.

From an attractions perspective, Tourism Toronto reports that monthly attendance figures reported by seven of the largest Toronto attractions, of which McMichael Canadian Art Collection is considered one, reflected an overall 4.2% decline in attendance from January through July.

The majority of York Region's tourism industry is comprised of small and medium sized industries including accommodation, attractions, food and beverage, recreation, culture, entertainment, and transportation. Recognizing the challenges is critical to success.

The scope of the tourism program includes the delivery of integrated, research-driven marketing and destination development activities in partnership with industry stakeholders that inspire growth to maintain market share in 2008.

4.1 Elements of the 2008 York Region Tourism Program

The tourism program provides a strategic framework for a long-term coordinated approach to sustainable growth of the tourism sector. Strategic priorities focus efforts on

extending the length of stay and spend of same day visitors, motivating new and repeat visitation and increasing the number of overnight stays. The program identifies opportunities to partner with the Ontario Tourism Marketing Partnership Corporation, Tourism Toronto, local Municipalities and other industry organizations on joint marketing, sponsorship, trade shows and promotional activities to leverage marketing dollars and enhance exposure.

The 2008 tourism program was prepared taking into account key learning's from the current program, adjustments made based on tourism industry feedback, and a renewed focus on priorities designed to optimize return-on-investment.

Research confirms that the domestic market (Ontario residents and the Visiting Family and Relative segment) are York Region's primary feeder markets. Three-fifths of all visitors to York Region in 2004 claimed visiting friends and family was one activity on their trip. The challenge is that the strong Canadian dollar provides this key market more affordable travel destination choices that may result in less interest in staying closer to home or travelling within Ontario.

Based on the importance of the domestic market to York Region, the 2008 tourism program places a stronger emphasis on building awareness of York Region's attributes to the local consumer and business community. Ensuring residents are knowledgeable hosts to encourage repeat visitation, increase length of stay and spend at tourism businesses is key to success of the tourism industry. The "meet local" campaign proposed for the business community supports the sales activities in place by many industry partners to ensure meetings, conferences and employee events remain in York Region.

The 2008 tourism program is comprised of the following elements:

- Mission – positioning and objectives of York Region Tourism.
- Target Audiences, Market Segments and Tourism Product – the who, the where and the deliverables.
- Advertising – connecting the tourism industry with cooperative opportunities to build awareness and create demand.
- Promotions – building the profile of York Region's product.
- Marketing Tools – engaging the tourism industry in literature development and www.yorktourism.com.
- Industry and Destination Development – assisting the tourism industry to make informed decisions to build a competitive edge.
- Visitor Services – enhancing customer service and building customer loyalty.

The 2008 Tourism Program will be presented at the 5th Annual York Region Tourism Conference tentatively scheduled for November 23, 2007.

(See *Attachment 1* for the 2008 Tourism Marketing Program details and proposed months for delivery)

4.1.1 Mission

York Region Tourism is structured as a tourism marketing organization with a mandate to promote the business of tourism on behalf of York Region's nine Municipalities and the Region's tourism industry. The goal of the tourism program is to deliver innovative marketing activities and industry development initiatives that attract visitors to York Region and supports the growth and development of York Region's tourism industry.

Objectives:

- Position York Region as a viable four season tourist destination with attributes to build awareness and attract new and repeat visitation from various consumer, sport, meeting and group market sectors
- Increase overnight stays and increase consumer spend in York Region
- Create an environment for the development, growth and sustainability of York Region's tourism industry

4.1.2 Target Audiences, Market Segments, and Tourism Product

Target Audiences and Market Segments

Activities defined in the tourism program are designed to attract visitor volume and revenues with a focus on the following two market segments:

- Leisure Consumers – residents, visitors, and visiting family and relatives.
Based in the geographic locations of:
 - York Region
 - Greater Toronto Area
 - Ontario
 - Secondary Markets: Michigan and Upstate New York, Quebec and International Travellers
- Meetings and Group – business meetings, conferences, sport and recreation, travel trade/ tour operators.
Focussing on:
 - Association and Meeting Planners based in the Greater Toronto Area
 - Local York Region business community – corporate and non-profit
 - Tour Operators based in Ontario and Quebec
 - Sport Tourism operators based in York Region and Ontario

Tourism Product

Staff will partner with industry stakeholders to develop innovative tourism product offerings to meet consumer demand. The focus will be to build upon York Region's core and supporting attractors as defined by the Premier Ranked Tourist Destination project. This project identified that as part of a cohesive regional complex, the following tourism attractors offer significant motivation and consumer appeal:

- Natural Outdoor Attractions and Recreation

- Urban/Rural Experiences and Activities
- Cultural/Heritage Attractions and Events
- Canada's Wonderland

Development of new offerings including agri-tourism and recreational experiences and leveraging upon the success of the current involvement in the Provincial Distinctive Getaways, Great Drives and Golf programs are proposed. Regional product development activities will contain linkages with the Ontario Tourism Marketing Partnership Corporation, Tourism Toronto, Greenbelt and other private/public traditional and non-traditional partners to build sustainable and enhance market ready tourism experiences.

4.1.3 Advertising

Year round advertising initiatives are proposed to promote the nine local municipalities as an integrated travel destination while providing cooperative opportunities for the tourism industry to leverage their marketing dollars and extend their target audience reach. Multi-media advertising campaigns are proposed for all market segments incorporating print, radio, magazine and web based on-line activities. The advertising activities are based on their potential to deliver results to tourism businesses to generate an increase in consumer inquiries and are proven to engage the tourism industry.

4.1.4 Promotions

Consumer Events and Trade Shows

Building awareness with key trade organizations and providing assistance is regularly provided to the meeting and conference planning profession to facilitate site selection, connection to local tourism businesses, and provision of destination services.

Attendance and sponsorship of key industry events including The Ontario Motor Coach Association Annual Conference and Incentive Works are key to building results from the meetings and group market. To encourage repeat visitation from a consumer perspective, partnerships will be developed with other York Region Departments, industry organizations and festivals and events to provide tourism information that informs local residents and out of town visitors about all the tourism experiences available in York Region. In June, the tourism industry will be engaged in a Toronto Union Station domination to disseminate the York Region Visitors Guide and partner brochures to Go Train commuters.

Media Relations

Opportunities exist for tourism stakeholders to host media participants on familiarization tours and to provide story ideas to support regional staff activities to proactively solicit unpaid editorial coverage in key print publications.

4.1.5 Marketing Tools

Consumer and trade publications are produced to build destination awareness and demand for York Region. These publications support the marketing initiatives and work

in conjunction with the York Region tourism website, www.yorktourism.com. Tourism businesses can advertise on the website and in the publications best suited to their business and target markets.

York Region Visitors Guide

This Guide is the only regional publication of its kind and is the foundation of the tourism program. The Visitors Guide is the consumer call to action for all regional tourism marketing campaigns and is a support piece for all market segments. The importance of the Visitors Guide continues to grow with private and public sector organizations using it as a quality of place destination lure to attract teachers, the medical profession, home purchasers, conference delegates, sport and recreational participants and educating new residents. The 2008 Guide will have design enhancements but will remain the same compact size. The goal is to secure sufficient advertising and local municipal sponsorship revenue to produce sufficient copies of the Visitors Guide to disseminate 300,000 copies to York Region homes plus an additional 100,000 for external distribution. In previous years, a maximum of 150,000 copies of the Visitors Guide have been produced.

Supporting Collateral

The tourism industry will be engaged in the development of niche promotional collateral that support market specific advertising and marketing campaigns. Support collateral will build upon the strengths of consumer collateral produced in 2007 including FestiFall, the KeyNote Resource Guide for meeting planners, the Sport Tournament brochure and the Destination profile encouraging a “Meet Local” philosophy for the local corporate business market. Other niche and market specific collateral developed will support the regional product development initiatives and will be aligned with Ontario Tourism Marketing Partnership Corporation and Tourism Toronto activities.

York Region Tourism Website www.yorktourism.com

A new and enhanced tourism web site that was launched in July 2007 provided all qualified tourism business and festivals and events free promotional listings. Listings will remain free but banner advertising will be available in 2008 for businesses wanting to increase their web profile.

The website has a dedicated promotional page for each of the local municipalities that allow the web user to search tourism experiences exclusively by Municipality. Continuing to promote the web site as the lead information portal for the tourism industry to market their tourism product and encouraging the local municipalities to ensure their tourism businesses are participating is key to ensuring an effective website.

All marketing and advertising activities direct consumers to the website. Additional web enhancements and features will be incorporated in 2008 that support ease of consumer planning and buying of York Region tourism experiences and to maximize the presence on the World Wide Web.

Memberships

Memberships will be retained with key trade and industry organizations to build profile of the services available through York Region Tourism.

4.1.6 Industry and Destination Development

The tourism program includes initiatives to assist the tourism industry in making informed decisions by providing marketing intelligence, consultations, educational seminars and access to joint marketing and product development opportunities.

Industry Communications

The bi-monthly electronic York Region Tourism Newsletter will continue to be the primary communication vehicle used to provide updates and to engage industry stakeholders in program initiatives.

York Region Tourism Advisory Group

The following twelve (12) industry leaders plus one representative from York Region's Planning and Economic Development Committee have been appointed by the Regional Chair for a three-year term commencing October 2007:

- Regional Councillor Tony Wong
- Tom Smart, CEO, McMichael Canadian Art Collection
- Nancy Bodi, Kingfest Music Inc.
- Harold Sellars, Executive Director, Oak Ridges Trail Association
- Paul Jurbula, Community Active
- Mark DiCosmo, President, Premier Coach
- Debra Weller, Director Sales and Marketing, York Region Media Group and Chair of the Celebration of the Arts
- Raffi Kaprelyan, Vice President and General Manager, Canada's Wonderland
- Chris Hales, General Manager, Delta Hotel Markham
- Sheri Taylor, Manager, Georgina Island Tourism
- Hugh Sibbald, Vice President, Briars Resort, Spa and Conference Centre
- Eric Chau, News Anchor and Program Host, Fairchild Media
- Pending – Corporate Meeting Planner

The Tourism Advisory Group will meet quarterly with the intent to provide leadership and advisement to staff on matters that affect the sustainability of York Region's tourism sector and in the role of advocates for the tourism program.

Research

Understanding who York Region's tourists are, where they originate and their trip motivators, is key to sustainable tourism development and performance. In 2008, Research Resolutions and Consulting Ltd. will be retained to analyze the most recent provincial data provided by Statistics Canada to report on the economic value and impact of tourism into York Region. Research captured from the tourism website and collected

at consumer shows and events will provide market analysis to enhance and tailor product development and marketing strategies to better capitalize on new and emerging consumer trends, motivations and behaviours.

Customer Service Program

One of the recommendations from the Premier Ranked Tourist Destination project was the development of a customer service program that could be implemented region wide. This year in partnership with the Character Community Foundation of York Region and the Provincial Ministry of Tourism, the first phase of a Customer Service program based on the traits of the Character Community philosophy is being developed. A pilot of this customer service initiative is proposed for November 13, 2007 to obtain tourism industry feedback on program progress and implementation. In 2008, tourism businesses will be encouraged to incorporate the customer service principles into their organizations in partnership with the local municipalities, Chambers of Commerce, Boards of Trade, Business Improvement Associations and other industry organizations.

Educational Forums

Two educational seminars, plus the 6th Annual York Region Tourism Conference will be held in 2008. Consultation and coordination will take place with the tourism industry to identify relevant professional development and business enhancement initiatives.

Destination Development

The Premier Ranked Tourist Destination project identified that York Region has seen significant investment in tourist facility renewal, expansion and development as businesses continue to upgrade tourism products. There are a number of regional and Provincial planning documents where the economic benefits of tourism are contained, including the Regional Official Plan, Planning for Tomorrow and York Region Sustainability Strategy, Places to Grow, the Greenbelt and Oak Ridges Moraine Conservation Plans. The potential growth in the tourism sector can only be realized if the necessary infrastructure and investments are made to ensure York Region remains an attractive destination. PKF Consulting has been retained to develop a five year tourism investment strategy for York Region which will be presented to the Planning and Development Committee in the first quarter of 2008.

4.1.7 Visitor Services

All advertising campaigns direct consumers to the tourism website or to call the toll free line 1-888-448-0000 for assistance or to obtain promotional brochures. Direct communications with consumers provides an opportunity to obtain valuable market research and to build repeat visitation. On average 50 e-mail or telephone inquiries a week are tracked and these numbers increase during peak promotional periods. For example, the Festifall, autumn promotion generated over 1,100 inquiries in four days.

4.2 Performance Metrics

The tourism program will be evaluated against a variety of qualitative and quantitative tracking and performance measures including:

- Increase in visitation and spend
- Building hotel occupancy and yield
- Increased industry engagement and partnerships in programs
- Growth in tourism employment
- Successful penetration into new and emerging markets
- New tourism business capital investment and development
- Success in securing additional funding resources
- Increase in consumer inquiries, web hits and unique visitors
- Increase in exposure from unpaid public relations and media activities
- Increased recognition at all levels of government of the role of tourism
- Increase in staff requests for industry consultations, presentations and educational opportunities

Reports will be provided to the Planning and Economic Development Committee on the progress of the tourism program throughout 2008.

4.3 Relationship to Vision 2026

The tourism program supports the Vibrant Economy and Enhanced Environment Heritage and Culture goals of Vision 2026 and is a core component of the York Region Economic Development Strategy.

5. FINANCIAL IMPLICATIONS

York Region's tourism business model is subject to approval of the 2008 economic development operating budget. The funding allocations identified in the 2008 operating budget include revenues generated from the sales of advertisements and sponsorship to partially offset the costs. The Memorandum of Understanding between Tourism Toronto and York Region provides funding in the amount of \$300,000 from the Hotel destination marketing fee to support the regional marketing activities.

Partnerships with leading public and private industry organizations will be utilized to leverage regional marketing and promotional activities and source out additional funding resources.

6. LOCAL MUNICIPAL IMPACT

The 2008 tourism program recognizes the connection between tourism as an economic driver and its contribution to the quality of place within York Region. The tourism program supports local municipal tourism efforts to foster strong urban and rural communities and facilitates partnerships to strengthen competitiveness and build developmental and investment opportunities.

York Region's ability to deliver a successful tourism program is contingent on having strong relationships and support from our tourism partners, local Municipalities and industry stakeholders to instil a regional approach to destination marketing and coordination.

7. CONCLUSION

The 2008 tourism program provides the tourism industry with tactical partnership opportunities at various levels of financial commitment to increase awareness and revenues to their tourism businesses. The program identifies innovative marketing activities that attract visitors to York Region and industry development initiatives that support the growth of a sustainable York Region tourism industry. Staff will continue involvement and consultation with community organizations, area municipalities and all levels of government with a role to build the economic impact of tourism in York Region.

For further information about this report, please contact Brenda McGowan, Program Manager, Tourism Development at (905) 830-4444 ext. 1553 or brenda.mcgowan@york.ca.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is attached to this report.)