

Five-Year Tourism Marketing Strategy for Northern Ontario

Dear Tourism Stakeholder,

We are pleased to share with you this discussion paper and seek your input on the foundation document for the next Five-year Tourism Marketing Strategy for Northern Ontario.

The challenge is to lay the foundation for a Northern Ontario marketing strategy. The discussion paper provides a framework to understand your perspective and explore your dreams for Northern Ontario.

The purpose of this paper is to aid discussion and have you provide solutions, not to direct or constrict creative thinking. That's why it is presented in a workbook format. We are looking for responses that push the envelope in terms of creativity, innovation and reach. If at the end of the day it's same old, same old...then what have we done?

The tourism industry is facing unprecedented challenges. We need to embrace extraordinary ways to reach consumers. We need to speak with one voice..... broadcast a consistent message....as we market Northern Ontario to the rest of the world.

Please, review this discussion paper and respond—provide comments online (mysay@connexion-north.ca) or in person at a scheduled consultation meeting. We look forward to discussing this with you.

Regards,

Project Steering Committee

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Introduction

Our challenge is to lay the foundation for a Northern Ontario marketing strategy. We have undertaken extensive interviews with organizations and read innumerable reports to understand the current situation of tourism in Northern Ontario. As we worked, “emerging themes” started to bubble to the surface. Now we need to test what we learned against the experience and knowledge of stakeholders in the field.

The threat is real

According to the Ministry of Tourism’s latest Travel Intentions Study there is no evidence, either in the U.S. or Canada, that intention to travel to/within Ontario in the Spring season has improved over last year.

- ♦ Americans’ intention to choose Ontario has generally remained flat.
- ♦ The situation in the domestic market remains stable relative to last year. Any evidence of potential growth is restricted to Ontario itself.
- ♦ In Quebec, travel intentions to Ontario have weakened, both in the short- and long-terms.

Northern Ontario’s tourism potential parallels that of the province as a whole.

Further evidence.....According to a StatsCan report, January 2007 was unprecedented. Same-day car travel to Canada by Americans fell below one million trips for the first time since record-keeping began in 1972. Overnight travel was just as bad, with numbers dropping to levels similar to the summer of 2003 when severe acute respiratory syndrome (SARS) hit Toronto. StatsCan cited Ontario as being the leader in the decline with a 15.3 percent drop in American tourists in January from December. “While declines in the number of entries into Canada were recorded in all provinces except British Columbia, none were nearly as significant as in Ontario,” the report read.

Same-day car travel to Canada by Americans fell below one million trips for the first time since record-keeping began in 1972.

StatsCan

The time is now

If we don’t pull together as an industry we may miss out. We need to leverage resources. Strategic investments need to be made if we are to maximize the return—expand target markets, enhance image, sweeten the offerings, position for strength and close the gaps with our competitors.

What we heard from consumers

We heard that a distinct northern brand does not exist....that there is little to do besides fishing and hunting...that the product is undifferentiated from other destinations.....that new target markets should be the focus of our efforts.....that single activities are not sufficient trip motivators....that there are product quality issues.....that we are not networked to make the most of our strengths.

Over to you

We need to hear from you about the best ways to move forward. Read on and see if the situational analysis and the emerging themes ring true. Email us your comments (mysay@connexion-north.ca) and share your thoughts at a consultation meeting. Now is the time to shape the future of marketing tourism in Northern Ontario.

Situational Analysis

The following section is a bit like a game book—identifying the players and their roles; detailing the plays and how well they work. Don't forget to check out the diagrams. These are intended to illustrate key messages and expand on the text.

How the industry is organized

Industry players marketing Northern Ontario tourism are varied and extensive—

- Federal and provincial governments and their agencies—Canadian Tourism Commission and Ontario Tourism Marketing Partnership
- Regional destination-marketing organizations such as the Northern Ontario Regional Tourism Associations (NORTAs)
- Municipalities that are members of the Ontario's North program
- Municipal and local-area marketing organizations such as Temiskaming Shores and Lake of the Woods Tourism
- Pan-North associations such as the Northern Ontario Native Tourism Association (NONTA)
- Organizations with a province-wide mandate or a significant presence in Northern Ontario, such as Paddling Ontario and Direction Ontario
- Many dedicated operators and attractions (such as Old Fort William)

Figure 1 (on the following page) illustrates the structure of the industry.

The common marketing message has tended to focus on the natural beauty of the area and availability of outdoor activities—especially fishing.

But, while it competes well in the Canadian and American fishing and hunting markets, Northern Ontario is not clearly differentiated from Southern Ontario, or other competitor jurisdictions, when it comes to other nature-based activities. Many travellers don't have Northern Ontario on the radar screen and potential visitors are ambivalent about the North as a destination—they are unclear about what there is to see and do.

While the marketing organizations have a history of working together, partnerships have tended to be ad hoc rather than strategic. Their budgets, in aggregate, are not insignificant (in the millions) and could be a force to be reckoned with if positioned strategically to promote and sell tourism product.

Comments and Notes

Is the analysis of the industry a fair representation of the lay of the land?

Figure 1: Current Industry Structure



Please note: this graphic is for illustration only.

More structured partnering could potentially lead to stronger marketing.

Comments and Notes

Perceptions of Northern Ontario

To get a feel for the underlying attitudes and perceptions of consumers for Northern Ontario, Ipsos Reid Public Affairs undertook 12 focus groups in February 2007 with 80 participants in six cities—Hamilton, Toronto, Winnipeg, Minneapolis, Chicago and Detroit. Participants were both those who had travelled to Northern Ontario in the past five years and those who had not.

The perception of Northern Ontario was found to be similar across all markets and among travellers and non-travellers. Both groups valued common attributes that make Northern Ontario an enjoyable destination:

- ♦ Rugged, natural, untouched beauty with a myriad of lakes, old-growth forest and wildlife
- ♦ Fishing, hunting, boating, hiking, camping, and any other outdoor activity
- ♦ People who are down to earth, laid back and friendly, living simpler lives in tune with the rhythms of nature

On the downside, awareness of distinctive products the North offers, other than hunting and fishing, was low among non-travellers. They expressed particular uncertainty about accommodations, amenities, and the variety of non-outdoor activities. On the upside, if the information was provided, these same non-travellers appeared willing to consider Northern Ontario as a future destination.

Both a prior study on Quebec consumers and the February 2007 Ministry of Tourism's Wave 8 Travel Intentions Study confirm these findings.

Without a doubt major perception issues exist and need to be addressed. Northern Ontario appears to be generally undifferentiated from other destinations offering outdoors and adventure products. Strategies and tactics to position Northern Ontario and align the industry are needed to enable the industry to overcome misconceptions that Northern Ontario is a vast wilderness, with little to do besides hunting and fishing. The North needs a distinctive image that marries a sense of place with its products.

What do you think needs to happen for potential visitors to perceive Northern Ontario as a distinctive destination? To give us a competitive advantage? To become primary trip motivators? To eliminate misconceptions? Who should play a lead role?

Target markets

Comments and Notes

No surprise—the key activity drivers for the North have not changed. Outdoor adventure activities, visiting historic sites and exhibits, and touring remain the most frequently mentioned activities for travellers who have visited Northern Ontario, according to the 2006 TAMS data. This is consistent with 2000 results and supported by more detailed reports on Canadian and American outdoor adventure enthusiasts on the national level.

How can we gain a distinctive image that marries place and product? What actions do we need to take? Who should lead this initiative? How can we position fishing to leverage a broader visitor base? What do we need to do to appeal to new and niche markets? Who should take the lead? What steps need to be taken over what timeframe?

Over the short-term—say the next five years—the traditional outdoor adventure markets will remain the mainstay for Northern Ontario tourism. As such, fishing should remain central to but not the only focus of marketing efforts in order to broaden the visitor base.

Secondary and emerging-market opportunities to draw Europeans, Australians and Mexicans, as well, Chinese and Japanese to the North need to be explored over the longer term. Interest in vacationing in Northern Ontario may attract new market segments as long as it is coupled with opportunities for shopping, dining and exploring cities, and local culture and history.

New Canadians and new family configurations (such as grandparents travelling with grandchildren) are potential niche target markets for the North. Investigating emerging markets of theme-oriented niche tourism and the luxury market also may prove fruitful. The challenge is to position the North to appeal to these markets.

Single activities are not sufficient trip motivators, according to both the TAMS data and the Ipsos Reid focus group. Many consumers want to see a combination of outdoor adventure and medium to high-end accommodations and amenities. For some travellers all inclusive or menu-type packages are attractive. Sweetening the offerings may be one approach to attracting more visitors and targeting emerging markets.



Closing the gaps

Comments and Notes

Product and infrastructure issues, ranging from a weak offering of attractions and events to a lack of available technology, result in a number of pressing consumer needs and service gaps facing Northern Ontario.

Marketers in the North have to work extra hard at delivering their message in an organized, efficient and friendly manner to try to overcome the limited knowledge and misconceptions potential visitors have of Northern Ontario.

Visitors should be able to move to and within destination and operator websites with ease, discovering distinct experiences that appeal to them. Currently, it can be very frustrating and sometime fruitless for consumers approaching Northern Ontario online if they have little or no knowledge of what to look for.

Attempts have been made to broaden the impression of the Northern experience beyond fishing and hunting. Visitors are drawn to broad experience categories such as ATVing, snowmobiling and outdoor adventure. On the other hand, many of the operators' sites tend to leave the impression that the regional experience remains strongly oriented to male trophy fishers.

A consistent message delivered by all players is essential if potential visitors are to understand—

- ♦ The quality and variety of things to see and do
- ♦ How the Northern Ontario experience is different from other vacation experiences
- ♦ Why a she or he should choose this destination over others

From a consumer perspective, the Internet is a critically important source of information on researching and planning a trip. If they get confused or don't understand the offering they will click out and move on to another destination.

Essentially information-rich consumers want to be assured their trips will create a memorable experience they can savour for a long time. After all, there's a lot of interesting destinations to choose from.

Are we selling ourselves short online? Is our message varied and confusing to the potential traveller? What do we need to do to become internet savvy? Who should be taking the lead on crafting the message? Would a consistent look and feel to our websites be helpful?

Would collaboration help?

Emerging Themes

Comments and Notes

To successfully assemble, promote and sell tourism product requires that each and every segment of the tourism industry be interconnected. Therefore, when considering options for repositioning and alignment the following objectives were taken into account.

- ♦ Avoid duplication of marketing activity
- ♦ Increase marketing efficiency and effectiveness
- ♦ Clarify roles and responsibilities
- ♦ Raise stakeholder awareness on where each organization and business best fits within the marketing pyramid
- ♦ Provide a communication mechanism—a game book for the industry
- ♦ Inform funding agencies of stakeholder roles and responsibilities to target more effective investment
- ♦ Streamline collective marketing efforts and brands
- ♦ Eliminate consumer confusion of products and brands in the marketplace

Three approaches emerged from the research for positioning Northern Ontario in the tourism marketplace:

- ♦ Create a brand for Northern Ontario
- ♦ Develop a gateway strategy to the outdoors
- ♦ Leverage cascading approach

A discussion of these themes follows.

Three approaches to start to stimulate discussion have emerged from the research—there may be others but we have to start somewhere.

Do the emerging themes ring true?

Are there others that should be put on the table?

The primary or overarching goal for branding the tourist experience is to create awareness and familiarity with Northern Ontario and the desire to travel to the area. To be successful, the brand must effectively deliver against consumer's expectations, communicate the benefits that a vacation in Northern Ontario brings to busy lives, alter perceptions, attitudes and behaviour towards Northern Ontario (and travel in particular), and induce trial and/or increase repeat visits.

The brand—a combination of words and letters, symbols and colours—is a promise, a pledge of quality.

Brand Northern Ontario

Comments and Notes

OTMPC has focused on culture and outdoor as the consistent brand offering for the province, positioning it as diverse, dynamic, easy and fun. These are essentially the same offerings that Northern Ontario is leading with. In fact, it is difficult to imagine how a Northern Ontario brand might differentiate itself from the provincial brand. Regardless, the question of whether a unique brand for Northern Ontario should be created needs to be asked and answered. This theme is depicted in Figure 2. The yellow boxes reflect the industry segments that would be most affected by the new branding initiative.

Brands are expensive to create and take a long time to establish. So before deciding to go that route, added value needs to be clearly demonstrated.

The number of individual logos and slogans supports the view of many stakeholders that confusion exists in the marketplace about the tourism experience in Northern Ontario. A review of Northern Ontario's tourism organizations' marketing plans, online strategies and consumer show activities reveals very little differentiation between Northern Ontario and its competitors. Even distinguishing among Northern Ontario products is difficult. What is the distinct experience a visitor may have if he/she visits Ontario's Near North, North of Superior, or James Bay Frontier?

Creating a brand in and of itself does not achieve any desired objectives without establishing an organization with dedicated funding that is responsible for developing, renewing and regulating its application. The details of the organization would need to be worked out, but the major marketing organizations in the North—including the NORTAs and major cities—would need to be represented.

How the organizations aligned under the Northern Ontario brand would interact with the provincial brand and province-wide organizations is unclear. In fact, this approach may be divisive, with industry stakeholders trying to determine where they should best align themselves.

Creating a new brand would have some implications for the industry. Organizations may need to realign business priorities to fit within the broad Northern Ontario brand. Stakeholders may see a loss of equity in the current image and would need to develop a plan for moving customers over to the new brand image during a transition period. In addition, someone would need to take on a leadership role to ensure the quality of the product and experience within a branding context.

From the consumer's perspective, a Northern Ontario brand may help to define and differentiate the Northern experience, sending a clear message that Northern Ontario is THE place to go for a unique, memorable outdoor adventure, culture and touring experience. If this is the case, operators could attract a higher price.

However, another brand may add a further layer between the consumer and the experience. Rather than define the Northern experience, it could add to the brand confusion that currently exists.

Figure 2: Possible Industry Structure for Successful Implementation of a Northern Ontario Brand



Please note: this graphic is for illustration only.

Gateway strategy to the outdoors

Another approach to positioning Northern Ontario is to shift from leading with large geographic regions to leading with a limited number of key destinations and attractions along the corridors of natural travel patterns (see Figure 3). To start, the natural entry points to the north plus other urban areas along the travel corridors would be marketed as key gateway entry points to the outdoors. These locations would serve to anchor visitors, linking urban amenities to adjacent tourism products such as outdoor adventure, fishing and touring. This theme is depicted in Figure 4.

The strength of this approach is that it broadens the product offering of Northern Ontario by combining the attractions base with products focused on the natural environment. It could provide a level of comfort to those potential visitors that are wary of the North, viewing it as a vast wilderness with limited things to see and do beyond outdoor adventure. Two weaknesses are readily apparent—northern cities are relatively unknown in the marketplace; and the urban tourist experience is much different from what the current market expects.

For the gateway strategy to work, the industry would need to develop or reposition product to be attractive to an urban and touring tourist, as well as expand and enhance urban attractions. The municipal and regional DMOs along the corridor would have to play a stronger role and take on broader responsibilities to ensure the quality of product and experiences

Figure 3: Key entry points to Northern Ontario



Source: Ontario Tourism Marketing Partnership

Please note: this graphic is for illustration only.

Comments and Notes

Figure 4: Possible Industry Structure for Successful Implementation of a Gateway Strategy to the Outdoors



Please note: this graphic is for illustration only.

Leverage cascading approach

A third approach to positioning Northern Ontario is to capitalize on the existing go-to-market strategies of the CTC and OTMPC. The essence of this cascading approach is to position a destination and its product offering within the go-to-market strategies of the next higher tier. This theme is depicted in Figure 5.

The cascade would start with the CTC, which sets the tone and brand standards for Canada. Then OTMPC chooses the slant for Ontario and, through the Northern Tourism Marketing Committee, extends the positioning to the North. Following OTMPC's lead, regional and larger DMOs would be responsible for ensuring that the smaller DMOs and operators are engaged and the visitor has a great experience.

To succeed, rules of engagement would need to be developed and implemented. These would address responsibility for broadcasting the OTMPC brand and ensuring the membership complies with and supports OTMPC's direction.

The strength of the cascading approach is that it leverages already established marketing strategies to better promote Northern Ontario to the domestic and international traveller as an authentic outdoor adventure destination. The challenge of the cascade approach is that individual organizations or operators are dependent on other organizations for success and on the strength of voluntary compliance.

Leveraging existing strategies requires major players to realign their current positioning and go-to-market approach. During the transition this may result in a loss of equity in the current image.

Operators would have to become much more involved in their local-area and regional DMO, ensuring that the various organizations they belong to are part of the cascade. Similarly, associations would have to strengthen their presence. Of fundamental importance, individual stakeholders would have to take on leadership roles.

From the consumer perspective, this strategy provides an integrated approach to high quality messaging, impressing on the consumer that Northern Ontario is a leading destination.

Comments and Notes

Next Steps

Creation of the Foundation Document is the next step towards developing a winning marketing strategy of the north. To that end, our next steps include—

- ♦ Meshing research with results of stakeholder input to build a foundation for the new marketing strategy
- ♦ Identifying opportunities for growth
- ♦ Identifying opportunities for aligning tourism stakeholders

Working with the team that is developing the strategy is important to ensure information is shared and industry consultations are understood. Before we get there, however, your input is critical. Tell us—

- ♦ Is the analysis of the industry a fair representation of the lay of the land?
- ♦ Do the emerging themes ring true? Are there others?
- ♦ What do you think needs to happen for potential visitors to perceive Northern Ontario as a distinctive destination? To give us a competitive advantage? To become primary trip motivators? To eliminate misconceptions? Who should play a lead role?
- ♦ How can we gain a distinctive image that marries place and product? What actions do we need to take? Who should lead this initiative?
- ♦ How can we position fishing to leverage a broader visitor base?
- ♦ What do we need to do to appeal to new and niche markets? Who should take the lead? What steps need to be taken over what timeframe?
- ♦ Are we selling ourselves short online? Is our message varied and confusing to the potential traveller? What do we need to do to become internet savvy? Who should be taking the lead on crafting the message? Would a consistent look and feel to our websites be helpful?
- ♦ What do we need to do to make our products market ready? Would collaboration help?
- ♦ Are we organized to be both strategic and tactical to best advantage? What might help?
- ♦ Are all stakeholders pulling together? Who should be rowing? Who should be steering? Are there others who should be involved to ensure success?

Project steering committee

Rob Skelly, Chair, OTMPC Northern Committee & Manager of Tourism, City of Greater Sudbury

Tim Lukinuk, President, North of Superior Travel Association & Owner, Amethyst Mine Panorama

Harald Lohn, Member, OTMPC Northern Committee & Owner, KaBeelo Lodge Inc.

Chris Milner, Director, Northern Marketing (A) OTMPC

Gerry Webber, Coordinator, Resource-Based Tourism Unit, Ministry of Tourism

Claude Aumont, Partnership Coordinator, OTMPC Northern Office

Jim Grayston, Partnership Coordinator, OTMPC Northern Office

Graham Campbell, Northern Development Advisor for Tourism, Ministry of Northern Development and Mines

Jane Karhi, Initiatives Officer for Tourism, FedNor

Nancy Rosset, Community Economic Development Officer, FedNor

Ideas exchange

Industry consultation

Mark your calendars for the venue nearest you. All sessions will run from 1:30 - 4:30 p.m. Light refreshments will be served.

Dryden April 24	Sunset Room Best Western Dryden 349 Government Road
Kapuskasing April 27	(en français) Centre des Loisirs 7 Aurora Avenue
Parry Sound April 30	Seguin Room Quality Inn 1 JR Drive
North Bay May 1	Best Western Lakeshore 700 Lakeshore Drive
Timmins May 2	Travelodge Timmins 1136 Riverside Drive
Sudbury May 3	Elizabethan Room Best Western Downtown 151 Larch Street
Sault Ste. Marie May 4	Ballroom Centre Best Western 229 Great Northern Rd
Thunder Bay May 4	Viking Room Valhalla Inn 1 Valhalla Inn Road
Webcast May 8	2:00-3:00 pm Stay tuned for details

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