

ONTARIO
Yours to discover

OTMPC

2012-13 OTMPC Business & Marketing Highlights



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OTMPC Vision

To inspire travellers to visit Ontario.

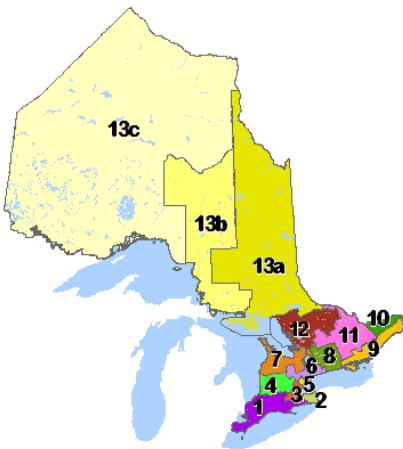
Mission

To grow Ontario's tourism sector year-round by stimulating increased consumer visits and spending, and by generating greater partnership participation. OTMPC works strategically, proactively and collaboratively with the tourism industry to market Ontario tourism experiences and leverage multi-year marketing opportunities and key market investments. By working to continuously improve and evolve as a successful private/public partnership, OTMPC plays a key role designed to strengthen the tourism economy and establish Ontario as a premier global travel destination.

EXECUTIVE SUMMARY

Contributing to Economic Impact

The Ontario Tourism Marketing Partnership Corporation (OTMPC), an agency of the Government of Ontario, is committed to growing tourism within the province by Ontarians, Canadians and international visitors. The past several years have been challenging for the industry. Ontario has endeavoured to maintain visitation from mature European markets, welcome new travellers from emerging markets such as India and China, and reverse a decline in visitors from the United States. In 2012-13, OTMPC will focus on enhancing consumer and trade marketing efforts to generate greater economic impact and return on investment from all Canadian, American and international markets.



OTMPC remains committed to building Ontario's reputation as a world class destination, in the context of expanding tourism and increased global competition. The World Travel & Tourism Council projects that leisure travel, anticipated to grow by 3.8% in 2011, will grow by 4.7% in 2012. Similarly, business travel, projected to grow by 6.0% in 2011, is projected to grow by 6.4% in 2012. "Although travellers may cut trips short, wanderlust will prove immune to patchy economic conditions," according to the European Travel Commission. The report also suggests that the airline industry will benefit from higher fares and limited route expansion, while hotels in developed markets must rely on limited expansion. OTMPC continues to monitor its international market development in the context of global economic conditions and the tourism preferences and attitudes of affluent consumers for whom travel remains affordable and desirable.

The 2012-13 year will also witness OTMPC's evolution as a result of the creation in 2010 of 13 Regional Tourism Organizations (RTOs). OTMPC will continue to provide leadership and support to the RTOs as they enhance capacity to promote intra- and inter-regional travel. At the same time, OTMPC will enhance the agency's focus on Canadian, American and overseas opportunities. To promote collaboration with both RTOs and the private sector, OTMPC will implement a new advisory structure to maximize mutually beneficial business practices. OTMPC will endeavour to optimize collaborations with RTOs designed to enrich return on investment while generating improved visitation and spend.

Achieving Marketing Excellence

With regards to marketing priorities, in the coming year OTMPC will enhance its investment in market reach while optimizing its investment in production, in part through increased emphasis on social media and a redevelopment of its Tourism Consumer Information System (TCIS). Investments in evolving the Ontario and international brand and con-

sumer market research will grow understanding of the market outside of Ontario. The launch of major provincial consumer insight research will provide RTOs with access to detailed consumer socio-demographics to empower marketing plans and tactics. OTMPC remains committed to research-driven marketing, and to encouraging alignment of RTO marketing efforts that effectively position the Ontario brand for provincial, national and international travellers. OTMPC will develop a consumer marketing program in cooperation with RTOs. OTMPC will also enhance brand awareness generally by continuing to enable Ontarians to share compelling experiences through social media.

In 2012-13, OTMPC will invest additional resources in marketing and market research to attract travellers from those geographic markets prioritized by the Canadian Tourism Commission, namely the core mature markets of United Kingdom, France, Germany and Japan, and the emerging markets of Brazil, India, China and South Korea. Over the coming year, OTMPC will also develop a marketing strategy to expand its market reach aligned to selected key cities identified by Tourism Toronto, including mid and long haul cities in the United States and the capitals of Latin American countries expected to participate in the 2013 International Children's Games, 2014 World Pride and the PanAm and ParaPan 2015 Games.

The 2012-13 tactical marketing plan builds on previous investments to move closer to the right consumer in a cost-effective manner and create value. OTMPC will continue, for example, to aim precisely at travel-ready American core target segments to reinvigorate interest and create excitement in Ontario travel experiences. Simultaneously, OTMPC will continue to compete against international and national tourism destinations by clearly differentiating the Ontario brand. OTMPC's approach will be to raise the awareness of and emotional connection to Ontario and explore new brand expressions that resonate with consumers. In emerging markets where travel needs are developing, we will continue to focus on tactics to raise awareness of Ontario and build the capacity of trade representatives.

OTMPC will also launch marketing efforts intended to develop Ontario tourism by tapping into the large, new immigrant population, encouraging newcomers to Ontario to expand their experience of the province, and to invite their visiting friends and relatives (VFR) to come from around the world to experience the tourism treasures Ontario offers. OTMPC knows that the digital world is transforming travel planning and will emphasize a digital media approach to build upon ongoing business-to-business (B2B) investments designed to persuade international tour operators and consumers that Ontario represents a world class yet affordable destination.

OTMPC cannot outspend other destination competitors like Australia with global broadcast advertising campaigns. Hence, OTMPC must focus on continuing to deploy a flexible and focused marketing strat-

egy that fits the respective consumer travel purchasing habits. The shift to digital media (web, social media, mobile, search engine marketing, search engine optimization, contests and other promotions) and partnerships with RTOs, Destination Marketing Organizations (DMOs) and industry organizations will enable the provincial tourism industry collectively to take full advantage of a much wider reach, and persuade consumers to choose Ontario as their next travel destination. OTMPC ads, content, events, trade and media relations, and partnerships will continue to motivate consumers to share their experiences and in turn to promote Ontario.

Enhancing Industry Partnerships

With regards to partnerships, OTMPC will grow its efforts to collaborate with the private sector and RTOs, leveraging investments to grow economic impact. In addition, OTMPC will implement adjustments to its Tourism Events Marketing Partnership Programs (TEMPP) and Industry Partnerships Program (IPPP) to support industry growth and enhancement. OTMPC will optimize efforts to invest in partnerships that maximize leverage and extend reach to increase visitor growth and spend.

OTMPC will explore a tourism presence at high-traffic Ontario Travel Information Centres (OTIC) locations such as Union Station and Pearson Airport while continuing to work in partnership with the Ministry of Transportation (MTO) to implement a strategy that will improve travel information services as part of the reconstruction/upgrading of the MTO's 23 400-series highway ONroute service centres.

Sustaining Organizational Effectiveness

The OTMPC Board of Directors approved a balanced scorecard approach to performance measurement in 2011 that helps define strategic directions for 2012-13. Four major goals include:

- contributing to economic impact;
- delivering marketing excellence;
- building enhanced partnerships; and
- sustaining organizational effectiveness.

Each of the goals embraces key performance indicators selected to ensure achievement of the goals is being reviewed quarterly.

In the summer of 2011, OTMPC was awarded Level 1 of the National Quality Institute's (NQI) organizational excellence awards. For 2012-13, OTMPC will begin work on achieving Level 2 NQI's four stage process led by OTMPC's Corporate Services department.

Ontario Tourism Fall Outlook 2011

According to the Ministry's most recent travel forecast, the total visits to and from within Ontario are expected to increase by 1% in 2011, 2% in 2012 and, on average, by almost 3% per year between 2013 and 2015. The number of total visits is forecast to exceed 115 million in 2015.

After declining less than 1% in 2010, total overnight visits are expected to stay at about the same level in 2011, and then increase by 1% in 2012 and 3% in 2013. Overall, total overnight visits are expected to exceed 45 million by 2015. Same day visits are expected to increase from 62 million in 2011 to 70 million in 2015.

Total visitor spending is forecast to increase 5% in 2011 and by an average of 4% per year for the rest of the forecasting period.

Top 10 International Countries By Total 2010 Overnight Visits

Rank	Country	Total 2010 Overnight Visits
1	U.S.	5,612,030
2	U.K.	272,699
3	France	107,023
4	Germany	106,701
5	Mainland China	88,104
6	Japan	85,090
7	India	72,799
8	Australia	61,703
9	Italy	59,181
10	Brazil	46,502

Source: Statistics Canada: Travel Survey of Residents of Canada and the International Travel Survey, 2010

Global Economic Environment

Following the 2009 global economic downturn, economic uncertainty continued to prevail in 2010 and into 2011 due to growing unemployment, and a credit crunch and falling real estate prices in the U.S. In Europe, Greece was brought to the brink of insolvency and other Southern European countries are similarly struggling with indebtedness.

The slow economic recovery is having an impact on consumer behaviour around the world. Consumers increased their saving rates in most developed countries including the U.S. and Canada, and curtailed spending. Unemployment in most of the developed countries is forecast to remain high in 2011 through 2012. Stronger economic growth is forecast in some of the emerging markets like China and India, although signs of slower growth and risk of inflation, and a potential housing bubble in China could curtail growth. Strong economic growth in the BRIC (Brazil, Russia, India, and China) countries is resulting in the emergence of a populous middle class with money and a keen interest in travel.

Given current economic conditions, including high unemployment rates, loss of net worth due to falling housing prices, high fiscal deficit and weak service sector activity, consumer confidence in the U.S. has been on the decline again in the second quarter of 2011.

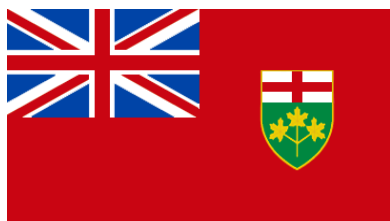
Recovery of Canada's resource-based economy seems to be faster than that of the U.S. Consumer confidence in Canada has been on the rise in the second quarter of 2011.¹ Consumer confidence in Ontario is lower than the national average, with the unemployment rate reaching 8.1% in September of 2011.

1. TNS Canadian Facts; *Trends*, Summer 2011

Travel Behaviour

Economic conditions have also impacted travel behaviour. While consumers seem to be unwilling to give up on travel, they are spending less by taking fewer trips, travelling to close-by destinations, taking shorter trips and cutting back accommodation, restaurant and recreational spending. Value-consciousness is high, and while travellers are cutting back on certain expenses, they appear increasingly willing to pay for authentic experiences.

Our forecast indicates that travel from within the Ontario market will grow 2.5 to 3.5% annually between 2010 and 2014. Travel from the U.S. to Ontario is forecast to decline slightly again in 2011 and 2012, and shows modest growth of about 2% in 2013 and 2014. Overseas markets are forecast to be Ontario's fastest growing markets with about 5% annual growth. Ontario's largest European markets, the U.K., Germany and France are forecast to grow at a slower rate of 2 to 3% annually, with slightly stronger growth expected from Japan. Travel from China is forecast to increase 17% in 2012 and by an annual 6% in the following years, based on Canada's newly attained Approved Destination Status and the strong increase in outbound travel from China.²



Staying closer to home when travelling underscores that the domestic market carried Ontario's tourism industry over the last couple of years, at a time when the province experienced a major decline in U.S. visitation. However, increased outbound visitation to the U.S. due to the strong Canadian dollar poses a risk to domestic travel.

Among Ontarians, the province has a high top-of-mind awareness - above 60% - with high interest to travel within Ontario above 80%.³ However, in the current economic climate, consumers are increasingly value conscious and price-sensitive. OTMPC needs to provide Ontarians with new and compelling reasons in order to convert interest into travel. Differentiating the Ontario brand, as well as the Regional Tourism Organizations' sub-brands, and celebrating/promoting unique and new experiences should help overcome the "been there done that" attitude in Ontario among Ontario residents.

Outside of Ontario, Quebec remains Ontario's largest domestic market, accounting for 4% of domestic visitation. Quebecers perceive Ontario as reasonably appealing, safe, but undistinguishable. Throughout the last three to four years, OTMPC advertising efforts contributed to increased top-of-mind awareness of Ontario among Montreal residents. Building a strong Ontario brand in Quebec would help tap into this short-haul market.

With regards to Ontario's neighbour to the south, visitation to Ontario was also negatively impacted by a weak U.S. dollar and the introduction of the passport requirement, in addition to the economic

2. Ministry of Tourism and Culture; Travel Outlook, September 2011

3. TNS Brand and Advertising Tracking Study

conditions. Ontario faces stiff competition in the U.S. near and mid-markets as American travellers favour their own domestic destinations (NYC, New England) to avoid border hassles.

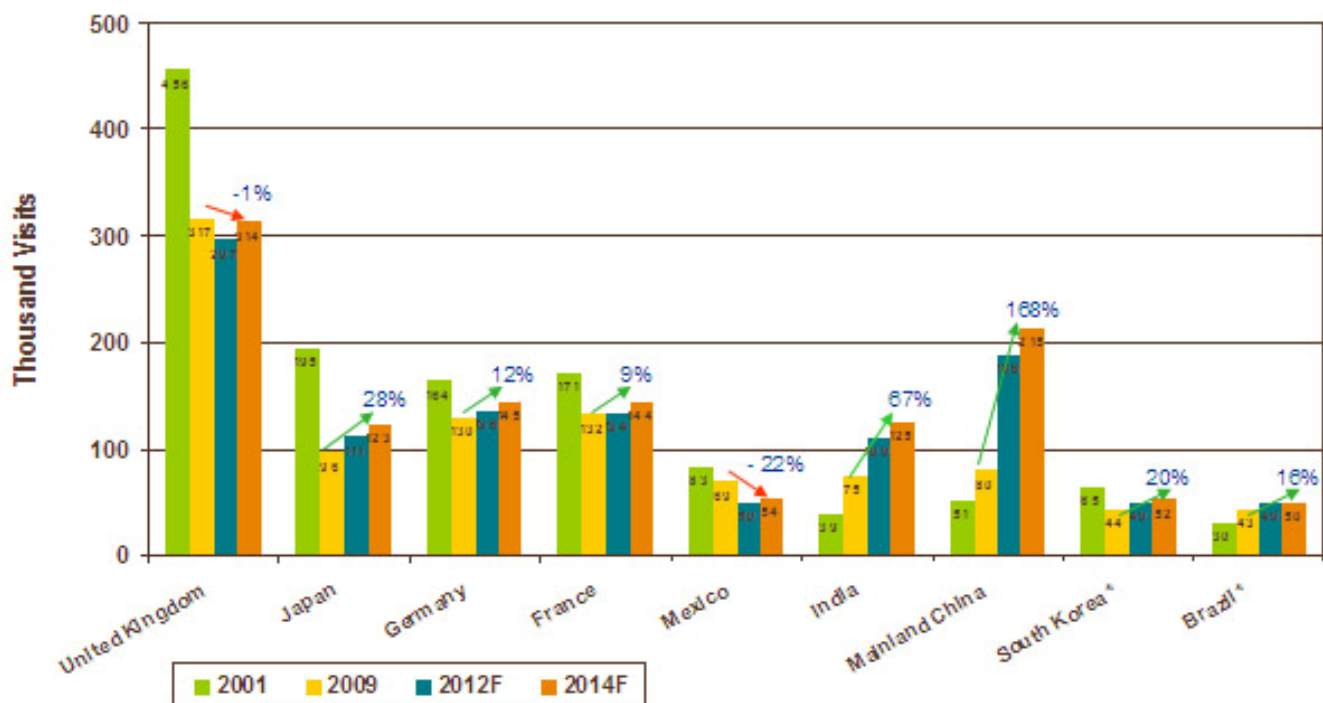
In the near markets, despite the continued lack of direct advertising support, Ontario's standing as a short-trip destination has been stable in the last couple of years, though at a lower level than before the recession and the weakening of the U.S. dollar.



In mid-markets, Ontario continues to have a low profile as a potential destination. According to consumer surveys, respondents indicate very low knowledge of Ontario as a travel destination. OTMPC needs to educate more U.S. consumers about what Ontario has to offer with continued marketing communication to get on their consideration list.

Overseas markets represent a small proportion of Ontario visitation, but they are high-yield markets as visitors from these countries stay longer and try to absorb as much as they can during their stay. With the emergence of new, lesser known and frequented global destinations and the relative affordability of air transportation, Canada and Ontario are experiencing increased competition in its source markets. Once again, differentiating Ontario and its many tourism assets from the competition and portraying compelling experiences will be key in attracting visitors to the province.

Forecasted Performance of Overseas Markets



F – Forecast

Source: Statistics Canada; International Travel Survey, 2009; MTOUR Summer 2010* and Fall 2011 Outlook

“As with any market, as the New Canadian market grows, we strive to provide additional products and services that enhance the guest experience.” - Karen O’Grady, Director of Marketing, African Lion Safari

While traditional markets like the U.K., Germany, France and Japan continue to provide a large proportion of overseas visitation, more growth is expected to come from emerging markets. With the emergence of the new middle class and affluence in these countries, there is potential for growing outbound travel from new markets. Tapping into new source markets requires understanding the different needs and interests of travellers, as well as understanding cultural differences when serving these travellers at the destination.

Social And Cultural Environment

Global and provincial demographic changes also impact travel to Ontario. Within the province, Ontario’s population is getting older. Though the empty-nester baby boomer generation has more money and time to travel than previous generations, their net worth has been eroded in recent years and many plan to keep working longer. With the many available choices and a stronger Canadian dollar, Ontarians also travel extensively to international destinations. Ontario’s best opportunity is to offer quality competitive tourism experiences for short get-aways.

Many of Canada’s new immigrants settle across the Greater Toronto Area (GTA) from Oshawa to Hamilton. It is estimated that by 2026, 50% of Toronto’s population will be new Canadians.⁴ For many new immigrants, their language preference continues to be their mother tongue, including for media consumption. Though they tend to travel to their homeland, getting to know their new surroundings provides an opportunity for Ontario tourism. Both newcomers to Ontario and their visiting friends and relatives (VFR) provide future tourism growth opportunity as tourism operators encourage them to discover their new province.

Similarly, Ontario’s ethnic diversity continues to increase, including the presence of visible minorities. Currently 40% of the GTA population are visible minorities, including 47% of the Toronto population, 59% of the Mississauga population, 57% of the Brampton population, and 65% of the Markham population.⁵ To better serve Ontario’s diversity, tourism offerings need to be tailored to different cultural backgrounds, culinary preferences and travel interests. Ontario’s diversity also represents a positive tourism asset for international travellers, positioning the province as a welcoming global destination. Multilingual services and signage will be needed to optimize this emerging tourism opportunity.

Global warming and high gas prices have also brought to the forefront sustainable and green tourism. Heightened awareness of environmental issues is influencing consumer expectations and may result in additional pressures and opportunities for tourism suppliers. However,

4. Research Resolutions, If The Future Were Now..., TAMS 1999

5. DiverseCity: The Greater Toronto Leadership Project, Ryerson University, 2011

it remains to be seen how much cost increase the consumer is willing to take on to satisfy green expectations. This is an emerging trend that requires careful monitoring.

Finally, cheaper and convenient air travel has made it possible for consumers to broaden their horizon and travel to more distant destinations. The importance of air access cannot be underestimated and has contributed to the challenges faced by Canada and Ontario. Cost of air travel to and within Canada is relatively high, creating a price disadvantage for international travellers. Increased competition among airlines within Ontario is improving the situation. However, in-province airline ticket prices are not always correlated with fluctuation in international ticket prices.

Technology

"The ability to build video and other features directly into the ad brings together high-quality print graphics with feature rich digital content. Readers can get a close-up experience of what they will enjoy." - Ian Wood, Acting Director of Economic Development, City of Greater Sudbury

Making it easy for consumers to access information and plan their trip is imperative in a highly competitive marketing environment. Widespread use of the internet allows the consumer 24/7 access to information. The web has become the number one planning tool, preceding even word of mouth.⁶ Consumers can be lured to take a trip to other destinations based on the information and the images presented on travel websites, the ease of use of the website and the opportunity to book the trip.

International access to the internet is expanding rapidly. Internet World Statistics reports that Asia enjoys 44% of the world's internet usage, of which 52% emanates from China, where 485 million citizens enjoy internet access. While traditional media continues to drive traffic to the web, the ubiquitous internet means that OTMPC must above all expand its capacity to remain competitive online.

Social media plays an increasingly important role in marketing. Especially for the younger generations, there is a shift away from traditional to social media and they spend a significant amount of time with this new form of communication. Reaching opinion leaders and tapping into the power of social networks requires a different approach for marketers, involving the consumer in the marketing process.

The use of mobile devices in travel is also increasing. By 2014, 142.1 million users, representing 54% of the U.S. mobile user population, will access the internet using mobile browsers or applications.⁷ Mobile devices play an increasingly important role in travel planning, as well as during the trip, from checking in on airplanes and hotels to accessing information on attractions and restaurants. Accessibility of travel information on mobile devices makes it easy for travellers to be informed, make or change travel plans and get the most value for money on their trip.

6. Travel Activities and Motivational Survey (TAMS), 2007

7. eMarketer, August 10, 2010

New ways of consumer communication are emerging such as mobile advertising and user-generated and full length professional videos. The next phase in consumer communication is expected to be 3-D content. Clearly, technology provides great opportunities for marketers to be innovative and attract consumer attention to Ontario's tourism assets. The key challenge will be to convert this interest into actual travel.

Ontario PASSPORT

OTMPC News November 2011

Fort William, Thunder Bay

[Connect With Travellers](#)
[Ontario Outdoor Adventures](#)
[New Magazine App](#)
[Link With OTMPC](#)
[Partner Now](#)

Connect with travellers in real time

Digital transforms global travel planning

Today's travellers can dream, plan, book and share their travel experiences using devices like **smartphones and iPads**, anywhere, anytime. "Change and evolving technology is just a part of doing business these days," said Todd Lucier of Northern Edge Algonquin, an eco-lodge in Algonquin Park. "Our job as tourism operators is to follow customers as they move from technology to technology."

Mobile access to the Internet is predicted to exceed desktop access by 2014 according to [Morgan Stanley](#). Worldwide **tablet sales** are also growing quickly and estimated to increase by more than 400% by **2012**, reaching 81.3 million units. One of the biggest drivers of travel planning is **social networking**, according to [PhocusWright](#). Search engines still play a critical role in driving traffic to travel sites, but today consumers are influenced by referrals from people they know through popular networks.

More than one billion people worldwide use social networks representing more than **70% of the global Internet population**. **Emerging markets**, such as China, India and Brazil, have some of the highest penetration rates. Almost half (42%) of the **international Internet usage** occurs in Asia, and 52% of that traffic occurs in China, by over 485 million people. In China, penetration of social network [Sina Weibo](#) rivals the reach of magazines and surpasses radio and movies in larger cities. Currently, the [Ontario Tourism Weibo site](#) has more than 6,500 followers.

In **Canada**, 60% of people online have a social networking profile, according to [Ipsos' Canadian Interactive Reid Report](#). Nearly half (48%) with profiles follow at least one brand or company, with an average of 6.7 brands for those who follow at least one.

"The Web, including sites, blogs, Facebook and social networking and now mobile websites, has become almost exclusively the way we communicate with potential clients," said Lucier. "In 2011, we focused on producing high definition video - short stories that help our guests imagine themselves being here at the Edge. We're always paying attention to new opportunities to engage with our guests on their terms."

Promote your signature experience to the world

Exploring Canada's flavours in a unique culinary destination - Le Cordon Bleu Ottawa

Sixty-seven tourism experiences have been added to the Signature Experiences Collection® including 10 Ontario based operators. Ontario now has a total of 16 experiences in the collection.

Apply now to become a member of a priority pool of high-quality tourism experiences from which the Canadian Tourism Commission chooses content for its marketing campaigns in 11 countries.

Hurry! Final deadline to apply for the coming year is **December 15, 2011**. Operators who miss this deadline will have to wait another year before the application process opens again. Ontario operators who plan to apply are encouraged to contact [Nicole Leaper](#) for assistance. Or visit the CTC application site at [canada.travel/SECgateway](#).

Engage your audience online

Ontario's outdoor adventure calendar migrates online

Share your Ontario

OTMPC is now activate in social networks such as **Facebook, YouTube, Flickr and Twitter**. The networks have all been integrated into one space to allow consumers to share their

OVERVIEW OF CURRENT AND FUTURE PRIORITIES

“Partnership with OTMPC and their programming plays a critical role in allowing us to be active in key strategic markets and in strengthening our brand awareness.”
- Glenn Duncan, VP Sales, Ottawa Tourism

Marketing Excellence - Strengthen information services and lead consumer research

Consumer and Trend Research

Research is integral to all aspects of OTMPC's business. OTMPC regularly monitors Ontario travel brand attributes to understand perceptions and respond to changes in key markets. Marketing campaigns are developed based on best prospect consumer profiles in order to reach consumers with the right message through media that is most effective for the target. OTMPC measures the performance and evaluates each campaign. This learning feeds into future campaign development. OTMPC will continue with these research activities so that all marketing activities are research based and consumer focused.

Fiscal 2010-11 brought about significant changes with the establishment of Ontario's tourism regions. These changes have implications for OTMPC's research program as well. Research information will be needed on the regional level, and coordinated research will enable collaboration and coordinated marketing activities across regions and between the regions and the provincial marketer. In order to take advantage of efficiencies and provide the best service to the RTOs, OTMPC will work closely with the RTOs to understand their research needs and with the Ministry's Research Branch and the Canadian Tourism Commission to deliver research information. Ontario's industry website, www.tourismpartners.com, will be used as the primary information dissemination tool.

In 2011-12, OTMPC worked with RTOs across Ontario to undertake primary consumer research to identify best prospect consumer segments for each region. This research is anticipated to be concluded in 2012-13, at which time OTMPC will lead the development of experiential marketing partnerships to market Ontario's products and experiences in key markets.

Enhancement of Ontario International Tourism Brand Position

Ontario must compete globally for tourist attention and dollars through a strong, resonant tourism brand that provides a point of differentiation, consistency and durability in destination marketing. Currently, Ontario's presence as a potential destination remains strong within the province. However, with regards to American and international markets, OTMPC must invest in enhanced research and promotional endeavours to position brand expressions that will influence the travel intentions of global consumers. For the Ontario market, as well as the national and international markets, the Ontario brand needs to continue to provide a strong call to action to visit Ontario now.

OTMPC continues to build on a strong provincial brand. In 2011, the brand evolved to a personal story-telling campaign entitled “My

Ontario” that supported intra- and inter-regional tourism. Ontario received over 101.5 million visits in 2009, of which 83% were by Ontarians, 4% by Canadians, 11% by Americans, and 2% by international visitors. Given that Ontarians represented approximately 60% of visitor spend, while international visitors represented 15% of visitor spend, growing the international business will result in more jobs and a stronger tourism economy. To capture more international visitors and high yield, OTMPC must invest in building a long-term international brand identity that aligns with regional gateways that focus on conversion. It is critical for OTMPC to conduct international research to understand motivations for choosing destinations and uncover Ontario’s points of differentiation. These insights will build the foundation for a positioning strategy for Ontario, Canada.

In 2012-13, Ontario brand pillars will continue to be: “diverse, dynamic, fun and easy.” In 2010, OTMPC created a new visual identity based on the emotional benefits of the Ontario brand. OTMPC subsequently applied the new visual style to all marketing activities, and shared this style with professional photographers, photography students and consumers, empowering them to post photos and stories on the Ontario travel website.

Throughout 2012-13, OTMPC will consult with RTOs and private sector industry partners to leverage the positioning of the Ontario tourism brand and valuable investment opportunities. OTMPC will simultaneously collaborate with the RTOs to help them strengthen regional brand identities while ensuring integration with the Ontario brand.

Redevelop the Tourism Consumer Information System

The internet is a powerful platform where consumers can easily view and evaluate a tremendous volume of travel options. Consumer requirements for online travel information have evolved significantly since the Tourism Consumer Information System (TCIS) was launched in 2002.

In 2011-12, OTMPC received approval to proceed with the procurement process to secure a supplier to redevelop TCIS. Procurement and redevelopment will proceed as per the implementation plan and a competitive procurement process will ensure that redevelopment is executed cost effectively.

The Challenge

The global recession has drastically changed the economic and travel landscape. Low consumer confidence has curtailed spending in most developed countries. Consumers are still willing to travel but have shifted travel consumption to shorter-haul and shorter-duration trips with a focus on value and last-minute booking.



Ontariotravel.net

The fastest economic growth is being seen in select emerging countries and economic development has resulted in a populous middle class in these markets with disposable income and a keen interest in travel. Recent immigration trends to Ontario have resulted in 45% of the population being foreign born.

The CTC has exited the U.S. marketplace for consumer marketing and ceded leadership to provincial marketers. The U.S. has also begun to aggressively target Ontarians for short getaways due to Canadian dollar parity and a reduction in American travel.

Consumers spend less time with traditional media in favour of internet-based activities, particularly social media. A recent study indicated that consumers spend more time on Facebook than searching with Google or using Gmail. The time spent posting photos, updating status messages and scrolling through news from friends has at least grown to rival just about everything else people do online.

OTMPC will seek out new brand partnerships to broaden reach and stretch marketing investments with partners that align with the Ontario brand and share similar goals. OTMPC will continue to fully integrate all marketing communications and maximize use of media, travel trade and consumer marketing. With the recent immigration trends, OTMPC will tap into VFR with new tactics.

OTMPC will use new technology to engage consumers with compelling content in various media. For those consumers who use OTMPC's marketing channels (such as TV, radio, print or digital), content will be flexible and tailored to their needs. When consumers do not use OTMPC channels, Ontario content such as text and photos/video will be strategically placed where they are making destination decisions such as search engines, travel sites, blogs, social networking sites and mobile devices.



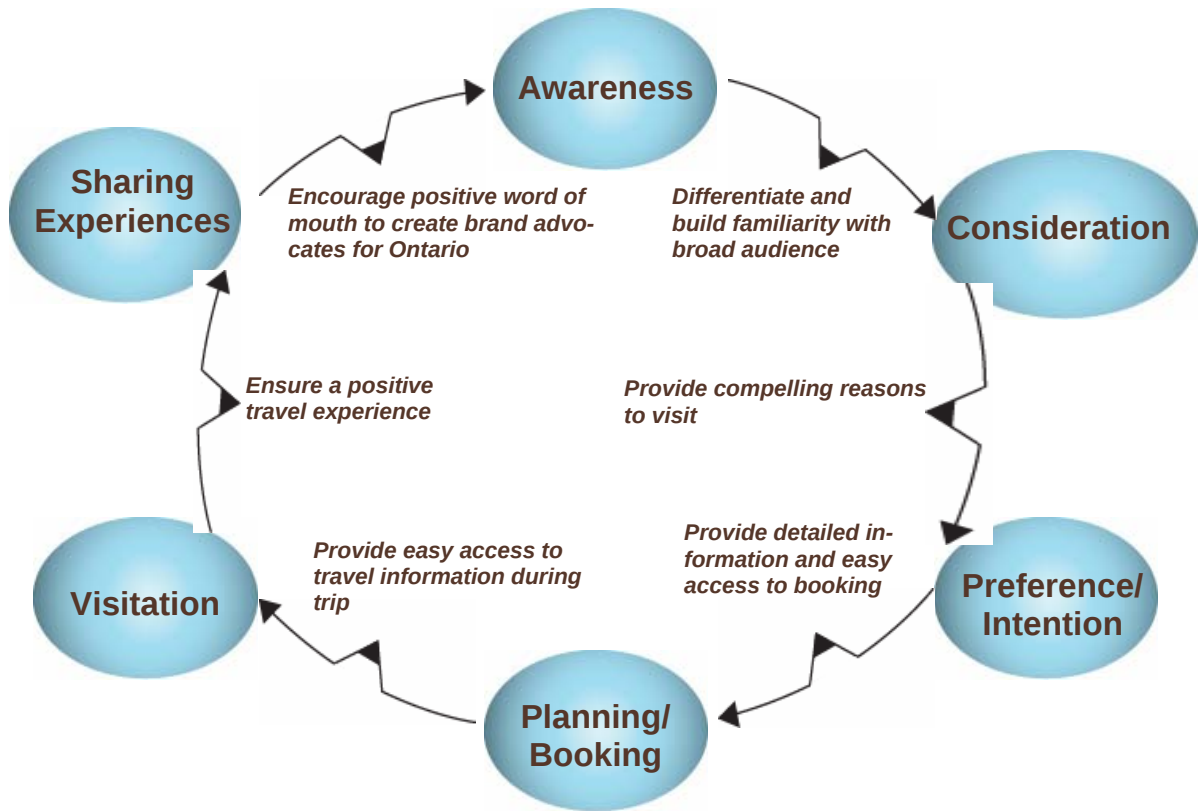
**Bruce Peninsula
— Media result,
Germany**



**Niagara and Toronto —
Media results: Japan;
China**



OUR TRAVEL PURCHASE CYCLE



As OTMPC works to achieve its objectives, its activities will aim to positively influence the consumer's intention to travel to Ontario. OTMPC will invest in marketing programs that move consumers through the travel purchase cycle including an emphasis on their travel experience while they are in Ontario and sharing their experiences after their visit. OTMPC will seek the advocacy of previous visitors by encouraging positive word-of-mouth with their peers. OTMPC also recognizes the importance of gaining endorsements from the local population, new Canadians and celebrities who can have a significant impact on potential visitors.

Ontario's Target Markets

A core element of OTMPC's strategy is to target high-yielding consumer and business segments that have a high propensity for travel and a strong interest in urban and outdoor experiences.

Leisure

Consumer leisure travellers in 11 core markets (Canada, U.S., U.K., Japan, Germany, France, Mexico, India, China, South Korea and Brazil)

Business

Meetings, incentives, conferences and events (MICE)

Target Markets in North America

Key Markets	Total Visitation by Market (2009)	OTMPC Market Segments	Market Size # of Households	GDP Growth 2012**
Ontario	85,903,000	Adventurer Couples including LGBT* Fun Loving Families Franco-Ontario • Sportifs des Banlieus • Camping et Pique-Nique Ultimate Outdoor Adventurers	779,000 920,000 289,000 252,000	2.0% (national average)
Quebec	3,007,000	Families Rustiques Connaisseurs Quebecois Couples	1,000,000 423,000 660,000	
Manitoba	531,000	Ultimate Outdoor Adventurers	44,800	
United States Near and mid-markets	8,550,000**	High Flyers Including LGBT	6,500,000	1.3% (national average)

*LGBT = Lesbian, Gay, Bisexual and Transgender

**U.S. border states: Illinois, Michigan, Minnesota, New York, Pennsylvania, Ohio, Wisconsin

OTMPC Overseas Market Segments

Key Markets	Market Size*	GDP Growth 2012**	Total Visitation by Market (2009)	Target Profile
United Kingdom	14.6 M	0.7%	312,000	Adults, university education, household income \$100k+, major urban centres
France	12.2 M	0.0%	131,000	
Germany	13 M	0.0%	133,000	
Japan	11.4 M	2.2%	109,000	
Brazil	2.5 M	3.5%	60,000	
Mexico	3 M	3.1%	41,000	
South Korea	9.1 M	3.7%	48,000	
China	3.2 M	8.2%	96,000	
India	2.8 M	7.8%	89,000	
Total			1,020,000	

* Long-haul travellers who are very/somewhat interested in visiting Canada in the next 2 years;

Source: Harris Decima, Global Tourism Watch, 2011

** Economist Intelligence Unit, The World in 2012

OUR KEY MARKETING PRIORITIES

The following marketing priorities will drive the achievement of OTMPC's objectives in 2012-13.

1. Bring the unique value proposition of Ontario as a tourism destination to life across all global markets with signature experiences and a positioning strategy.
2. Extend market reach by tapping into New Canadians as a key influencer of visiting friends and relatives (VFR) across Canada and overseas markets.
3. Strengthen Ontario's appeal to the Quebec market to overcome barriers in the purchase cycle.
4. Continue to build on long-term investments for U.S. market expansion.
5. Optimize high-yield overseas markets with incremental investments that facilitate growth for Ontario.
6. Complete procurement and begin TCIS redevelopment.
7. Focus on large, international events as a means of increasing awareness and developing legacy assets.
8. Implement first year of refreshed Northern Tourism Marketing Strategy.

Marketing Priority #1 – Bring the unique value proposition of Ontario as a tourism destination to life across all global markets with signature experiences and positioning strategy

The fundamental challenge currently facing OTMPC is the increasingly competitive global environment and the need to grab the attention of the sophisticated global traveller. Overall, Ontario is strongly placed within the Ontario market and has achieved strong brand equity with the research-driven "There's No Place Like This" campaign. In sharp contrast, Ontario suffers from weak brand equity outside the province and is losing tourism market share in international markets. Eleven per cent of visitation originates from the United States and 2% originates from outside North America. Travel from other provinces to Ontario, currently at 4% of visitation to Ontario, presents an opportunity to increase market reach and tourism revenue.

OTMPC has not conducted any Ontario-specific consumer research in overseas markets. The consumer motivations in international markets research project has been approved by OTMPC's Board of Directors and has been highlighted as a key priority to improve international consumer insight and the critical need to differentiate Ontario as a compelling travel destination.



**Exploring Canada's flavours at
a unique culinary destination —
Le Cordon Bleu, Ottawa**

In order to succeed, OTMPC needs a strong positioning strategy based on consumer research into the travel preferences, motivations and attitudes that are unique to the culture of each source market.

Insights gained from the consumer market research project are critical in understanding the emotional and rational drivers of travel destination choice. This research is required to build effective marketing strategies that will attract and engage high-yield international consumers to Ontario and underpin the strategy to grow tourism spending in the province to \$40 billion by 2015.

OTMPC will explore opportunities to further enhance promotions around Aboriginal tourism product across all of its target markets.

OTMPC is collaborating with CTC to build an inventory of travel experiences called Signature Experiences Collection® (SEC) that will be used to support the brand promise and show the world what Ontario, Canada is all about. Our goal is to grow Ontario membership by 15% with regional representation and strong reflection of Ontario's points of differentiation.

Marketing Priority #2 – Extend market reach by tapping into New Canadians as a key influencer of visiting friends and relatives (VFR) across Canada and overseas markets

Newcomers to Canada represent an untapped source of advocates that we can leverage to influence the travel decisions of their friends and relatives to visit Ontario. Newcomers tend to allow their social circles to influence their decisions until they become more familiar with product offerings. Marketing efforts should inform, explain, differentiate and engage this target market in order to facilitate their travel decisions.

Given the lack of familiarity with Ontario tourism experiences outside their immediate surroundings, experiential marketing is an important tool to develop relationships and provide hands-on education to increase comfort levels in choosing regional experiences further a field. There are a number of established multicultural events and festivals across the GTA that attract large numbers of multicultural groups. OTMPC will leverage those events to introduce

Ontario travel experiences and packages to New Canadians and establish a positive relationship. It is important to build a connection and loyalty within the multicultural community as it sends a strong message to New Canadians that they are vital consumers and supports the community.

Ontario tourism needs to be visible for a minimum of three to four years in the New Canadian segment to build strong

relationships with the diverse consumer and sustain their grassroots involvement rather than one-off event sponsorship.

Marketing Priority #3 - Strengthen Ontario's appeal to the Quebec market to overcome barriers in the purchase cycle

Quebec accounts for the majority of visits to Ontario by Canadians and represents a high-yield market that is forecasted to grow 6% by 2013. However, Quebecers tend to think they know all about Ontario and perceive it less exciting when compared to competitive destinations. Quebecers value recommendations from fellow Quebecers that share similar needs and experiences. Therefore, OTMPC will continue to build on the momentum created by "La plus grande photo expo" campaign initiated in 2011.



Experiencing family fun and learning — Sainte-Marie among The Hurons, Midland

OTMPC will focus on the Montreal market due to its sheer size, relatively close proximity and the tendency of Montrealers to be more open to travel outside Quebec.

OTMPC will inspire family and couples getaways by encouraging Quebecers to share travel stories and photos with their fellow Quebecers. The campaign will launch with the collection and voting phase of the campaign with radio and online to stimulate participation and maximize impact. The winning video will be promoted on the season finale of a popular Quebec TV show along with proactive media and public relations. OTMPC will secure greater dominance of billboards in key Montreal areas and establish a strong link with the Ontario brand and offer compelling partner packages. The objective is to stimulate overnight getaway bookings by driving traffic to ontario-travel.net where there are special packages and to increase differentiation of Ontario as a compelling destination.

Marketing Priority #4 - Continue to build on long-term investments for U.S. market expansion

With the recent departure of the CTC from U.S. consumer marketing, OTMPC has a leadership role to promote the Ontario brand and provide long-term marketing opportunities that drive regional tourism experiences. The U.S. border states account for 3 million overnight leisure trips annually. Almost half (43%) of the U.S. population living in the states around Ontario own a passport, which is an increase of 6% since the Western Hemisphere Travel Initiative (WHTI) was announced.⁸

The strategy for border U.S. markets is to develop a multi-media partnership focused on radio and digital in Buffalo, Rochester, Greater Detroit Area and Cleveland to offset decline in drive market.

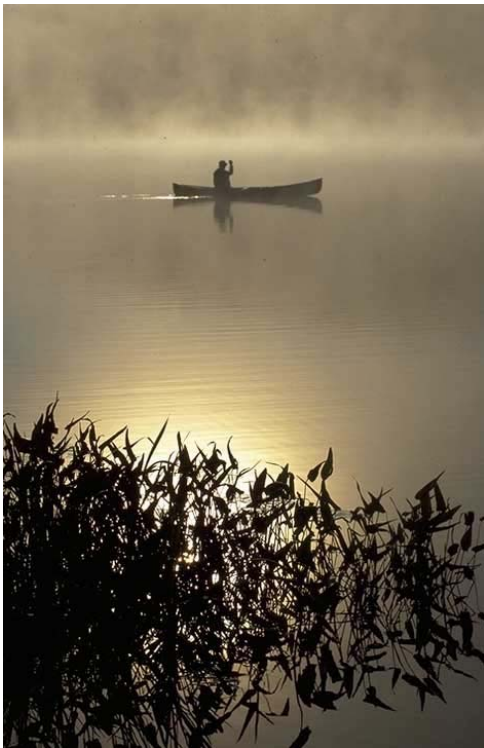
For mid U.S. markets, we will focus the majority of marketing efforts on New York City and include a strategic airline partner. The Boston market presence will be maintained with online advertising and media relations activities. We will build on the momentum of the 2011-2012 multi-media partnership with an enhanced digital plan.

8. Travel Intentions Study, Feb 2010

Media relations and travel trade activities will continue in the U.S. markets with a focus on high-yield products and signature experiences.

Marketing Priority #5 - Optimize high-yield overseas markets with incremental investments that facilitate growth for Ontario

Overseas markets represent 2% of all visits but more importantly 15% of all spend. The major growth of visitation will come from the emerging markets, but it is still important to maintain and grow the mature markets. Differentiating Ontario from its competitors in the global landscape will be key; in mature markets we will highlight experiences such as outdoor adventure, cities and food and culinary and in emerging markets we will highlight key icons such as Niagara Falls, Toronto and Ottawa.



Canoeing, an Ontario pastime — Bon Echo Provincial Park, Cloyne

To build the awareness of Ontario and move customers through the travel purchase cycle in all markets, we will distribute a new brand video on key websites and new brochures to the consumer directly and through the travel trade. The digital landscape is fundamental to the way emerging market consumers express themselves, so we will focus on innovative digital marketing practices to grab the attention of global travellers and engage them to encourage the sharing of travel experiences, especially in China. Travel trade and media relations activities remain important for building the awareness and closing the sale. In all markets we will continue to leverage investments with the CTC and in mature markets we'll extend Ontario advertising campaigns in partnership with RTOs. We will start to build the tourism assets for the PanAm and ParaPan 2015 games, along with continuing to leverage the heightened awareness of Ontario in India following the International Indian Film Academy (IIFA) Awards.

Marketing Priority #6 – Complete procurement and begin TCIS redevelopment

Consumer behaviour for travel information is rapidly shifting away from print to digital media with over 93% using the internet during the travel planning process.⁹ The vast majority of social network users (82%) select their travel destination online. By 2014, it is predicted that there will be 142.1 million U.S. consumers accessing the internet using mobile devices.¹⁰ OTMPC needs to provide content where consumers are making their travel decisions.

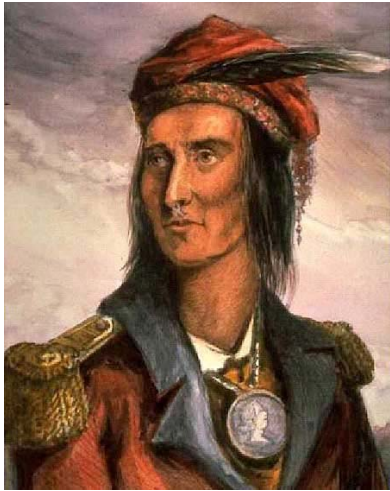
The redevelopment of TCIS is one of the cornerstones for supporting the OTMPC strategic plan to enable the delivery of integrated brand and targeted marketing programs on a global scale to consumers. In order to remain competitive and fully utilize the benefits of the internet, OTMPC must continue to offer consumers an information system that includes internet, call centre and distribution of information to not only raise awareness of

9. Phocus Wright Consumer Travel Report, 2010

10. Phocus Wright Consumer Travel Report, 2010

Ontario as a travel destination, but also help convert the awareness to visits.

OTMPC's digital strategy is to develop a niche mobile application to enhance the visitor experience and link to the travel centres. OTMPC will work with RTOs and partners to aggregate content for mobile applications. OTMPC will also aggressively use social media to engage consumers and reach people who influence other people's decisions to buy a product or make a travel decision in order to create Ontario tourism advocates. OTMPC will link the social media hub with consumer campaigns, actively monitor social networks and strategically place content as appropriate. OTMPC will conduct regular contests to encourage consumer-generated content and to increase registrations to the consumer database. OTMPC will invite influential bloggers and travel counsellors to contribute Ontario travel content and ensure high search engine rankings with search engine marketing (SEM), search engine optimization (SEO) and high content refresh.



OTMPC will continue to enhance the ontariotravel.net website based on changing consumer needs and advances in technology. OTMPC will complete the request for proposals and begin the initial phases of website redevelopment and modernize the system.

Marketing Priority #7 – Focus on large, international events as a means of increasing awareness and developing legacy assets

In partnership with the Ontario 1812 Commemorative Planning Office, OTMPC will create province-wide legacy digital assets that promote new regional heritage products that will last beyond the War of 1812 Bicentennial resulting in high awareness and appreciation for the War of 1812 across target markets.

To raise awareness of World Pride 2014, OTMPC will collaborate with Tourism Toronto in expanding marketing efforts to reach LGBT across Canada and to increase awareness of Toronto as a welcoming destination for LGBT across global markets.

PanAm and ParaPan 2015 games strategy is to focus on relationship development of key partners to explore strategic business opportunities and to collaborate with RTOs and industry operators to initiate legacy product development of signature experiences that meets travel preferences of PanAm markets. The expected result is increased awareness of Ontario as a tourism destination with incremental visitation over the long term.

Marketing Priority #8 – Implement first year of the refreshed Northern Tourism Marketing Strategy

The Northern partnerships budget will be directed to the implementation plan OTMPC has developed to align and coordinate efforts with RTO 13 and 12. The plan is to maintain avid vertical focus with angling, hunting, motorsports and nature and adventure under one common call to action: Canada's Great Outdoors.



**The War of 1812
remembered: Chief
Tecumseh, Major-General
Sir Isaac Brock**