

TOURISM NOVA SCOTIA BUSINESS PLAN

2018-2019



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MESSAGE FROM THE CHAIR & CEO

Tourism Nova Scotia is the provincial Crown corporation responsible for marketing Nova Scotia as a tourism destination, improving tourism competitiveness, and leading the growth of Nova Scotia's tourism industry. In alignment with our corporate strategy, *Driving Export Revenue*, we work with businesses, community organizations and all levels of government to co-invest in marketing and sector development initiatives that will move the industry closer to the Ivany Report goal of \$4 billion in tourism revenues by 2024.

Last year, Nova Scotia experienced its fourth consecutive year of non-resident visitation and revenue growth, with 2.4 million overnight visitors (an increase of 9% or 195,000 visitors compared to 2016), and an estimated \$2.7 billion in tourism revenues (\$100 million more than 2016). Many factors contributed to this success, including Tourism Nova Scotia's marketing initiatives, hard work by the industry, Canada 150 celebrations, free access to national parks and historic sites, the price of gas and favourable exchange rates. We must take advantage of these favourable growth conditions to enhance our quality experience offerings and build brand awareness, to drive demand over the long-term.

In 2018-19, we will continue to invest in marketing programs with Destination Canada and the Atlantic Canada Agreement on Tourism to promote Nova Scotia in the Northeast US, UK, Germany and China. We're especially excited to mark the 2018 Canada-China Year of Tourism by working with our first-ever in-market representative in China to develop a sales and marketing strategy for Nova Scotia. Air access will remain a priority for 2018-19 as we focus on strategic trade and consumer marketing partnerships to support markets that have direct air access to Nova Scotia.

From May 13-16, 2018, Nova Scotia will host Destination Canada's largest business event, Rendez-vous Canada, at the Halifax Convention Centre. Over 1,800 tourism professionals, including 500 tour operators and travel agents from over 20 countries, will be in Halifax for sales meetings and to experience a first-hand account of Nova Scotia. Tourism Nova Scotia will host familiarization tours to give delegates a taste of all regions of Nova Scotia.

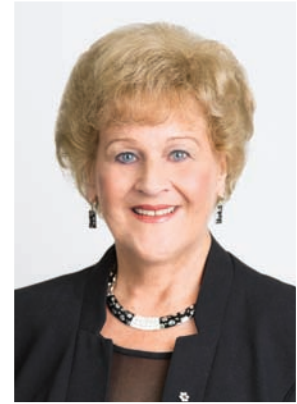
We will continue to partner with businesses and organizations to develop quality experiences that motivate travel, and will expand our focus to develop indigenous experiences and experiences that will help drive visitation in the shoulder seasons. We will undertake research to inform experience development and marketing activities, and to enhance our ability to assess return on investment for our marketing initiatives.

We will continue to make decisions based on research, and we will be nimble, innovative and progressive as we embrace opportunities that are good for the tourism industry and good for Nova Scotians.

Sincerely,

R. Irene d'Entremont, C.M., D.Comm hc, Chair, Tourism Nova Scotia Board of Directors

Michele Saran, CEO, Tourism Nova Scotia



R. Irene d'Entremont
Chair, Tourism Nova Scotia



Michele Saran
CEO, Tourism Nova Scotia

MANDATE

The Tourism Nova Scotia Act, passed on May 4, 2015, states the objectives of the corporation are to:

- Achieve tourism growth in the province and maximize the value of tourism to the economy of the province.
- Develop and implement a long-term strategy for tourism to drive sustainable tourism in the province that delivers growth and profitability in the tourism sector, provides economic benefit to the province, and is consistent with the province's strategic priorities.
- Communicate and collaborate with communities, private industry, and the tourism industry in the province.

MISSION

To market Nova Scotia's tourism experience to the world through innovation and collaboration.

VISION

To be recognized globally as the leading destination marketing organization.



TOURISM NOVA SCOTIA

Tourism Nova Scotia, a provincial Crown corporation, is the destination marketing organization (DMO) for Nova Scotia. A DMO is an organization that is responsible for developing a tourism strategy and leading tourism marketing and development efforts for a destination.

Our organization's five-year strategic plan, *Driving Export Revenue*, is the foundation of our 2018-19 business plan. *Driving Export Revenue* outlines what Tourism Nova Scotia and industry stakeholders need to do to reach the Ivany Report goal of \$4 billion in tourism revenues by 2024. Our strategic plan and the activities identified in our business plan align with key government priorities and the Government's Framework for Private Sector Growth.

The following key strategies guide all of our investments and partnerships.

1. Attract first-time visitors to Nova Scotia

While Tourism Nova Scotia cares about all visitors, our marketing messages and execution will focus on attracting those who have not been to Nova Scotia before.

2. Invest in markets of highest return

Tourism Nova Scotia will invest its marketing dollars in markets that will attract the highest value visitors to Nova Scotia.

3. Focus on world-class experiences

Tourism Nova Scotia will lead tourism experience development and sector development through a "world-class" lens to support attracting first-time visitors to the province.

4. Build Nova Scotia's tourism confidence

Tourism Nova Scotia will build stakeholder knowledge of, and support for, its strategic direction to attract increased investment, grow revenues, and boost Nova Scotia's tourism confidence.

Innovation, Collaboration and Stakeholder Alignment

Achieving Nova Scotia's aggressive tourism revenue goal requires all stakeholders to align with the goal and own their roles. Tourism Nova Scotia will remain laser-focused on activities related to our mandate and strategy, while other stakeholders will be responsible for the following roles identified in our strategy, *Driving Export Revenue*:

Industry

- Close the sale pre-trip and during trip.
- Drive repeat visitation by exceeding visitor expectations.
- Invest in product.
- Deliver world-class experiences.

Community

Community is defined as municipalities, regional/ community destination marketing organizations and

regional tourism industry associations. Community also includes all Nova Scotia residents. Personal interactions with Nova Scotians are critical to the visitor experience and influence the desire of visitors to recommend Nova Scotia as a vacation destination and to become repeat visitors.

Community roles include:

- Partner with industry to deliver destination development and marketing.
- Visitor servicing.

Government (Federal and Provincial)

Government enables tourism growth by considering policies and investments that support the \$4 billion goal.

Government roles include:

- Community economic development.
- Attraction of inward investment.
- Infrastructure development.

KEY ACTIVITIES

The Province of Nova Scotia is focused on strategic sector growth, and has embraced the One Nova Scotia (Ivany Report) tourism expansion goal to increase tourism revenues to \$4 billion by 2024. 2017 marked the fourth consecutive year of tourism growth in Nova Scotia, and the 2018 outlook is favourable.

In 2018-19, Tourism Nova Scotia will continue to focus on activities related to our mandate and strategy, and lead sustainable tourism growth in the province.

Launch a Consumer-focused Advertising Campaign

In 2018-19, Tourism Nova Scotia will create and implement a consumer-focused advertising campaign targeting key Explorer Quotient™ segments (Authentic Experiencers and Cultural Explorers). 2018-19 will build on the success of the 2017-18 “If You Only Knew” campaign, that performed at or above industry standards in terms of generating foundational interest in, and stimulating travel to, Nova Scotia.

Engage Travel Influencers

Tourism Nova Scotia will deliver a media relations program to boost awareness and consideration of Nova Scotia as a vacation destination for travelers. This includes hosting selected travel writers and influencers on press trips throughout the province, who in turn will produce and share content (stories, video, etc.) with their audiences.

Develop Overseas Markets Through Trade Marketing Initiatives

Tourism Nova Scotia will continue to invest in Destination Canada trade marketing partnership programs in key overseas markets.





We will also work with our in-market representatives in Germany, UK, and China to increase awareness of Nova Scotia as a vacation destination and facilitate sales opportunities with the travel trade (tour operators and travel agents). We will increase our activity in the China market by working with our China in-market representative to build expertise around Nova Scotia product and develop relationships with key tour operators and travel agents.

Leverage International Air Access

Air access is critical to enticing international visitors to the province. In 2018-19, Tourism Nova Scotia will continue to leverage Destination Canada trade and consumer partnership programs to build awareness of Nova Scotia under the Canada brand in international markets.

Host Rendez-vous Canada

From May 13-16, 2018, Nova Scotia will host Destination Canada's largest business event, Rendez-vous Canada, at the Halifax Convention Centre. Over 1,800 tourism professionals, including 500 tour operators and travel agents from over 20 countries, will be in Halifax for sales meetings and to experience a first-hand account of Nova Scotia via familiarization tours that will give delegates a taste of all regions of Nova Scotia. This event will inspire international trade operators to develop itineraries that include Nova Scotia product, and ultimately drive leisure visitation to the province. Tourism Nova Scotia is hosting this event, with support from Atlantic Canada Opportunities Agency (ACOA), the Atlantic Provinces, Discover Halifax, and tourism organizations and operators across the province.

Continue to Update Nova Scotia's Tourism Online Presence

Sustainable tourism growth requires adapting to evolving consumer behaviour. In 2018-19, Tourism Nova Scotia will continue to evolve our flagship consumer-focused website, NovaScotia.com. A key area of focus will be optimizing the mobile user experience.

Leverage Partnerships and Resources

Partnerships and leveraging resources are critical to achieving tourism growth. In 2018-19, Tourism Nova Scotia will extend its marketing reach through strategic initiatives with key stakeholders that align tourism marketing

investments at the operator, provincial, Atlantic, and national level. Key initiatives include:

- Digital Marketing Partner Program: a program that provides Nova Scotia tourism businesses and organizations with an opportunity to partner with Tourism Nova Scotia to promote their products and/or services in key Canadian markets and the Northeastern United States, using digital marketing tactics.
- Inspiring Content Partner Program: a program that leverages Tourism Nova Scotia's scale to develop compelling visual content that will appeal to key Explorer Quotient™ segments.
- Strategic co-investment partnerships with Destination Canada in key international markets in the US, UK, Germany and China to extend Nova Scotia's market reach under the Canada brand. These co-investment partnerships leverage Destination Canada's scale and reach across the direct-to-consumer, trade, and media channels.

Nova Scotia has a long history of working collaboratively with its Atlantic Canada partners, with co-investment from ACOA. In 2018-19, under the Trade and Investment pillar of the Atlantic Growth Strategy (AGS), Tourism Nova Scotia will continue its participation in the Atlantic Canada Growth Strategy for Tourism to support the growth of a more vibrant and sustainable tourism economy for Nova Scotia. Through our collaboration with ACOA and the other three Atlantic Provinces, Tourism Nova Scotia will extend our reach in key international markets in the US, UK, Germany and China through investment in direct-to-consumer advertising and strategic Destination Canada partnerships.

Deepen Understanding of Nova Scotia's Target Markets

Tourism Nova Scotia will conduct research to deepen our understanding of Nova Scotia's target markets. Key 2018-19 activities include expanding our understanding of the return on our marketing investment, and research to support experience development initiatives, with focus on specific areas of interest, such as culinary, wineries/distilleries/craft breweries, and trails.





Lead Experience Development

Experience development is a key strategic imperative. In the past two years, through the World-class Experience EXCELLerator Program, more than 20 compelling tourism experiences have been developed and brought to market. The experience development process has challenged tourism operators to innovate and embrace change to create unique and authentic Nova Scotian experiences that engage and delight visitors. In 2018-19, Tourism Nova Scotia will continue to partner with private sector operators to develop experiences that will attract high-value visitors to the province.

2018-19 marks the third year of the World-class Experience EXCELLerator Program. This year, we will continue to work with operators to develop experiences that align with the Free Spirits Explorer Quotient™ segment. Among partners that have already developed experiences, we will conduct coaching and mentoring to enhance export readiness and increase marketability.

Through collaboration with industry partners, the EXCELLerator Program will be expanded to focus on indigenous experiences and seasonally offered experiences that align with the Authentic Experienter and Cultural Explorer segments.

Enhance Market Readiness and Quality

Visitors expect a high-quality Nova Scotia experience. In 2018-19, we will continue to partner with sector associations and industry to enhance market readiness and quality to support the delivery of world-class experiences through export and travel trade readiness training initiatives. Tourism Nova Scotia will support the development of the Nova Scotia Approved Program and work with industry partners on a new enhanced quality program.

Facilitate Industry Growth

Tourism Nova Scotia will work with current and prospective business operators to facilitate industry growth, with accommodations identified as a key area of focus. In 2018-19, we will provide business advice and coaching to encourage new accommodation developments, and will leverage findings from the 2017 Accommodation Needs Assessment report to help inform operators and developers seeking to invest in the province. We will work with

Nova Scotia Business Inc., Regional Enterprise Networks and other stakeholders on accommodation investment readiness by sharing industry statistics, market opportunities and directing investment inquiries to these partners.

Tourism Nova Scotia will work with the Nova Scotia Office of Immigration to introduce proactive business coaching that will help new immigrant investors understand the province's tourism industry and respond to the opportunities available.

Strategic tourism infrastructure revitalization has been identified as a government priority. To support this priority, Tourism Nova Scotia will work with the Province to invest in key tourism sites.

Build Nova Scotia's Tourism Confidence

Communications activities in 2018-19 will focus on enhanced stakeholder engagement and Tourism Nova Scotia's strategic imperative to build Nova Scotia's tourism confidence.

Other Responsibilities/Services

In addition to the key 2018-19 activities that align with our mandate and strategy identified above, Tourism Nova Scotia provides support to the tourism industry in the following areas.

Tourism Nova Scotia operates six provincial Visitor Information Centres (Halifax Stanfield International Airport, Halifax waterfront, Amherst, Yarmouth, Peggy's Cove and Port Hastings). The Visitor Information Centre staff assist visitors with planning their travel throughout Nova Scotia and encourage increased spending and length of stay. Tourism Nova Scotia also provides funding that contributes to the operation of local visitor information centres across the province.

Our Tourism Contact Centre supports our marketing programs by answering inquiries around Nova Scotia travel planning.

Our Literature Distribution Program offers direct-to-consumer and public sector tourism literature services to key target markets.



OUTCOMES AND PERFORMANCE MEASURES

While Tourism Nova Scotia works with key stakeholders to maximize the value of tourism to the province, Tourism Nova Scotia cannot directly increase all visitor expenditures. One component of our work is to influence awareness and consideration of Nova Scotia as a vacation destination, and the other is to engage and influence Nova Scotia stakeholders to implement the tourism strategy.

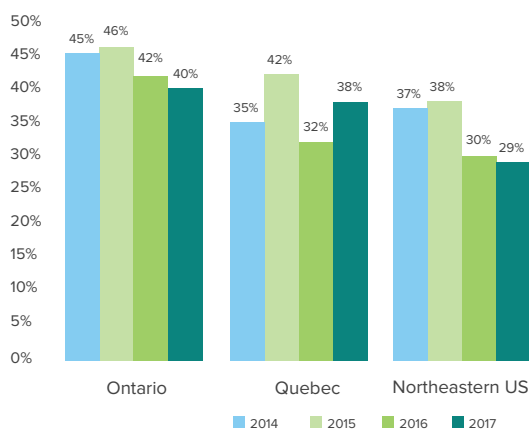
Outcome: Increase visitor expenditures by strategic investment in high-yield markets.

Tourism Nova Scotia seeks to increase visitor expenditures by influencing travelers to consider Nova Scotia as a vacation destination. An indicator for assessing the effectiveness of our marketing investments is consideration of Nova Scotia as a vacation destination. Tourism Nova Scotia monitors the strength of the tourism brand among non-visitors in key target geographic markets, currently Ontario (Toronto/Ottawa), Quebec (Montreal), the Northeastern US and the UK (London/Glasgow).

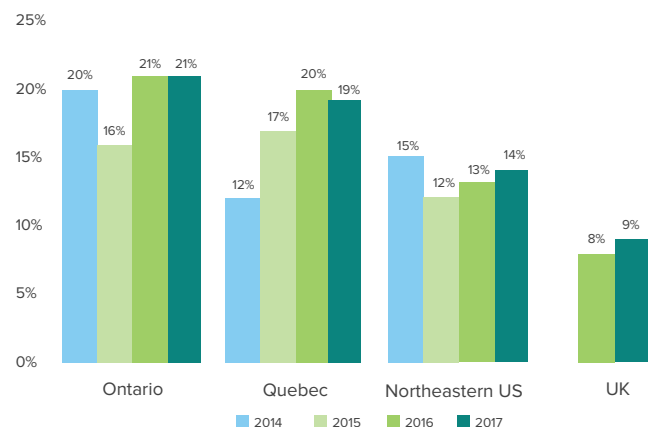
Having a highly favourable opinion of Nova Scotia is an important step on the path to purchase. In 2017, the indicator for consideration of the province as a vacation destination in key markets among non-visitors is increased or stable in all markets.

Another measure on the path to purchase is having plans to visit Nova Scotia. In 2017, this measure is stable compared with 2016.

RATING OF NOVA SCOTIA AS A VACATION DESTINATION AMONG NON-VISITORS
(% 8, 9, OR 10 ON 10-POINT SCALE)



LIKELIHOOD OF VISITING NOVA SCOTIA IN NEXT 2-3 YEARS AMONG NON-VISITORS
(% SAYING "VERY LIKELY")



2018-19 Performance Measures

In 2018-19 Tourism Nova Scotia will refine its performance measures related to influencing awareness and consideration of Nova Scotia as a vacation destination, and building Nova Scotia's tourism confidence. Tourism Nova Scotia's goal is to influence growth of the provincial tourism industry.

OPERATING BUDGET

	Budget 2017-18 (\$)	Forecast 2017-18 (\$)	Budget 2018-19 (\$)
Revenue			
Provincial Operating Grant	21,514,000	21,203,000	21,291,000
Tourism Recoveries	577,000	1,402,900	728,900
Tourism Fees & Charges	709,000	781,100	734,000
Total Revenue	22,800,000	23,387,000	22,753,900
Expenses			
CEO & Board Administration	360,500	377,800	357,400
Corporate Services	7,014,000	5,957,200	7,105,500
Marketing	12,247,500	14,399,600	13,084,200
Sector Development	3,178,000	2,652,400	2,206,800
Total Expenses	22,800,000	23,387,000	22,753,900
Surplus (Deficit)	0	0	0