

TOURISM NOVA SCOTIA

BUSINESS PLAN

2017-2018

TOURISM
NOVA SCOTIA 

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MESSAGE FROM THE CHAIR & CEO

Nova Scotia's tourism industry is working to double annual tourism revenues from \$2 billion in 2010 to \$4 billion (\$4b goal) by 2024. To achieve this goal, tourism businesses and stakeholders from Yarmouth to Cape Breton are taking action: they're thinking creatively, innovating, and making investments to capitalize on business opportunities now and for the future.

As the provincial Crown corporation responsible for destination marketing, sector development, and overall tourism growth, Tourism Nova Scotia launched a strategy in November 2015 to lead the industry toward the \$4b goal. The strategy has four pillars: 1) attract first-time visitors; 2) invest in markets of highest return; 3) focus on world class experiences; and 4) build Nova Scotia's tourism confidence.

2016 was a record tourism year for Nova Scotia. More than 2.2 million visitors came to the province and tourism revenues hit an estimated \$2.6 billion - \$125 million more than in 2015. Fifty-nine per cent of tourism revenues (\$1.5 billion), can be attributed to out of province visitors. Despite strong performance in 2016, and three consecutive years of growth, the fact remains that steeper spending by out of province visitors is needed to reach the \$4b goal.

In 2017-18, Tourism Nova Scotia will build on past successes, lessons learned, and global best practices, and continue to exploit digital innovations to generate marketing results, and attract more, higher-spending visitors to the province. Tourism Nova Scotia will leverage opportunities with our industry, our neighbouring Atlantic Provinces, and Destination Canada to extend marketing reach and have greater impact. We will continue to work with private sector operators to create "world class" experiences that will motivate visitors to come

to Nova Scotia. In addition to our work in our core markets of Canada and the US, we will strive to increase business development activities in the UK and Germany, as well as in China to build visitation and revenues. Visitors from these overseas markets stay longer and spend considerably more than domestic travellers.

In 2017-18, Tourism Nova Scotia will continue to collaborate with the Halifax International Airport Authority to support air routes from markets that are a priority for our industry. We know that visitors who travel by air spend more when they visit. We also know that direct and easy access to a destination can be a deciding factor when people are choosing a destination. We need to make it easy for people to get here if we're going to compete.



Tourism Nova Scotia, with our partners at the Tourism Industry Association of Nova Scotia, will continue to look at the issues surrounding the growth of our industry, in particular, accommodations capacity and quality. We will also be looking at ways to

extend the tourism season to create a more sustainable business environment for operators.

2017-18 will be a year of bold thinking in pursuit of game-changers. We will collaborate with stakeholders to fuel the growth of our industry and generate the best economic return for Nova Scotians.

Sincerely,

Irene d'Entremont, Interim Board 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.

PLANNING CONTEXT

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

Following its emergence as a Crown corporation in 2015, Tourism Nova Scotia embarked on a strategic planning exercise and unveiled its strategic plan in November 2015. The strategic plan identifies both the roles for the organization and key stakeholders, and Tourism Nova Scotia's strategies to support the broader tourism industry goal to reach \$4 billion in tourism revenues by 2024. The strategic plan aligns with key government priorities and the Government's Framework for Private Sector Growth, and underpins the corporation's 2017-18 business plan.

The 2014 *Now or Never: An Urgent Call to Action for Nova Scotians* report is the foundation for the Nova Scotia Government's Framework for Private Sector Growth. One of the economic goals included in the report is a challenge to the Nova Scotia tourism industry to double tourism revenues from the 2010 level of \$2 billion to \$4 billion by 2024.

Tourism Nova Scotia has identified four key strategies to guide its activities:

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.

Success in growing the provincial tourism industry will provide significant benefits to Nova Scotia, including, but not limited to:

- Contributing to activity in the sectors that support the tourism industry (restaurants, accommodations, construction, retail, transportation, beverage and alcohol);
- Supporting air access growth;
- New business investment;
- Increased pride of place; and
- A wealth of tourism attractions, activities and accommodations options for Nova Scotians to enjoy.

Innovation is key to sustainable growth in Nova Scotia's tourism industry. Achieving the kind of growth required to reach \$4 billion in tourism revenues requires movement away from the status quo, towards consideration and implementation of innovative approaches to: 1) attract visitation; 2) develop exciting experiences that will motivate travel to the province; 3) align stakeholders (including industry, communities, and government) in the pursuit of tourism growth; and 4) rally the entire province behind this important industry.

Alignment of effort is also key to success. Tackling an aggressive tourism revenue goal means that everyone has to be focused on aligning with that goal, and everyone has to “own their role”. In concert with Tourism Nova Scotia, key stakeholders play a critical role in growing tourism revenues to meet the ambitious \$4 billion goal. These roles are:

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, 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:

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

Government (Federal and Provincial)

Align policy agenda in support of the ONE NS goal to reach \$4 billion in tourism revenues by 2024, including:

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



2017-18 KEY ACTIVITIES

Building on an exceptional year of visitation growth in 2016-17, Tourism Nova Scotia will continue to focus on activities that support its mandate and strategy, and work to drive sustainable tourism growth in the province. This section identifies the key activities being led by Tourism Nova Scotia in 2017-18.

Tourism Nova Scotia will continue to build awareness of and interest in Nova Scotia in current markets of Ontario, Quebec, and the Northeast US through a **consumer-focused marketing campaign**. The campaign will target key traveller types that are predisposed to find Nova Scotia’s tourism product highly appealing (Authentic Experiencers and Cultural Explorers - visit tourismns.ca for more details on these travellers). The 2017-18 “If You Only Knew” campaign will build off the success of the prior year’s campaign, identified in a Google study as performing in the top 25% for brand consideration across all sectors in North

America. The 2017-18 campaign will leverage this success and showcase the range of exceptional experiences visitors may choose from when visiting Nova Scotia. The campaign will include a “Discovery Tool” that will inspire and convince potential visitors to come to Nova Scotia. In addition, the campaign will leverage innovations in digital marketing to maximize ad placement. The 2017-18 campaign will also support visitation related to Canada’s 150th birthday.

Tourism Nova Scotia will deliver a **media relations program** to extend the consumer marketing campaign and motivate travel through third party media influencers. A key 2017-18 activity is GoMedia, to be hosted in Halifax in October 2017. This signature business-to-business event will bring together more than 125 national and international travel media to meet with marketing and communications professionals from various Canadian tourism organizations.

Partnerships and leveraging resources are critical to achieving tourism growth. In 2017-18, Tourism Nova Scotia will continue to leverage its marketing expertise to help tourism operators become more successful. The organization will extend its marketing reach through strategic initiatives with key stakeholders, and align tourism marketing, air access, and cruise plans. Key activities include:

- Digital Marketing Partner 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; and
- Strategic co-investment partnerships with Destination Canada in key international markets to extend Nova Scotia's market reach under the Canada brand. These co-investment partnerships will 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 and federal government partners. In 2017-18, under the Trade and Investment pillar of the Atlantic Growth Strategy (AGS), Tourism Nova Scotia will participate in the "Atlantic Canada Growth Strategy for Tourism" to support the growth of a more vibrant and sustainable tourism economy for Nova Scotia. This strategy, an initiative led by the federal government that includes all four Atlantic Canada Provinces, is focused on three key areas:

- International marketing and market development;
- Tourism product innovation; and
- Investigative market research and improved metrics.

Tourism Nova Scotia will enter into a new three-year "Atlantic Canada Agreement on Tourism" (ACAT) under the auspices of the **Atlantic**

Canada Tourism Partnership (ACTP), a partnership between the federal government, the four Atlantic Provinces, and their industry associations that focuses on marketing, trade, and travel media initiatives in targeted international markets.

In 2016-17, Tourism Nova Scotia entered the **China** market. In 2017-18, we will increase our China market investment to build visitation and revenues through:

- Greater business development activity delivered by in-market professional service support; and
- Increased partnership marketing activity with Destination Canada.

Air access is critical to enticing international visitors to the province. In 2017-18, Tourism Nova Scotia will develop strategic trade marketing partnerships to support increased air access. In addition, we will partner with Destination Canada to extend Nova Scotia's reach under the Canada brand in markets that open or expand through increased air access.

Tourism Nova Scotia will conduct **research** to identify and deepen understanding of Nova Scotia's target markets. Key 2017-18 activities include:

- 2017 Peak Season Visitor Exit Survey;
- Enhancing our ability to assess return on investment on our marketing initiatives; and
- Research to support experience development initiatives, with particular focus on identifying experiences that will motivate travel.

A critical aspect of Nova Scotia's tourism strategy is the **development of world class experiences**. There is a need to offer the types of experiences that will attract high value visitors to Nova Scotia. Key initiatives that support the development of world class experiences include:

- Building on the success of the 2016-17 EXCELLerator program that saw the development of ten innovative experiences that will motivate travel to Nova Scotia. These exclusive experiences range from gourmet dining adventures on islands in Halifax, Baddeck, and the Bay of Fundy, to a progressive dinner at beautiful wineries featuring Nova Scotia's premiere Tidal Bay wine, to a coastal dig for Canada's oldest dinosaur fossils.



In 2017-18, Tourism Nova Scotia will continue to mentor industry partners from year one of the program, as well as lead the development of seven to ten purchasable experiences by a new set of industry partners;

- The launch of our “Big Idea” initiative. Tourism Nova Scotia will lead the identification of the next significant world class experiences/icons that motivate travel to Nova Scotia; and
- The Competitive Edge program, a co-investment program aimed at improving attractions’ market-readiness to facilitate increased visitation.



High value visitors expect a [high quality Nova Scotia experience](#). In 2017-18, we will continue to partner with sector associations and industry to enhance market readiness and quality to support the delivery of world class experiences. Key 2017-18 activities include:

- Export Readiness Program;
- Support of the Nova Scotia Approved Quality First Program; and
- Development of an Enhanced Quality Program.

The quantity and quality of world class experiences and attractions in the province can be enhanced through the attraction of [inward investment](#). In 2017-18, Tourism Nova Scotia will:

- Collaborate with provincial government partners, Regional Enterprise Networks, and industry to identify existing and potential tourism investment opportunities; and
- Strategically co-invest in industry-led partnerships that will help build capacity, leverage resources, and grow tourism revenues.

Our key stakeholder communications vehicle, [tourismns.ca](#), was relaunched in 2016-17. [Communications activities](#) in 2017-18 will focus on enhanced stakeholder engagement and Tourism Nova Scotia’s strategic imperative to build Nova Scotia’s tourism confidence. Key activities include:

- A Tourism Nova Scotia “roadshow” for industry to share information and to launch the 2017 marketing campaign; and
- A focus on innovation and competitiveness told through the stories of industry operators.

OTHER RESPONSIBILITIES

In addition to the key 2017-18 activities that align with Tourism Nova Scotia’s mandate and strategy, identified earlier, the organization 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.

The [Tourism Contact Centre](#) supports the marketing programs by answering inquiries around Nova Scotia travel planning.

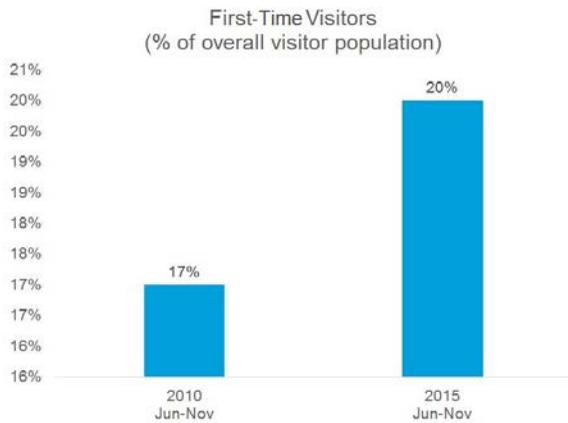
The [Literature Distribution Program](#) includes direct-to-consumer and public sector tourism literature services to key target markets.

OUTCOMES AND PERFORMANCE MEASURES

While Tourism Nova Scotia is working in concert with key stakeholders to maximize the value of tourism to the province, Tourism Nova Scotia cannot directly increase all visitor expenditures. One component of the organization’s work is to influence awareness and consideration of Nova Scotia as a vacation destination. The other is to engage and influence Nova Scotian stakeholders to implement the tourism strategy that was developed in consultation with industry.

[Outcome: Increase tourism expenditures by attracting more first-time visitors to Nova Scotia.](#)

While Tourism Nova Scotia cares about all visitors, an important part of increasing the level of visitor expenditures is increasing the number of first-time visitors to Nova Scotia. The most recent “Visitor Exit Survey”, conducted in 2015, reported an increase in the percentage of visitor parties to Nova Scotia that are first-time visitors. There was also growth in overall visitation to Nova Scotia between 2010 and 2015 (+6%), resulting in not only an increase in the percentage of first-time visitors, but also a significant increase in the overall number of first-time visitors in 2015. The next “Visitor Exit Survey” will be conducted in 2017.

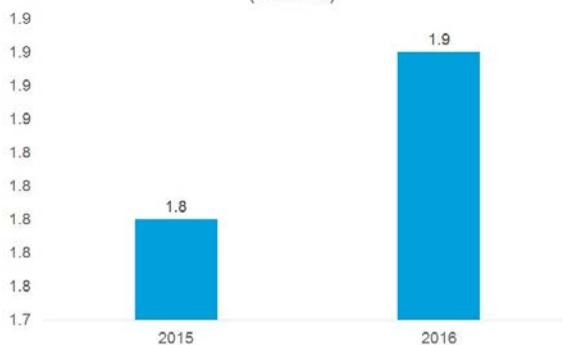


Not all factors that affect the decision to visit Nova Scotia are under our control, however, Tourism Nova Scotia influences consumer decisions by marketing Nova Scotia to specific markets. The organization's advertising campaigns create awareness, and drive consideration and choice of the province as a vacation destination.

Encouraging non-visitors to learn more about the area is an important step on the path to purchase. One way to achieve insight into the success of these activities is the monitoring of visitors to Tourism Nova Scotia's consumer website, NovaScotia.com. In 2016, the number of unique visitors to NovaScotia.com that had not yet visited Nova Scotia increased by approximately 145,000.

In addition, in 2016, the overall number of unique visitors to NovaScotia.com increased by 15% compared with 2015. These measures provide insight on the effectiveness of the marketing campaigns. Tourism Nova Scotia will continue to track the number of visitors to the website who have not yet visited the province. As advertising campaigns become more effective, the pool of people who have not visited the province may actually decline.

Visitors to NovaScotia.com That Have Not Yet Visited Nova Scotia (millions)

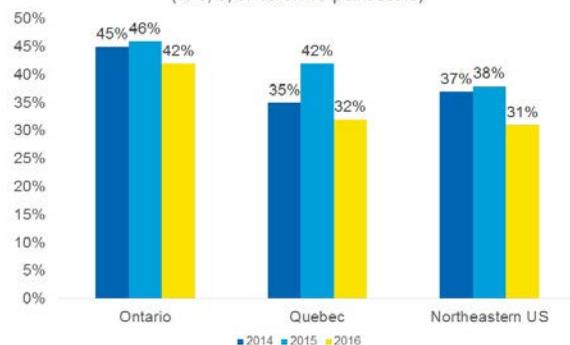


Outcome: Increase visitor expenditures by strategic investment in high-yield markets. By investing in markets of higher yield to influence people to consider Nova Scotia as a vacation destination, Tourism Nova Scotia seeks to increase visitor expenditures. Marketing investments seek to influence people's decisions to come to Nova Scotia by creating awareness and interest in the area as a vacation destination.

A lead indicator for assessing the effectiveness of our marketing dollars is consideration of our Nova Scotia as a vacation destination. Tourism Nova Scotia monitors the strength of the tourism brand among non-visitors in key target geographic markets which are currently: Ontario (Toronto/Ottawa); Quebec (Montreal); and the Northeastern US.

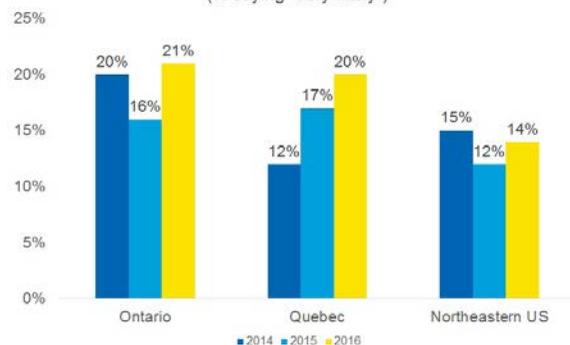
Having a highly favourable opinion of Nova Scotia is an important step on the path to purchase. In 2016, the indicator for consideration of the province as a vacation destination in key markets among non-visitors softened slightly across all three markets. Tourism Nova Scotia will continue to track this indicator in 2017. The goal is to maintain or increase ratings of the province in this regard.

Rating of Nova Scotia as a Vacation Destination Among Non-Visitors (% 8, 9, or 10 on 10-point scale)



Another important measure on the path to purchase is having plans to visit Nova Scotia. In 2016, this measure is stable or improved compared with 2015.

Likelihood of Visiting Nova Scotia In Next 2-3 Years Among Non-Visitors (% saying "Very likely")



Outcome: Develop world class visitor experiences to appeal to first-time visitors.

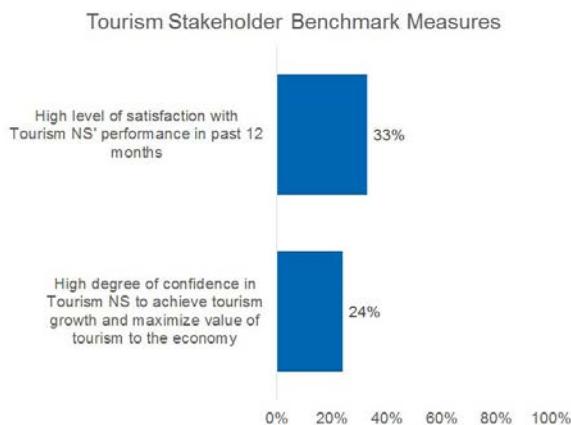
Tourism Nova Scotia will lead tourism experience and sector development through a “world class” lens to support attracting first-time visitors.

Tourism Nova Scotia’s EXCELLerator program is focused on the annual development of up to ten tourism experiences that are aligned with Nova Scotia’s target visitor travel value segments. In 2016-17, 11 partners developed ten experiences through the EXCELLerator program, and one additional experience is under development. In 2017-18, we will continue to mentor industry partners from year one of the program. In addition, Tourism Nova Scotia will target ten new experiences for development in 2017-18. By the end of 2017-18, Tourism Nova Scotia will have led the development of at least 20 experiences that motivate travel to the province.

In 2017-18, Tourism Nova Scotia will develop a measure to assess the impact of the EXCELLerator program.

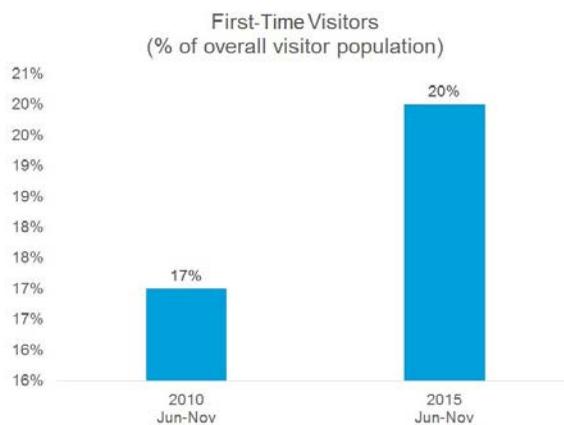
Outcome: Improved engagement in tourism industry by Nova Scotia stakeholders and residents.

The tourism industry’s ability to achieve \$4b in annual tourism revenues by 2024 is contingent upon engagement of all stakeholders to achieve support for Tourism Nova Scotia’s strategic direction. In 2016-17, Tourism Nova Scotia benchmarked (via a stakeholder survey) perceptions of the provincial tourism industry and stakeholders’ assessment of Tourism Nova Scotia’s performance against its mandate and strategy. The goal is to increase Tourism Nova Scotia’s performance on these Benchmark Measures.

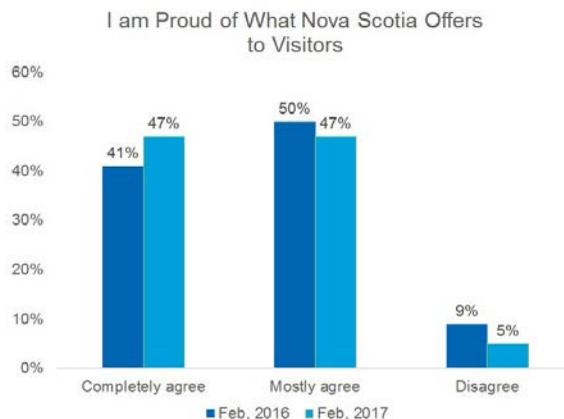


It is not only physical infrastructure that is important to the tourism industry in Nova Scotia. Personal interaction with locals is critical to the visitor experience and influences the desire of visitors to recommend the province as a vacation destination and to become repeat visitors. It is impractical to measure visitor-Nova Scotian interactions, however, the attitudes held by Nova Scotians about pride of place and the importance that locals place on the tourism industry are proxy indicators for positive interactions.

In 2015-16, Tourism Nova Scotia benchmarked Nova Scotia residents’ confidence in the provincial tourism industry. The majority of Nova Scotians viewed the provincial tourism industry as critically important to Nova Scotia’s economy, and in 2016-17, residents continue to recognize the importance of this industry.



In 2015-16, most residents completely or mostly agreed they are proud of what Nova Scotia offers to visitors, and pride in what Nova Scotia offers to visitors has increased in 2016-17. Pride in provincial tourism offerings is important; a population that takes pride in its tourism product will share this pride with visitors, and will be more likely to feel a sense of personal ownership, and involvement in the tourism industry.



FINANCIAL SUMMARY

	Budget 2016-17 (\$)	Forecast 2016-17 (\$)	Budget 2017-18 (\$)
Revenue			
Provincial Operating Grant	20,994,100	20,864,100	21,514,000
Tourism Recoveries	577,000	825,700	577,000
Tourism Fees & Charges	729,000	867,300	709,000
Total Revenue	\$22,300,100	\$ 22,557,100	\$ 22,800,000
Expenses			
CEO & Board Administration	352,400	234,400	360,500
Corporate Services	7,033,700	6,615,600	7,014,000
Marketing	11,637,300	13,034,200	12,247,500
Sector Development	3,276,700	2,672,900	3,178,000
Total Expenses	22,300,100	22,557,100	22,800,000
Surplus (Deficit)	-	-	-

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