

**DESTINATION ONTARIO  
BUSINESS PLAN  
2019-2020**

**Destination Ontario  
(Ontario Tourism Marketing Partnership Corporation)  
An Agency of the Government of Ontario**

**DESTINATION ONTARIO  
BUSINESS PLAN 2019-2020**

**TABLE OF CONTENTS**

Executive Summary	1
Mandate	2
Environmental Scan	3
Strategic Directions	5
Overview of Current and Future Programs and Activities	6
Implementation Plan	10
Initiatives Involving Third Parties	18
Information Technology/Electronic Services Delivery	18
Communications Plan	18
Performance Measures	19
Human Resources	21
Resources Needed to Meet Goals and Objectives	21
Financial Budget and Staffing	22
Organizational Chart	23
Expected Government Approvals	24
Response to the Expectations Set Out in the Agency Mandate Letter	24
Risk Identification, Assessment and Mitigation Strategies	24

## EXECUTIVE SUMMARY

For 2019-2020, Destination Ontario, legally named the Ontario Tourism Marketing Partnership Corporation, has set out a Business Plan that is strategic, flexible, delivers a strong return on investment and provides value to the tourism industry. The Business Plan reflects a major shift in programs and activities as a result of a \$5 million reduction from Destination Ontario's previous year's provincial grant allocation.

The Business Plan adheres in principle to the following four strategic priorities outlined in Destination Ontario's three-year *Strategic Playbook 2018-2021*, while considering the fiscal situation:

- 1) Visitor First Marketing
- 2) Re-defining Partnerships
- 3) Strong Research, Strong Outcomes
- 4) Dynamic Organization

Destination Ontario will position Ontario as a renowned travel destination and focus on increasing visitation and tourism spending to Ontario. Through output and outcome-based reporting, Destination Ontario will recognize and measure the important economic impact of its work and deliver strong results for Ontario's tourism industry.

We will leverage our unique position as the lead provincial marketing organization and work with partners to meet mutual goals and achieve a strong return on investment.

We will work cross-functionally within our organization and take a market-by-market approach. A concentration on content with industry and measurement of impact will also drive our program and activity development.

In addition to the above, Destination Ontario's Business Plan has been developed to adapt, as required, to the government's planned delivery of a new tourism strategy for Ontario to be released later this year.

## **MANDATE**

Destination Ontario, legally named the Ontario Tourism Marketing Partnership Corporation (OTMPC), is governed by Ontario Regulation 618/98 made under the Development Corporations Act. Its mandate, as provided for in the regulation, is:

- (a) to market Ontario as a travel destination;
- (b) to undertake joint marketing initiatives with the tourism industry;
- (c) to support and assist the marketing efforts of the tourism industry; and
- (d) in cooperation with the tourism industry, the Government of Ontario, other governments and other agencies of governments, to promote Ontario as a travel destination.

The following principles support the mandate:

- (a) Destination Ontario is to lead the marketing of Ontario as a travel destination nationally and internationally;
- (b) Destination Ontario and regional organizations are to work together to market travel within Ontario;
- (c) Destination Ontario is to deliver marketing services that contribute to regional and economic development;
- (d) Destination Ontario is to become a centre of excellence supporting provincial marketing; and
- (e) Destination Ontario is to engage in partnerships to support the above objectives.

## **Vision**

To position Ontario as a preferred global destination.

## **Mission**

To generate increased visitation by Ontario, Canadian and international tourists, enhance tourism expenditures in Ontario, and contribute to provincial economic prosperity through impactful marketing and results-oriented investment partnerships.

## **ENVIRONMENTAL SCAN**

The following points highlight the current environment.

### **Global economy slowing**

- Global growth expected to slow down in 2019
- Escalation of protectionist policies, higher oil prices, reduces effectiveness of fiscal and monetary stimulus, dampens growth<sup>1</sup>
- High real estate prices in major urban centres and increasing interest rates put pressure on consumer spending in Canada

### **Social changes impact travel behaviour**

- Aging population with baby boomers having high spending power with net worth peaking between 55-65<sup>2</sup>
- Growing purchasing power of millennials
- In developed countries, immigration is driving population growth and increases diversity
- Urbanization creates large concentrated markets<sup>3</sup>

### **Increasing competitiveness in tourism**

- Developing markets building on economic potential of tourism and consumer interest in new and unique destinations/travel products
- Competition between airlines leading to cheaper flights, but flights to and within Canada remain relatively expensive
- Strong and appealing brand positioning campaigns (Michigan, Newfoundland and Labrador, Quebec, British Columbia, Iceland) targeting Ontario's Golden Horseshoe area residents

### **Rapid advancements in technology disrupt all areas of life, including travel**

- Consumer expectation that brands keep up with new technology and provide easy, real time information and services
- Volume and speed of information is faster than ever, and consumer is in control of what information they consume
- Sharing economy provides new ways of travel and immersion in local culture (Airbnb, ride shares, local guides)
- Artificial Intelligence (AI) powered voice activated personal assistants and virtual agents revolutionize customer service
- Virtual Reality holds great potential for immersive travel content creation to inspire and demonstrate<sup>4</sup>

---

<sup>1</sup> Oxford Economics, Global Highlights, November 2018

<sup>2</sup> Environics Analytics, User Conference 2018

<sup>3</sup> Environics Analytics, User Conference 2016

<sup>4</sup> Travel-think.com

- Augmented Reality applications make it easy to select a hotel, find information on attractions, navigate at a destination, and support tourism experiences through new modes of visitor servicing, storytelling and gamification<sup>5</sup>

### **Technology and the explosion in digital data are transforming marketing**

- The proliferation of big data and Artificial Intelligence allows for marketing automation and in the moment behavioral targeting
- AI is also used now in web design and personalized website experience, content creation and curation, social media, image recognition<sup>6</sup>
- Social media ratings and influencers have significant impact on the brand, creating discoverable, relevant emotive content is key for brand management

### **The Domestic Tourism Industry Landscape**

- Decreased budgets to Destination Ontario will have an impact on marketing.
- More Destination Marketing Organizations across the province have a new source of funding for tourism because of legislation allowing the collection of a Municipal Accommodation Tax, contributing to the number of brands and messages in the marketplace.
- A new tourism strategy for Ontario is currently under development by the Ministry of Tourism, Culture and Sport.

---

<sup>5</sup> Augment.com, destinationthink.com

<sup>6</sup> Hubspot.com, contentmarketinginstitute.com

## **STRATEGIC DIRECTIONS**

### **Objectives**

- Grow visitor volume and expenditures from Ontario's priority markets.
- Will work across the industry through content and partnerships.
- Build a strong Ontario brand and regularly measure its impact.
- Provide content that visitors want and need.

### **Strategic Priorities**

#### **1) Visitor First Marketing**

Destination Ontario will start with an empathetic understanding of the traveller's needs, interests, planning and purchase behaviour. We will focus marketing campaigns on inspiring consumers through their passions and interests. We will map out and establish the best possible position in the visitor path to purchase and focus our efforts there. We will inspire travel to and around Ontario and focus investment on highest return markets, integrate market activity and remain flexible to opportunities. We will have modern marketing campaigns informed by data and analytics. Emerging technology and marketing trends will inform the mediums that we market in and activities we undertake.

#### **2) Re-defining Partnerships**

Destination Ontario will lead partners, toward mutual success and provide value to our tourism partners.

In the international markets, we will leverage the Canada brand and Destination Canada's work internationally to put Ontario first and drive economic impact. We will place Ontario top of mind in key, high potential markets and measure our results driving increased visitation and spend across Ontario

#### **3) Strong Research, Strong Outcomes**

Destination Ontario will continue to develop a holistic research approach and improve how data is mined to incorporate insights into strategic planning and in all marketing activities across the organization. We will strengthen advertising impact tracking and investigate and adopt new, innovative measurement tools. Additionally, we will further enhance understanding of the consumers' path to purchase. We will continue to evolve to an organization that has strong value-for-money evaluation practices and that focuses on campaign performance, insights and investment.

#### **4) Dynamic Organization**

Destination Ontario will connect, lead and inspire a team approach within our organization and across the industry. We will be nimble, adopt a culture of ongoing program evaluation and regularly evaluate program performance.

## **OVERVIEW OF CURRENT PROGRAMS AND ACTIVITIES**

The Business Plan for 2019-20 has been adjusted to reflect a revised grant allocation. It will focus on marketing Ontario as a renowned travel destination, driving economic impact and achieving results for Ontario's tourism industry. It will also adhere to the key priorities outlined in Destination Ontario's three-year *Strategic Playbook*.

### Corporate Governance

Destination Ontario is governed by a Board of Directors comprised of business leaders who are appointed by the Lieutenant Governor in Council, based on recommendations from the Minister of Tourism, Culture and Sport.

In addition to receiving strategic guidance from the Board of Directors, Destination Ontario also benefits from the wisdom, insight and advice of industry leaders through industry committees.

Destination Ontario's teams will work cross-functionally within the organization on programs and activities that will deliver strong results for Ontario's tourism industry. All areas of the organization are supported overall by the President's Office and Corporate Services.

### President's Office

The President's Office provides executive support to the President and CEO in the operational planning, management and implementation of the agency's initiatives, including corporate communications and management of the Board of Directors and Advisory Committees. As an agency of the Ministry of Tourism, Culture and Sport we regularly liaise with the Ministry.

### Corporate Services

The Corporate Services team oversees business operations, financial management, procurement, human resources, legal, facility, and information technology services management for Destination Ontario. This program area is also responsible for business continuity planning in the event of an emergency.

Other activities that support Destination Ontario's objectives are as follows:

### Marketing

Destination Ontario's core function as an organization is marketing Ontario as a tourism destination. Destination Ontario builds brand awareness through integrated marketing campaigns within Ontario, across Canada and in priority international markets to promote Ontario as a top travel destination.

As part of our content strategy, Destination Ontario delivers impactful AlwaysON campaigns that connect travellers with dynamic travel ideas through social channels such as Facebook, Twitter, Instagram, written content, short and long-form video, as well as WeChat and Weibo for China.

Our multilingual consumer website (ontariotravel.net) promotes experiences, festivals, events and travel packages, while also directly connecting consumers to industry partners to book their travel. There are ten country websites as part of the consumer system.

Our corporate website (destinationontario.com), provides the tourism industry with marketing tools, as well as information on Destination Ontario's plans, strategies, programs and partnership opportunities. There is also an array of inspiring Ontario images through an online image database (imageontario.com), for partners and media to access for promotional purposes.

#### Northern Marketing

Destination Ontario has a specific focus on increasing visitation to Northern Ontario. Destination Ontario works with Northern tourism partners to market Northern Ontario's unique experiences and natural landscapes.

#### International Marketing

Destination Ontario promotes Ontario as a travel destination in key international markets. Destination Ontario works closely with travel companies (tour operators, wholesalers and travel agents) in targeted countries abroad to drive sales of Ontario market-ready tourism products and experiences. We will put Ontario first by leveraging the work of Destination Canada and the strength of the Canada brand internationally. Travel to Ontario is promoted through consumer campaigns, tradeshow, business-to-business activity, marketplaces and participation in select events in key markets.

#### Marketing Impact Research

Destination Ontario conducts tourism research that provides market intelligence and consumer behavior analysis to enable Destination Ontario and tourism operators to make informed business decisions, be flexible to changing landscapes and deliver results for tourism businesses. Destination Ontario also engages in tracking the success of marketing campaigns to ensure sound return on investment and learnings for future campaigns with a view of maximizing value-for-money.

#### Earned Media Relations

To generate media coverage of Ontario as a must-see destination, Destination Ontario works with members of the travel media in key markets, including journalists, influencers and broadcast media partners. Ontario is highlighted through regular features and broadcast programs, customized media tours, media marketplaces and events, developing positive coverage with media outlets to generate interest that will deliver travel results.

### Partnerships

As the lead provincial marketing organization, Destination Ontario is uniquely positioned to offer industry stakeholders the opportunity to leverage our programs and activities to market their experiences and products; and to enter into important or new markets that might be challenging to access on their own.

### Ontario Travel Information Centres

Ontario Travel Information Centres (OTICs) provide a welcome to visitors. Operated by travel counsellors, Destination Ontario's OTICs offer visitors valuable and on-the-spot information on travel ideas in Ontario. Two of Destination Ontario's OTICs are located in ONroute service centres along Highway 401, in Bainsville and Tilbury.

## **OVERVIEW OF FUTURE PROGRAMS AND ACTIVITIES – TRANSFORMATIVE ACTIONS**

In 2019-20 Destination Ontario will undertake a shift in its operations because of a \$5 million reduction from Destination Ontario's previous year's provincial grant allocation.

We are committed to maintaining a focus on our legislated mandate to market Ontario as a travel destination with the goal of increasing visitation and expenditures through strong marketing and working in partnership with the tourism industry.

It is necessary for Destination Ontario to realize the required savings through several transformative actions that will impact current programs and activities. We will continue to work towards achieving objectives while finding efficiencies. The transformative actions are led by three key principles:

1. Cost Savings guided by fiscal responsibility, while preserving delivery on our legislated mandate.
2. Look across all business lines and focus on opportunities for modernization and transformation.
3. Prioritize spending and optimize programs and initiatives with maximum value for investment, strong outcomes and economic impact.

While the transformative actions will impact programs and activities; Destination Ontario is committed to focusing on a plan that meets the objectives and priorities of our *Strategic Playbook*, provides value to partners and demonstrates strong economic impact for Ontario's tourism industry.

## **IMPLEMENTATION PLAN**

With a revised grant allocation, Destination Ontario will work towards achieving activities outlined above by working cross-functionally to capitalize on skills and expertise. The plan will deliver a strong economic impact for the tourism industry through outputs and outcomes by:

- Delivering tourism marketing for the province and placing a greater focus on brand marketing to drive increased visitation and spending.
- Stewardship of the Ontario tourism brand to ensure a strong, impactful, consistent message and one that delivers strong outcomes for the industry.

### **Marketing**

Destination Ontario will develop marketing activities based on strong strategies, strategic media planning and inspirational creative ideas to generate incremental visitation and incremental expenditure from priority markets. We will support the industry by driving leads through impactful partnership campaigns.

Destination Ontario is taking a market-by-market approach to this year's marketing plan, with a focus on maintaining Ontario, building the U.S. and capitalizing on the opportunity to draw visitation and expenditures from key international markets; all to create strong economic outcomes.

### **Outcomes – All Markets**

Destination Ontario's goal is to generate 366,220 incremental visits from all markets, resulting in \$91 million in incremental expenditures. We will also aim to build collaborative, visitor-first marketing programs that reduce brand fragmentation and drive 1.23 million leads. We will build brand awareness and position Ontario as a renowned travel destination and increase discoverability and connection with Ontario experiences through a visitor first marketing approach leveraging a passions strategy.

### **Ontario Market Plan**

Destination Ontario will have a modest investment in the Ontario market with a focus on an overnight strategy. We will continue to drive results for tourism businesses and experiences across Ontario, while allowing other organizations with their own funding to market on their own to Ontarians.

Destination Ontario could take a leadership role in building a collaborative, passions-based visitor first marketing system that reduces brand fragmentation and drives qualified leads in Ontario with the appropriate tools and contributing partner dollars. Targets to be set once scope and partner participation is clearer.

This marketing system could also be leveraged in a meaningful way for data collection, analysis of key performance indicators and test new ideas to connect marketing to booking attribution in a more meaningful way. As data, privacy and transparency

become increasingly more important, marketers need to look to innovative measurement solutions to get a more unified view of the visitor.

Ontario Market Insights

Ontario is our largest source market and maintain strategy is necessary to sustain our market share.

Visits & Expenditures	Market Insights	Maintain
<p><b>OVERNIGHTS</b></p> <ul style="list-style-type: none"> <li>• \$7.7B in overnight visitor expenditures</li> <li>• 39.4M overnight visits</li> </ul> <p><b>DAY TRIPS</b></p> <ul style="list-style-type: none"> <li>• \$6.6B same day visitor expenditures</li> <li>• 82.5M same day visits</li> </ul>	<ul style="list-style-type: none"> <li>• Ontarians make up 74% of all overnight trips and 40% of total overnight expenditures</li> <li>• 54% of visitor expenditures by Ontarians is spent on overnight trips</li> <li>• An overnight Ontario visitor spends more than double a day visitor</li> <li>• Adult Ontarians take an average of four overnight trips a year in the province</li> </ul>	<ol style="list-style-type: none"> <li>1. Hold market amid major competition from other provinces and U.S. states</li> <li>2. Target overnight trips to increase expenditure opportunity</li> <li>3. Leverage passions to battle against familiarity</li> <li>4. Work with industry partners to identify priority experiences and content aligned to passions</li> </ol>

Source: Stat Can International Travel Survey 2016

**Outputs**

The strategy will be focused on influencing consideration and rallying against the travel deficit in Ontario across all four seasons. The planned brand approach includes a pulsing awareness campaign aligned with our passions-based content seasonal calendar to influence consideration. This will also include driving results through AlwaysON content marketing. Strategic themes will drive content connected to specific passions, key auids, families, accessibility, Indigenous, francophone and multicultural. We will deliver the market plan primarily through radio and digital media (e.g., video, social and publishers), social, written and video content, influencers, media familiarization tours and select avid consumers shows.

**Outcomes**

The target is to generate 232,000 incremental visits and \$38 million in incremental expenditures; as well as drive 950,000 leads to partners. Our market activities will target auids, families, couples/groups of friends aligned with passions/interests.

## U.S. Market Plan

In the U.S., Destination Ontario will build an integrated approach to inspiring and growing the U.S. market to visit Ontario through a strong brand campaign and a passions-based partnerable system.

### U.S. Market Insights

The U.S. market is Ontario's second largest source market and a strong opportunity exists to grow market share for Ontario.

Visits & Expenditures	Market Insights	Grow & Inspire
<p><b>OVERNIGHTS</b></p> <ul style="list-style-type: none"> <li>• \$3.8B overnight visitor expenditures</li> <li>• 6.6M overnight visits</li> </ul> <p><b>DAY TRIPS</b></p> <ul style="list-style-type: none"> <li>• \$0.6B same day visitor expenditures</li> <li>• 5.8M same day visits</li> </ul>	<ul style="list-style-type: none"> <li>• U.S. visitor makes up 12% of overnight trips to Ontario and 20% of overnight visitor expenditures               <ul style="list-style-type: none"> <li>• U.S. visitor is 29% of total visitor spend in the North</li> </ul> </li> <li>• Over 60% of U.S. visitors from the Mid-Atlantic and North East Central states</li> <li>• On average a U.S. overnight visitor spends \$143/day               <ul style="list-style-type: none"> <li>• U.S. overnight anglers spend \$420 per night</li> </ul> </li> </ul>	<ol style="list-style-type: none"> <li>1. Leverage the U.S. insights gained from the digital pilot to inform the future brand campaigns to inspire travel</li> <li>2. Establish the Ontario brand by developing a campaign creatively targeting both rubber-tire market and new short-haul fly markets</li> <li>3. Introduce a passions-based, partnerable campaign system</li> </ol>

Source: Stat Can International Travel Survey 2016  
2015/2016 Visitation and Spending Estimate to RTO 13, CBRE

On an unaided basis, only 15% of near market U.S. travellers mentioned Ontario as a destination under serious consideration in the next two years. Destination Ontario will build familiarity and awareness for U.S. travellers to add Ontario to their consideration list. We will also develop specific creative for select rubber-tire markets and new short-haul flight markets. Finally, we will leverage the Canada brand and Destination Canada's investment to drive consideration for Ontario in key fly markets.

### **Outputs**

We will use the digital pilot learnings to better target U.S. travellers directly with Ontario content and experiences. Based on our findings, we will develop an awareness campaign focused on passions to build consideration for a trip to Ontario. Strategic

themes will drive content connected to specific passions and key auids. Media planning for the awareness campaign will be developed, including key insights from the pilot, but likely will include television, public relations, radio, digital, social and content publishers. The activities will be supported by an AlwaysON approach using social, written and video content, influencers, media familiarization tours and consumers shows.

### **Outcomes**

The target is to generate 111,000 incremental visits and \$26 million in incremental expenditures; as well as generate 133,000 leads to partners. Our market activities will target auids, families, couples and groups of friends aligned with passions and interests. We will target travellers from rubber-tire markets – markets with less than five hours driving distance of the Ontario border; cities like Buffalo, Rochester, Detroit and Minneapolis. We will also target travellers from short-haul flight markets – markets in a one- to three-hour flight from an Ontario airport; cities like Chicago, Boston and Philadelphia.

## International Market Plan

Internationally, Destination Ontario will attract high yield international travellers and bring in new tourism dollars to Ontario during all four seasons.

### International Market Insights

International travellers stay longer and spend more per visit than domestic travellers.

Visits and Expenditures	Market Insights	Grow & Inspire
<p><b>ALL OVERSEAS MARKETS*</b></p> <ul style="list-style-type: none"> <li>• \$5.7B visitor expenditures</li> <li>• 2.7M visits</li> </ul> <p><b>DO TARGET MARKETS</b></p> <ul style="list-style-type: none"> <li>• \$2.6B visitor expenditures</li> <li>• 1.3M visits</li> </ul> <p><b>TARGET MARKETS</b> China, France, Germany, Japan, Mexico, South Korea, United Kingdom</p>	<ul style="list-style-type: none"> <li>• Overseas travellers from target markets stay an average of 12 nights</li> <li>• Visitors from overseas target markets spend an average of \$158/night</li> <li>• U.K. remains the largest overseas source market by volume of visitors to Ontario</li> <li>• China continues demonstrate strong growth and is second largest source market by volume</li> <li>• Germany, Japan and France remain important source markets; and Mexico and South Korea show high growth potential</li> </ul>	<ol style="list-style-type: none"> <li>1. Focus on greatest markets of opportunity</li> <li>2. Leverage the strength of the Canada brand and Destination Canada's investments to put Ontario first and lead Team Ontario internationally</li> <li>3. Differentiate Ontario and gain market share through Ontario-specific travel trade and media relations activity</li> </ol>

\* \$0.033M same day visitor expenditures and 0.07M same day visits

Note: both for the U.S. and for overseas the per day spend includes airfares on Canadian carriers

Source: Stat Can International Travel Survey 2016

## **Outputs**

International travellers have a positive impression of Canada, but often lack a sense of urgency to visit and knowledge of diverse experiences. Destination Ontario will prioritize overseas markets and focus on greatest return. We will:

- Take a best bet market by market approach supported by partnerable activity.
- Capitalize on the Canada brand and Destination Canada investments and put Ontario first within this activity.
- Lead internationally active Ontario stakeholders and help them enter into important or new markets that might be challenging to access on their own.
- Differentiate Ontario through travel trade, media relations and compelling content.
- Markets of focus to include:
  - U.K.
  - China
  - France
  - Germany
  - Japan
  - South Korea
  - Mexico

## **Outcomes**

Our conservative target is to generate 23,220 incremental trips and \$27 million in incremental expenditures as a result of travel trade bookings (includes U.S.); as well as drive 147,000 leads to partners from our web properties. With regards to media relations our target is to generate \$46 million in earned media (includes U.S.). We will market Ontario as a four-season destination internationally and encourage travel throughout the province.

## **Measuring Results**

We recognize that measuring the results from our marketing campaigns is important to demonstrate the value of our investment. We plan to use an output and outcome performance measurement process including using several strategic planning tools such as; campaign measurement plans, including targets; projection models, including cross-organizational targets; and report through an annual scorecard and quarterly dashboard.

We will measure our market impact through:

1. Ad Tracking Study
  - Procurement to refresh economic impact methodology given digital shift in marketing
  - Methodology to include marketing activity in U.S., Ontario and Canada
2. Brand Health Study
  - Assess awareness, perceived brand favourability, consideration of Ontario
  - Annual measurement to assess brand position in Ontario and U.S. markets
3. Attribution
  - Exploring the use of pixels, floodlight tags and pilot projects to better track conversions and leads beyond last click attribution
4. Testing new measurement technology and linking ad exposure to arrivals
  - Researching opportunities with Tourism Sentiment Index, Pelmorex, Alphonso and mobile data
  - Building a long-term data and insights plan, including technology and infrastructure
5. Direct results from joint marketing with the travel trade channel internationally
6. Advertising Equivalency and Quality Score for earned media

### **Industry Partnerships**

Destination Ontario will continue to work with industry partners to maximize impact. A whole Destination Ontario team approach will be executed for marketing partnerships. Outreach and communication with industry across Ontario is important to Destination Ontario and we will continue to improve in this area.

### **Northern Marketing and Partnerships**

Destination Ontario will continue to support the northern tourism industry by working with partners across northern Ontario. Through our marketing efforts we will promote the region as both a destination and gateway to outdoor, culture and heritage experiences. We will continue to invest and support Ontario's avid tourism industries of fishing, hunting, power sports touring and outdoor adventures. Northern activities will be developed and coordinated with Destination Ontario's market-by-market approach within Ontario, the U.S. and internationally.

Destination Ontario's investment in the north will deliver marketing campaigns, programs and partnerships that have the strongest return on investment and that generate the strongest economic impact.

### **Ontario Travel Information Centres**

Destination Ontario's Ontario Travel Information Centres act as a welcoming face to Ontario, providing services to up to 1,000,000 visitors each year, and generating up to \$1 million in revenue. OTICs will continue to use the visitor first approach to create first-class visitor information services. OTICs will actively reinforce the brand strategy through effective personalized customer service. OTICs will continue to partner with tourism organizations and businesses to sell tourism experiences and attractions and offer onsite advertising and promotional opportunities to stakeholders. OTICs will continue to provide customized in-person information and travel advice on where to go and what to see and do with a view to extending visitor stay and visitor spend. Destination Ontario continues to implement measures to modernize the delivery of visitor information services, including conducting research, improving and harmonizing service delivery by Destination Ontario and other visitor information service providers.

## **INITIATIVES INVOLVING THIRD PARTIES**

Partnerships are important to Destination Ontario's work and are an element of many of the organization's strategies and tactical executions. Destination Ontario regularly engages with stakeholders with the overarching goal of increased tourism visitation and spend in Ontario. We will cooperatively work with our tourism stakeholders to build a stronger return on investment.

## **INFORMATION TECHNOLOGY/ELECTRONIC SERVICES DELIVERY**

### **Digital, Data and Technology Future**

Destination Ontario will work to lead the industry in thought leadership and strategies to get a more unified view of the traveller.

As privacy and transparency laws change the marketing landscape, first party data is becoming increasingly more important. Marketers can't rely on third party data to meaningfully target consumers.

Destination Ontario is planning a new vision for our web and digital strategy that places the visitor at the centre of design and anticipates the technology needs of the future while remaining flexible and agile. In the meantime, we will continue to leverage our multilingual consumer websites ([ontariotravel.net](http://ontariotravel.net)) promote experiences, regions, festivals, events and travel packages that connect consumers directly to industry partners to book their travel.

We will also continue to leverage a visitor-first digital strategy that connects travellers with valuable and relevant content aligned to visitor passions. Travellers engage with Ontario travel content on Facebook, Twitter, Instagram, Pinterest, YouTube, WeChat and Weibo.

## **COMMUNICATIONS PLAN**

Destination Ontario will actively work to share information that is relevant and timely with its stakeholders. Through its various communication channels, including social media, corporate website ([destinationontario.com](http://destinationontario.com)) and communication to its partner database (5000+ subscribers), Destination Ontario will generate awareness of its activities and programs and organizational successes and achievements.

Communication to the public and industry, through media relations engagement, will be focused on information that demonstrates the value and economic impact of the tourism industry and how Destination Ontario is contributing to building a stronger tourism industry.

Destination Ontario will regularly report its activities and programs through corporate documents such as the three-year Strategic Playbook, Marketing Plan, Business Plan and Annual Report. These documents are posted publicly on the corporate website, destinationontario.com

## PERFORMANCE MEASURES

Business Plan performance measures are complemented by comprehensive measures for each activity area monitored and reported on a quarterly basis through an output and outcome-based lens.

	2017-18 Actual	2018-19 Goal	2019-20 Goal	2020-21 Goal	2021-22 Goal
<b>Incremental Visitor Spending</b>					
Ontario	\$58.4M	N/A	\$38M*	\$38M*	\$38M*
U.S.	\$26M	N/A**	\$26M	\$26M	\$26M
North America and Overseas (via trade channel)	\$30.6M	\$26M	\$26M	\$27M	\$26M

\*Goal for Ontario based on a media investment output of \$5M.

\*\*No brand campaign in U.S. (co-marketing and northern partnerships in place for U.S.)

	2017-18 Actual	2018-19 Goal	2019-20 Goal	2020-21 Goal	2021-22 Goal
<b>Media Relations</b>					
Earned Media/Ad Value Equivalency - North America and Overseas	\$97.5M	\$54.0M <sup>1</sup>	\$46.0M	\$46.0M	\$46.0M
<b>Leisure Trade</b>					
Number of Leisure Trade Trained - North America and Overseas	5,394	2,500 <sup>2</sup>	2,500	2,500	2,500
Number of New Products Developed - North America and Overseas	66	33	33	33	33
<b>Industry Partnerships</b>					
Total Leads to Industry Partners	2,394,026	2,200,000	1,230,000	1,230,000	1,230,000
Partners' Cash Contribution Leveraged	N/A <sup>3</sup>	\$2.4M	\$785K	\$785K	\$785K

<sup>1</sup>Lower Advertising Value Equivalent goal due to decreasing ad value for print and lower ad value of digital content.

<sup>2</sup>Leisure trade trained goal is a minimum goal based on planned travel trade training sessions. Actuals may be higher as other sessions are added or attendance is increased to planned activity.

<sup>3</sup>New measure

**Definitions:**

**Incremental Visitor Spending – Ontario and U.S.**

Number of trips taken (outcome) by those influenced by the campaign multiplied by the average visitor spend, as measured through the *Brand and Advertising Tracking Study*, conducted by a third-party research supplier.

**Incremental Visitor Spending – North America and Overseas (via trade channel)**

Estimated direct expenditures (outcome) from travel trade channel bookings. An expenditure based on estimated number of trips booked as a direct result of campaign or joint marketing initiatives with travel trade and conversion partners internationally. Average per person/night pleasure trip expenditure of visitors to Canada as reported by Destination Canada (based on Statistics Canada's International Travel Survey) is applied to the number of nights reported by trade channel partners.

**Media Relations**

**Advertising Value Equivalency** – The cost to purchase the equivalent advertising space in a media outlet (outcome) measured at a 1:1 ratio.

**Leisure Travel Trade**

**Number of Trade Trained** – Actual number of tour operators and travel sales agents trained (output) by Destination Ontario either alone or in conjunction with Destination Canada specialist training programs.

**Number of New Products Developed** – The actual number of packages, itineraries, experiences incorporated (outcome) by trade channel partners, (new additional overnight in Ontario, new itinerary, new experiences added to itineraries, etc.)

**Industry Partnerships**

**Total Leads to Industry Partners** - Ad clicks or tracked website visit to partner websites:

- from ontariotravel.net (Canada, United States, France, India, Brazil, United Kingdom, Mexico, Japan, South Korea, Germany and China markets)
- from Destination Canada partnered initiatives
- from Destination Ontario-led campaigns or initiatives

**Partners' Cash Contribution Leveraged** - The dollar amount of cash that partners provide to Destination Ontario to execute a Destination Ontario-led campaign or initiative.

## **HUMAN RESOURCES**

Destination Ontario Corporate Services continues to improve workplace practices and performance through implementation of identified efficiencies, training, advisement, and other supports.

As government policies and directives are rarely static, and undergo review and changes on a regular basis, Corporate Services organized several mandatory staff workshops in 2018-19 to continue to support staff in understanding their roles and responsibilities as they relate to current OPS directives and processes. Workshops included: Overview of Ontario Public Service (OPS) Contract Management Best Practices; Destination Ontario Smart-Phone User Guide; Destination Ontario Public Transportation and Taxi User Guide; Destination Ontario Finance & Accounting Policies and Best Practices which covered topics like Delegation of Financial Authority, and use of travel and purchase cards, budget updates and reporting. Corporate Services will continue in 2019-20 to organize workshops for staff to improve efficiencies within the organization and to ensure that all employees are following OPS guidelines and directives as required.

The Ontario Public Service Experience Survey results were released in April 2018 and Destination Ontario is pleased that results for our organization continues to exceed both the Ministry and OPS results in many categories. For overall employee engagement (includes commitment, job satisfaction, organization satisfaction, and motivation), Destination Ontario scored 81% compared to 72% of the Ministry results and 69.8% of the OPS results. There were many areas in which the organization excelled, such as positive relations with coworkers; ministry values and diversity; being treated respectfully at work; completion of assignments in a timely manner; and being proud to tell others about the type of work we do. Based on the previous years' feedback, Destination Ontario made a conscious effort to make improvements in the areas of orientation; job autonomy; and communication from management. To further promote a culture of learning, staff are actively encouraged to pursue opportunities to job-shadow, cross-train and collaborate and learn different roles throughout the organization; this also has been built into our talent and learning plans organization-wide.

## **RESOURCES NEEDED TO MEET GOALS AND OBJECTIVES**

Destination Ontario's allocation has been reduced by \$5M from its 2018-19 allocation, bringing the 2019-20 total allocation to \$32,967,500. Budget line items have been strategically realigned to better reflect our three-year strategic plan and promote cross-functional teams based on key marketing activities and markets. As per the renewed head office lease agreement, rent for 2018-19 was \$0.418M, and will increase to \$0.696M in fiscal years 2019-20 to 2021-22. Destination Ontario works with Ministry staff to identify future capital needs.

# FINANCIAL BUDGET AND STAFFING

## Financial Budget

### DESTINATION ONTARIO 2019-20 THREE YEAR PROPOSED BUDGET

(\$ 000's)

PROGRAM	PRIOR YEAR BUDGET 2018-19	CURRENT BUDGET 2019-20	PROPOSED BUDGET 2020-21	PROPOSED BUDGET 2021-22
<b>Revenue:</b>				
Province of Ontario	37,968	32,968 <sup>1</sup>	32,968	32,968
Advertising Sales Revenue (OTIC Advertising, Social Media, etc.)	274	250	250	250
Partnership Contributions	1,272	785	785	785
Travel Information Centres Merchandise: Cost Recovery	1,000	700	700	700
Travel Information Centres Revenue: Merchandising Profit	170	100	100	100
	<b>40,684</b>	<b>34,803</b>	<b>34,803</b>	<b>34,803</b>
<b>Expenses:</b>				
Marketing (Brand, Travel Trade (B2B), and Media Relations)	18,579	17,444 <sup>2</sup>	18,439	20,259 <sup>3</sup>
Partnership Support	2,371	475	0	0
Research and Strategy	750	680	680	680
Website and Data Technology	4,000	3,496	3,088	-
Digital First Strategy		0	-	1,000 <sup>3</sup>
Travel Information Centres	3,178	2,732	2,842	2,590
Corporate Communications and Governance	137	87	90	90
Salaries and Wages	9,303	8,902	8,902	9,422
Corporate Operations and Overhead	893	987	762	762
Opportunities Fund	1,473	0	0	0
	<b>40,684</b>	<b>34,803</b>	<b>34,803</b>	<b>34,803</b>
<b>Surplus (Deficit)</b>	-	-	-	-

<sup>1</sup> Destination Ontario received a decrease of \$5M in 2019-20 allocation

<sup>2</sup> Includes Markets: Ontario, Canada (Quebec & Manitoba), USA, United Kingdom, Germany, France, Mexico, Japan, South Korea, and China

<sup>3</sup> 2021-22 includes funding for Digital First Strategy

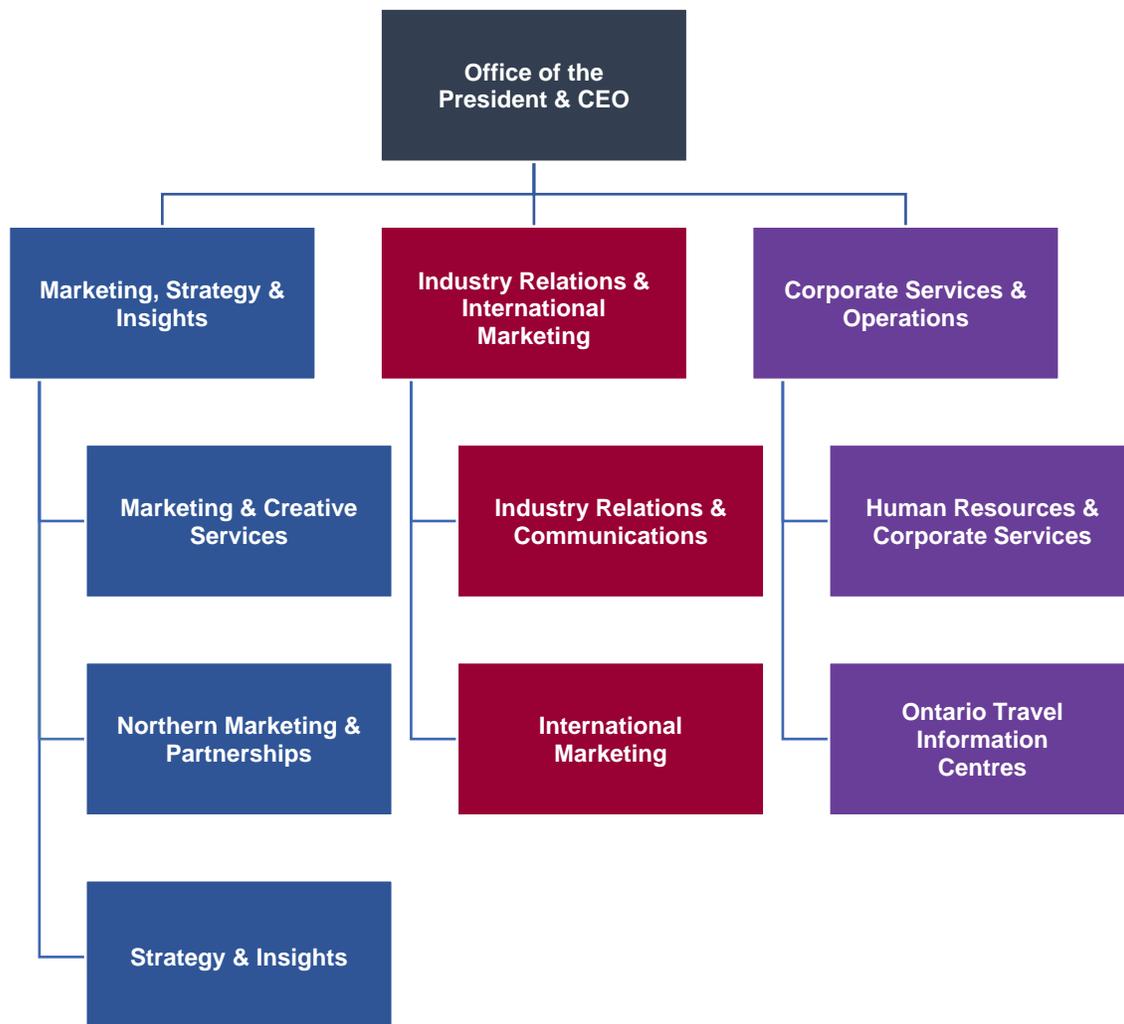
## Staffing

Our organization is staffed at 83 Full-Time Equivalents (FTEs) composed of Association of Management, Administrative and Professional Crown Employees (AMAPCEO)-represented positions, Ontario Public Services Employee Union (OPSEU)-represented positions and management positions.

Compensation is negotiated centrally by the provincial government through collective bargaining and management compensation policies.

\*Note: above FTEs do not include seasonal staff and students employed at the OTICs.

## ORGANIZATIONAL CHART



**EXPECTED GOVERNMENT APPROVALS**

At the time of preparing this document, Destination Ontario is not aware of any expected government approvals, other than what is outlined in this document.

**RESPONSE TO THE EXPECTATIONS SET OUT IN THE AGENCY MANDATE LETTER**

As mandate letters are issued, Destination Ontario will work to meet the expectations as set out.

**RISK IDENTIFICATION, ASSESSMENT AND MITIGATION STRATEGIES**

Risk Category	Risk	Likelihood	Impact	Mitigation Strategies
Delivering on Mandate	Insufficient budget to execute effective campaigns due to constrained annual allocation.	High	High	DO management works with PHD (its Agency of Record for media buying services) to balance audience reach with scale of media buy budget.  A strategy shift with regards to markets of focus and activity undertaken in order to align with budget allocation.
Delivering on Mandate	Higher media buying and production costs in traditional media channels such as TV is too expensive and Ontario's tourism profile is reduced.	High	Medium	DO follows a <i>best markets</i> strategy. DO undertakes a value for money assessment of all business lines as part of annual operational planning.

Service Delivery / Operational	Paused activity because of the Secretary of Cabinet (SoC) memo on discretionary spending results in stakeholder issues.	High	High	<p>All projects have developed critical paths that partners are consulted on. Regular communications exist with ministry on key initiatives. Project management discipline is applied to project deliverables.</p> <p>Where issues are identified, including paused marketing or partnerships activity due to the SoC memo, stakeholder management is engaged so that partners are up to date on government direction.</p> <p>Despite best efforts in terms of communication and outreach, some stakeholders will remain dissatisfied if projects remain on pause or are discontinued.</p>
People / Human Resources	Changing demographics and aging work force. Inability to attract and retain the best-qualified staff in a dynamic marketing and media environment due to fixed FTE counts. May result in lower confidence by staff and stakeholders.	Medium	Medium	<p>HR Ontario provides enterprise support that ensures the Ontario Public Service has the right people, in the right place, at the right time to achieve government priorities and ministry business results.</p> <p>Support is achieved through modern management frameworks, methodologies, tools, learning and consulting services to build capacity across the OPS.</p> <p>All staff are expected to complete skills training as appropriate.</p>
Information Risk	Ineffective or inappropriate performance measures can negatively impact program management and results.	Low	High	<p>A dedicated marketing metrics committee of the Board of Directors reviews and provided direction on performance measurement, setting targets and reporting tools.</p> <p>DO management has reviewed the balanced scorecard and is working with the committee to refine this tool.</p> <p>DO conducts stakeholder surveys, monitors and responds to comments throughout the year. A performance dashboard is completed for all campaigns.</p>

<p>Strategic / Policy</p>	<p>The risk of mandate/direction change for DO due to release of new MTCS Tourism Strategy and DO's role being revised.</p> <p>Failure to address U.S. and international marketing initiatives could contribute to erode Ontario as a top of mind tourism destination. Failing to meet the expectations of stakeholders will negatively impact DO's reputation and could reduce tourism receipts.</p>	<p>Medium</p>	<p>High</p>	<p>Collaborative approach with MTCS and industry as a whole: Management works with internal and external clients to best deliver on ministry direction and its corporate mandate.</p> <p>DO partnering in digital campaigns with Destination Canada targeting "leaning-in" consumers (those receptive to travel to Canada) in direct flight U.S. departure cities. Discussing potential future joint investment strategies with FPT partners, specific to the U.S. market.</p>
<p>Stakeholder Satisfaction / Public Perception</p>	<p>Falling stakeholder satisfaction and failure to meet the expectations of the public, other governments, ministries, or tourism industry stakeholders will negatively impact government's and DO's reputation.</p>	<p>High</p>	<p>Medium</p>	<p>Collaborative approach: Management continue to reach out to stakeholders affected by the pause in discretionary spending. DO undertook extensive Strategic Plan consultation with industry and partners in the development of its three-year strategic playbook. Engaged stakeholder advisory committees to share industry intelligence. Industry surveyed annually, and responses analyzed to address identified issues through DO programming and/or communications activities. Stakeholders notified of changes to operations or programs.</p>
<p>Compliance / Legal</p>	<p>Non-compliance with established policies and directives may result in issues for: financial accounting, employee relations, accountability requirements, other, and may attract negative media attention.</p>	<p>Low</p>	<p>Low</p>	<p>Corporate Services conducted mandatory workshops on financial processes and the Travel, Meals and Hospitality Expenses Directive. Board Audit Finance and Risk committee reviews risk, quarterly management report and year-end and in-year audits.</p>

Technology	Social media presence exposes DO to negative external comments or inadvertent misuse by staff leading to public embarrassment.	Medium	Medium	DO works with MTCS Communications team when potential public issues are identified to proactively address developing or potential issues. Clear guidelines are posted for public and staff and social media is monitored on a regular basis and post that do not meet the guidelines are removed.
Technology	DO's web presence exposes it to cyber-attack and external privacy breach.	Medium	Medium	Any new technology developed is reviewed by Provincial Government Privacy Impact Specialists; revisions are made based on their recommendation.
Technology	Inability to function effectively due to onerous OPS I&IT standards created for protecting government and personal information.	Medium	Medium	Where barriers are identified (e.g. approval to pixel tag) DO works with MTCS colleagues to enhance permissions for digital marketing.
Stakeholder Satisfaction / Public Perception	Risk posed by programmatic media buys by destination marketing organizations who use "Ontario Yours to Discover" when inadvertently purchasing ad placement on websites with controversial content may pose attribution risk to the Ontario brand and DO's reputation.	Medium	Medium	DO assists and advises tourism stakeholders on how to minimize risk when buying programmatic ads.
Governance/ Organizational Risk	Failure to meet deadlines and requirements could contravene regulations and directives.	Low	High	DO works with the ministry to meet timelines and reporting criteria.

Governance/ Organizational Risk	Failure to address the recommendations of external reviews could draw negative attention from stakeholders.	Low	Medium	DO works with MTCS colleagues to address any recommendations coming out of audits or reviews. Board appointees receive Public Appointments Secretariat training on governance and accountability for public boards.
All Other Risks	Capital upgrades are not undertaken because premises are leased, capital needs have been limited and no capital funding has traditionally been provided to DO.	Low	Medium	<p>Third-party private lease at 10 Dundas St. East head office expires June 30, 2018. Option to extend lease for a new five-year term has been exercised. Toronto and Sarnia OTICs are also under third-party private leases managed by IO. DO works with Infrastructure Ontario to manage these leases. DO will continue to review and manage its realty needs within its budget.</p> <p>All DO property arrangements will continue to be managed by IO.</p> <p>Capital funding for leasehold improvements will continue to depend on availability of funds from the ministry. Due to the limited availability of funding, the ministry prioritizes capital investments in projects that are considered currently critical (e.g., health and safety), that address code and legislation compliance, and that are considered at risk of imminent breakdown.</p>

**Likelihood Definitions:**

- Low - unlikely the risk will happen
- Medium - likely the risk will happen
- High - very likely the risk will happen or already happening

**Impact Definitions:**

- Low - minor impact to strategic priority in relation to cost, quality, time and other impacts
- Medium - moderate impact to strategic priority in relation to cost, quality, time and other impacts
- High - significant impact to strategic priority in relation to cost, quality, time and other impacts