



**EXPLORERS'
EDGE**

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Explorers' Edge Board of Directors Meeting Minutes

Wednesday, April 19, 2017

Holiday Inn, Huntsville

Present: Jackie Leung, Nicole Saulnier, Curt Dunlop, Jeff Suddaby, Karina White, Kim Loader, Michael Simonett, Anthony Rizzo, Hilary Chambers, John Miller

Regrets: Dympna Hayes, Drew Rachar, Andrew Vitch

Resource: Laura Ross

Staff: James Murphy, Cindy Kaupp

Conflict of Interest: N/A

Approval of Agenda – April 19, 2017

Motion: Curt Dunlop

Seconded: Hilary Chambers

Discussion: n/a

Carried.

Approval of Minutes – January 17, 2017

Motion: Curt Dunlop

Seconded: Anthony Rizzo

Discussion: n/a

Carried.

Call to order & Chair Remarks: Chair Leung called the meeting to order at 9:46am.

Round Table

Karina White of Muskoka Shores: open in the winter and it was busy – ice fishing went well. The ice conditions played a big factor this winter – predominantly ice fishing, and no snowmobilers were coming. Currently doing some renovations and for summer they are about 90% full – doing well.

Michael Simonett of Clublink: Sherwood Inn was open during the weekends in winter, and Rocky Crest was open May-October. At Sherwood they are pacing almost the same as last year. Rates are up and excited about the season. Overall, it is looking like good year so far.

Nicole Saulnier of Georgian Bay Airways: docks will be put in tomorrow and planes will be out this weekend. Excited about the season –have been in contact with people from all over– especially Americans and it's looking optimistic. They already have a flight booked for October 10, 2017 and online sales are doing great. GBA is in its 15th season and it is Canada's 150th year so they are working these special dates together. In regards to the cruise ship: not much contact from them this year, but there is a lot of opportunity for the town to capitalize on this.

Anthony Rizzo of Doe Lake Campground & Rizzort: For the Rizzort – federal weather office forecasted 13 and-a-half feet of snow total accumulation this winter - around 4 feet measurable. Unfortunately, the major snowmobile trail across the road was closed because of trespassing and damage, etc. and the land use permits were being rescinded by property owners. This is affecting the resorts around them that are open for winter business and that cater to snowmobilers. As for Canada 150 – Highlander Brew Co. and Copperhead Distillery are coming to the Rizzort waterfront on Canada Day to do taste tests of their products, followed by a barge with firework display on the lake. Anthony also spoke to the Chamber of Commerce and noted that meetings are scheduled. They are working on the community guide again – the business retention and expansion product is going around to municipalities and letting businesses know the findings of that.

Curt Dunlop of the Griffin Gastropub and Muskoka Natural Food Market: Muskoka Natural Food Market was busy all winter – especially for lunch. They are working on sorting out summer staff – aiming to get more men on board. MNFM also started a concert series which is doing well. In regards to the Griffin Gastropub– it is moving along. The events company they work with is exploding as there is no one doing craft brewing so they are reaching out to us. Curt noted that hopefully some things will happen down at the foundry in the future. The overall vision for the Foundry is to have an events space attached to simply cottage, a restaurant, and potentially a brew pub – the Griffin is just an attendant, and it is not their project.

Kim Loader of Port Cunningham Lodge: summer is looking really good, and fall is insane with groups - September is so busy it will be a challenge to pull off. Off to a slower start this year as they usually open on Mother's Day, but are not opening until the long weekend this year. Port Cunningham Lodge has partnered up with other businesses and put together a variety of packages – once the website goes live you will see all these great packages including golf, corporate, fins and skins, microbreweries, etc. – it is exciting. Staff: lots of staff but no room for them. Fortunate to get returning staff who are graduating university so they are around for the full 6 months. If there was another house available (non-waterfront) they would buy it to fill this need for staff housing.

Chair Leung of Fern Glen Inn: had a fabulous winter – the best yet. They had a lot of advanced bookings with credit to the snowy Christmas season. The first half of 2017 is already ahead of last year. June bookings are looking good – and they are not pushing spring due to projects on the go. As for summer; a lot of advance bookings already.

Hilary Chambers of Pine Grove Resort and the Lost Fox B&B: This is the first year they were open in the winter. It was a spectacular season for snowmobiling and ice fishing with all of the snow. A group of

snowmobilers came up and stayed for three nights, extended to a week, and then stayed four more days - they booked again for summer and fall. There are a lot of people wanting to come back for every season. The B&B has been incredibly slow – mostly because of Hilary's schedule. Spring is booking up really fast this year and the Luxury rental is full for the season already. One of the cottages at Pine Grove is being completely renovated, along with the main lodge getting a new roof and fireplace.

Jeff Suddaby of 3 Guys and a Stove discussed that their winter was about the same. Initially, winter exploded when they started the skate trail at Arrowhead. This year the trail was a little off due to conditions but the business still remained the same. In regards to corporate business; it disappeared for a couple years but this year it is good, and moving forward into spring it has been solid with groups of 40, 50 people staying at Deerhurst Resort. Bus tour business is also amazing so far, visitors are from Asia, and a mix of ages from 20-70 who are staying in the 'golden triangle' because of Algonquin Park (mostly in spring and fall). Jeff also spoke to the Huntsville Chamber marketing initiative; it has gone well beyond expectation. They went to the town for partnership money and they came through. The Chamber announced they are going to increase rates by 15% (marketing), which allows them to match dollars with the town.

John Miller of Muskoka Steamships & Discovery Centre: hopeful for a great year –it is the 130th Anniversary of the Segwun and they have specialty cruises planned. In regards to the Discovery Centre: there are new extended partnerships with Rama First Nations and Muskoka watershed. Family programming has allowed them to be up over 25% over last year as of now and advanced bookings are also up. They've hired 90 crew and staff for the year – including captains and mates which is exciting. Excitement around the Chinese boarding school proposed nearby – 750 students from china, which is starting in fall 2019 – a 400 million dollar project that will have a significant impact on the region. They chose Gravenhurst because of proximity to Bethune House, and because of the tremendous growth in spring and fall from the Asian market travelling in larger groups.

Resource Laura Hernando provided an update; over 300 events are getting support for Celebrate Ontario. The Group of 7 event is new, and Muskoka 2/4. Many of them are already familiar with Explorers' Edge and how to partner. In regards to Celebrate Ontario: Tourism Development Fund; applications are already in the works. In regards to supporting implementation of strategic framework – there is a lot of stuff in there and key priorities were identified. The Ministry is doing everything possible to support this. Out of that came the Ontario Tourism Cycling Plan, released last week at the Ontario Bike Conference. It's a great read and a good fit with what Explorers' Edge does. On the RTU front, our Manager is now our Acting Policy Manager - Kim Johnson is the new Manager. Laura also spoke to the Canadian Canoe Culture Campaign; Steve Bruno delivered a presentation about how the industry can get involved – whether you are an operator, accommodator or restaurant. We are encouraging TIAO to work with everybody in the industry to help leverage the existing networks and communication channels that are out there – currently in negotiations. Tourism Excellence North program: as a broker of the program – Laura has woven it into parts of her other job. We've gone through and had a look at the community assessment - this way they are actually embracing the investment they have made. Laura also made a reminder that interactions are important for getting people to register for this program. Chair Leung followed with a comment that Arrowhead Park has suspended the books of tickets

that operators can give out to guests, and that Algonquin Park should consider doing this in the future. Provincial Parks should make it easier for operators to send people to the parks.

Financial Presentation – March 31, 2017 Income Statement & Balance Sheet – James Murphy

ED Murphy spoke to the March 31, 2017 year-end audit statements; this is spending till the end of the year. There are no red-flags, we still have to go through and reconcile a few things. There have been 25 partnerships which have been more complicated this year due to many moving parts and flexibility as we move along. FedNor and OTMPC revenue was received; these will be audited and then Directors will get a copy of the audited statement before the Annual General Meeting. ED Murphy met with the auditor and the process will get started once the last bank statement and visa are put in (a month lag).

Chair Leung noted that we've done everything we can until the budget comes in. Laura Hernando stated that the Ministry has been working with RTOs to get everything prepared as much as possible.

Thankfully, RTO12 is as ready as they can be – at this point, it's a matter of waiting for the budget to be confirmed in order to send the final TPA for signature. ED Murphy commented that it is difficult for partnerships, etc. when the date for us to get the money is unknown – already a month and a half into our 12 month time frame. Chair Leung commented that they've changed our budget before; do we have any idea if we will have to revamp? Resource Laura Hernando noted that we don't know, but we have been working with RTO12 based on last year's budget. The funding formula is in approvals so if there is anything with that to be changed we will hear. Resource Laura Hernando will keep RTO12 posted when anything more is heard in regards to budget approval.

Motion to Approve Financials

Motion: Nicole Saulnier

Seconded: Curt Dunlop

Discussion: n/a

Carried.

Executive Director Update – James Murphy

ED Murphy discussed happenings with Governance; two Director resignations – Gary McMullen and Rob Wallace. In regards to Committees – the Executive Committee has been active with efforts of meeting every week and the Marketing Committee has been active via webinar and in-person. Human resources; posted Manager of Tourism Partnerships – received 90 applications. The successful candidate was Cathy Tait. Jennifer Walker was hired as an independent 3rd party to do the process; included a series of interviews with 12-14 candidates to dwindle it down to two candidates that met with James, Kate and Jeff. There will be an opportunity to meet with Cathy at the next meeting – Tyler and her will be going around to meet with operators over the next few weeks.

ED Murphy noted the need for a follow-up board meeting in May, and another one in August also because of the AGM. In regards to the AGM; It was a recommendation not have it in the spring because it is not enough time to get the audit done – thinking the week of September 14th at Rocky Crest for AGM. Nominations need to happen May-June and feedback is needed for when & where to hold the

AGM. ED Murphy suggests for the Board to start thinking now about individuals who will be a good fit for the board of the directors.

Outreach: over the last 3 months we've done a number of outreach presentations:

- Parry Sound – Canadore College
- Parry Sound BIA Presentation
- District Presentation – Commercial Air Service
- Rotary Club(s)
- Huntsville Chamber of Commerce AGM
- Craft Beer Meetings(s)
- Municipalities of Northern Ontario in Astorville - operators from other RTO's really liked what we were doing and wanted to join RTO12.
- Parry Sound Chamber's Advocacy Report using RTO12 objectives submitted to Ontario Chamber of Commerce in response to Minister's Tourism Framework Strategy (rural dispersion strategy and funding model recommendations included).

Next, ED Murphy discussed Marketing: in fiscal 2016 we set new records for all key performance metrics. Website traffic exceeded 1 million visits for the first time ever - up 32% over 2015, referrals to operators just over 215,000 - up 18% over 2015, and almost 6,500 email leads were acquired – up 92% over 2015. This was accomplished even though 27% less was spent on advertising in fiscal 2016 than in 2015.

- Site visits: 62% OVER objective. Site performance in 2016 (compared to 2015): page views and site visits showed impressive increases in 2016, however, session time was down and bounce rate was up - both are reflective of the increase in mobile users, and our heavy reliance on Facebook for traffic generation.
- Referrals to third party sites: 12% OVER objective. Total referrals up 18% in 2016 YTD, totalling 215,000 outbound clicks. Organic sources generate the most outbound clicks per visit – 34 clicks per 100 visits. These sources, while highly effective, only account for 18% of total site traffic. Of paid sources, Facebook is the most effective:
 - Facebook cost per referral is down 32% from 2015
 - Google CPC cost per referral is up 7% over 2015
- Email leads acquired: 37% OVER objective

In 2016, we saw another increase in Google searches for terms relevant to the region: Algonquin Park: up 22%, Muskoka: up 50%, Parry Sound: up 22%, Almaguin Highlands: up 84%, Restoule: up 23%. ED Murphy also discussed Facebook page/post performance; 2016 was another outstanding year for Facebook and posts.

- 102, 541 fans in March 31, 2016 to 144,898 by end of February, 2017 – an increase of 41%.
- Our posts reached almost 100% more Facebook users this year – 50 million, up from 25 million 2015 – and generated over 100 million impressions.

- The posts generated almost 2.7 million engagements – a threefold increase over 2016.
 - Our overall engagement rate was 5.3% (up 66% over 2015)
 - No difference between the ER for partner and non-partner posts
 - Link and shared video posts had the highest ER's (but don't click-through to site)
 - ERs for promoted posts were 25% higher than non-promoted
 - Top ten posts accounted for 37% of all engagements

ED Murphy spoke to blog performance: analysis of the top ten blog posts shows they generated an average site visit time almost five times the site average (180 seconds vs. 43 for the site overall). The top ten performing blog posts accounted for 44% of total page views for the year, up from 28% in 2015, and 57% of referrals. Search marketing performance; Google Adwords search marketing campaigns ran from June to September. In October the campaigns were suspended due to budget cuts; during that period \$18,598 was spent, generating just over 10,000 clicks at CPC of \$1.82 – 7% increase over 2015.

Lead Nurturing was also discussed: as part of our plan to build a more robust email marketing program, we launched the marketing automation software package on Hubspot on the EE website in F2015 – 2016 YTD we have added 6,422 new email leads vs. 4,033 leads in 2015. The number of segmented leads now stands at 8,179, up from 2,700 in 2015. Also, a total of 26 emails were deployed in 2016. Persona-based emails performed better than in 2015 on the most important metric, click rate:

- Open rate was 35%, or 29% higher than non-persona emails - 27% lower than 2015 when it was 48%; attributed the lower click-through rate to the fact that most new leads are acquired through a push, rather than a pull strategy.
- Click rate was 19%, or 50% higher than non-persona emails; 61% improvement over 2015 (11%).

In regards to other social accounts, ED Murphy mentioned that EE Twitter account grew by 18% to finished the year with 5,272 followers - 1,099 Tweets generated almost 404,000 impressions compared to 932 in 2015. The Instagram account grew by 139% in 2016 to 3,182 followers (first full year of activity) - 275 posts generated over 19,000 engagements.

ED Murphy also made some 2017 marketing plan recommendations; stay the course with the Ontario Explorers audience domestically; following the adage of “don’t fix it if it ain’t broke”, we recommend that the current Facebook-driven content marketing campaign be continued into 2017. We will continue to refine and expand the current targeting strategy, and test new segments. For example, it is now possible to target FB users who have previously engaged with our content on the platform. In addition, ED Murphy recommends that we bring our successful content marketing strategy to new markets – specifically the US and the UK; over 400,000 Canadian ex-pats can be reached on the FB platform in these markets. The FB marketing program should be complemented with a Google PPC program targeting users searching for Canada vacations and search terms relevant to the region.

ED Murphy then gave an update on the International Marketing Campaign: there will be a soft launch in February & March. The official launch will follow in April to have build-up closer to Canada Day, with the

grand prize winner announced on July 1st, 2017. Enterprise Canada (Consultant) will be used in February and March 2017; additional oversight required, last minute legal challenges, rules and regulations, soft launch, public/PR media launch delayed.

In regards to Partnership: A total of 25 partnership projects – challenge of last minute jammed funnel- One of ED Murphy's recommendations is to sign up an annual partnership by May 1st – need a cut-off day. There is a yellow flag on the field about duplications; there is flexibility to manage editorial to avoid this. ED Murphy noted some challenging partnerships. There was a lot of back and forth about where content lives – we need to streamline that. Partnerships:

- Loring / Restoule (content)
- Kee to Bala (content)
- Santa Fest (content)
- Deerhurst Resort (content)
- Georgian Bay Airways (content)
- Clublink (Sherwood Inn & Rocky Crest) (content)
- Resorts of North Muskoka (content)
- Huntsville Chamber of Commerce (content)
- Burk's Falls and Area Community Economic Development (content)
- Pine Grove Resort (content)
- Georgian Bay Biosphere (content)
- What's Cooking Bracebridge (event)
- Muskoka Autumn Studio Tour (event)
- Muskoka Beer Festival (event)
- Great Muskoka Paddling Experience (event)
- Girlfriends Getaway Weekend (event)
- Yoga Festival (event)
- Active Women's Winter Weekend (event)
- X-mus Event (event)
- Maple Syrup Festival (event)

ED Murphy also discussed 2016-2017 observations:

- RTO12's objectives with Partnership Fund need to be more clearly defined so we don't end up just doing another org's marketing. We also need to ensure there are partnerships from all 5 sub-regions when possible.
- Need to stage content marketing throughout year so it is most effective in winter and spring shoulder season.
- Expectation that once an event has partnered with us twice, new events should be given consideration instead to "prime the pump".

- Need to earmark % of funds for small business partnerships, and for bigger spend with corporate sponsors and government agencies where possible.
- Need to manage editorial to avoid duplication in the marketplace.
- What stays the same: Partnerships must benefit multiple stakeholders, build visitation especially in shoulder seasons, change perceptions, and build new audiences.
- How content works (draft scenario):
- Meeting with EE staff to determine mutual objectives and strategy (if any are possible)
- Consult with Director of Communications & Marketing Strategist
- Content Development (content must live on EE website)
- 2 pieces of content per project MAX
- Targeting through EE FB page
- Fixed timeline for promo
- Report after results

Moving forward, ED Murphy recommends: Review of the current framework to be created (meeting with stakeholders and reviewing best practices), advance signing of the MOUs (45 development period, allow the team to complete work on our end, and ensure alignment & effective use of resources), and based on Interest of the Content Program; develop a multi-level program to ensure all businesses have opportunity to participate. Partnership next steps:

- Two outreach sessions
 - Content Marketing
 - Partnership Overview
- Tourism Partnership Manager
 - Reconciliation of 2016 projects
 - Framework & criteria development, and work back schedule
- Additional Partnerships
 - Commercial Air Service
 - Parry Sound Cruise Program

Ed Murphy discussed the International Trade Mission - this was a partnership between EE and Deerhurst (overseas trip to UK); OTMPC contributed money towards this program. Canadian product is in huge demand and they welcomed us with open arms. We were not well-represented by OTMPC over there, and they were not fully aware of the product we have. We are trying to figure out what is going on in regards to the province and Destination Canada with the U.K.

- 14 tour operators - growth 25% - 45%
- 3 Tiers of Canadian Traveler Sales (a) 80 – 150 b) 5,000 c) 20,000)
- Fly and Drive utilizing Toronto & Explorers' Edge, Fuel and Fun, Self-guided mobile tours
- Tour Operators are Desperate for content
- Tour Operators were provided specific content pages created for initial pitch aligning their objectives with ours and targeted passwords (e.g. "seizeyourholiday" for Virgin Holidays).

- Next Up: product webinar to offer greater detail on our offering
- Potential Content Marketing Partnerships with call to action directed to packages and flights.
- Leverage Destination Canada
- Packages and Itinerary refinement in Explorers' Edge

Murphy noted that direct to consumer is the new norm as we anticipated three years ago so we are in a great position to promote our entire region. Explorers' Edge will attempt to take domestic marketing success and repeat it in international markets for the benefit of all operators in our region.

In regards to Product Development, ED Murphy stated that Bill Farnsworth is back developing content. Mobile Tours are on the right track; everyone is excited - we now officially have a 3 or a "suite". Producing rack card for operators as requested as well as content. Mobile Tours are content-driven so EE communications coordinator will be busy. Packages and Itineraries:

- Key to attracting tour operators and international audiences; 20 recommended and 10 prepped.
- Based on EQ segments and Destination Canada's USPs merging with EE personas
- Require greater refinement but in good shape, and EE are staff integral to development of the itineraries.

In conclusion, ED Murphy noted some additional points:

- ED Murphy had a Destination Canada Board of Director Interview (representatives from Prime Minister's Office, Privy Council Office and the Assistant Deputy Minister). Focused answers on small business, rural dispersion strategy, economic growth and innovation (Fuel & Fun used as an example of how we are able to do dispersion) and results won't be known until summertime.
- Funding investment for international markets – achieved with FedNor and OTMPC.
- TPA and Business & Operational Plan approval by MTCS
- Financial process started with the auditor
- Recommending Parry Sound satellite office – 3 days a week. Tuesday, Wednesday and Thursday (not winter) - meant to be more for time management and efficient and strategic for content development, etc. Directors noted that the Ed would need to bring back a recommendation at the next board meeting.

In-Camera with Executive Director

In-Camera without Executive Director

Motion to Adjourn

Motion: Curt Dunlop

Seconded: Michael Simonett

Discussion: n/a

Carried.

DRAFT