RTO12 Product Research & Framework

Final Report

Contents

Executive Summary

In 2017-2018, the RTO12 Board of Directors invested in a thorough product development analysis for the region.   In previous years, product development took a back seat to what was considered the main priority of the RTO: building a results-driven domestic marketing program using social, mobile, content marketing. Now, however, with international markets now the focus of the Board (which commenced with the successful launch of the Share Your Canada 150 campaign in spring 2017), it became an elevated priority for RTO12 to identify which specific products are most likely to compete on the global stage.

This resulted in the Product Development Research & Framework Report, which includes important stakeholder insights, in-depth consumer research into American markets (conducted by Environics), substantial industry research, the identification of gaps and opportunities, and a methodology for mapping out next steps.

One of the more significant outcomes of the report was the identification of six Key Tourism Activities (KTAs) which can be described as “outdoor activities” that differentiators in the competitive provincial landscape, they include:

- Being lakeside
- Wildlife viewing
- Guided nature tours and wildlife viewing
- Hiking in nature
- Paddling
- Learning about Indigenous culture

The information contained in the Product Development Framework includes recommendations that would be used in the new Product Development Strategy which is outlined in the 5-Year Regional Tourism Strategy (2018-23). For RTO12, the development of tourism product moving forward (though restricted by resource and funding limitations) is a priority for targeting high-potential markets in the States, and this development will be particularly relevant if commercial air service is introduced at the Muskoka Airport.

Introduction

After six years in operation and after four years of exceptional domestic marketing success, RTO12 is now working to significantly increase the volume of visitors to the region by implementing various international marketing initiatives. Known collectively under the umbrella "Worldly Wise Strategy" of the RTO, one of these key initiatives will be the establishment of strong, differentiated product offering that distinguishes the region in the global tourism marketplace.

Kuration was contracted to identify competitive product opportunities for development (taking into consideration the core and potential partnership budget of the RTO) in order to attract the greatest volume of domestic and international travelers to the region. We were also tasked with making recommendations for a three-year strategy to outline the ongoing support for and investment in specific competitive tourism product that will be needed to significantly increase visitation to the region. ("Product" may include tangible experiences and/or service delivery models.)

Analysis for this project included:

a. An environmental scan of current regional differentiated product, including general and pertinent market-ready offerings b. Analysis of relevant competitive product offering in Ontario, Canada and globally
c. Determination of gaps in regional product offering that need to be filled in order to compete in the global marketplace
d. The rating of current product offering as 1) not developed 2) needs enhancement and 3) fully developed
e. The matching of product offering with consumer demand and determine size of potential markets
f. Recommendations on high potential markets pertaining to product offered
g. The gathering of intelligence from RTO12 tourism stakeholders and staff to formulate recommendations and findings in all of the above

Kuration's ultimate task was to create a 'Product Development Framework' for RTO12 staff to finalize a Product Development Strategy. (This strategy would also be part of and relate to the new Regional Tourism Strategy that will be developed by RTO12 in the same fiscal year.)

Situation Analysis

The RTO12 Board of Directors announced its intention in the 2017-2018 Business & Operational Plan to *"work strategically to attract international visitors, thereby developing new audiences for [the] region while working towards…making this the most popular destination in Ontario."*

This is a big shift in objectives for the RTO, which spent the previous six years building a successful domestic marketing program. In order to increase the number of visitors coming to the region – from both domestic and international locations – RTO12 undertook this Product Research & Strategy project to determine what products currently exist that attract visitors (the core product offering), which are lacking, and which require enhancement. This was considered particularly important for attracting visitors from American markets (identified by the RTO as Chicago, New York City, Boston and Washington, D.C.).

Because RTO12 has been so successful in marketing core product to domestic audiences, the research sought to confirm that these products are equally as appealing to international markets, and to determine the size of the potential international audiences that can be targeted for conversion in the designated urban centres.

The first step was to survey industry stakeholders – particularly tourism business owners – to have them confirm the core product offering (or Key Tourism Activities) being promoted by RTO12, and to identify any perceived gaps. The second step – after confirming the Key Tourism Activities with stakeholders – was to survey the American markets identified by RTO12 in a comprehensive consumer research study. This also helped establish high potential markets for the core product. Historically, as one of the lower-funded RTOs and because of the small budget the organization has available to put towards product development, RTO12 has limited their work in this area to either enhancing product throughout the region (e.g. way finding signage at the Ice Trail at Arrowhead Provincial Park) or to promoting established product through content marketing (e.g. 'Ride The Edge' or 'Fish The Edge'). Responding to consumer demand for digital travel tools, RTO12 also led the industry with the creation of a "Signature Suite of Self-Guided Mobile Tours," three responsive microsites strategically designed to target niche market audiences to use to travel across the region, staying longer and spending more (www.go7murals.com, www.bikecottagecountry.ca, www.cottagecountrybeertrail.ca).

Of note: Though reception to the self-guided mobile tours by niche audiences and tourism operators has been overwhelmingly positive, RTO12 has not yet created a strategy for promoting these digital product assets; to quote staff, they have been "unveiled but not unleashed." Without a marketing push behind the investment in these digital assets, the opportunity to capitalize on and develop them further will be missed.

Moving forward, a major challenge for RTO12 in developing product remains the limited budget available in the organization's core funding. To that end, any recommendations for product development will have to be tempered with the organization's ability to execute them. For any significant product development, such as infrastructure, partnerships or additional funding will need to be secured.

Additionally, while RTO12 invests the bulk of its core budget into building international markets, content marketing will remain the mainstay of product development investment – that is, promoting core offering and any new products that are identified as priorities via social mobile content initiatives.

Considerations: As a provincially-funded organization, it is incumbent upon RTO12 to consider provincial tourism objectives when prioritizing product for development. The recent publication of the *Tourism Strategy Framework* by the Ontario Ministry of Tourism, Culture & Sport indicates the following areas for development, as does the RTO Guide:

- Multi-cultural tourism
- Indigenous culture & heritage
- Culinary Tourism
- Trails
- Cycling
- Great Lakes & waterways

Federal priorities, identified in very recent announcements, include tourism from mainland China and culinary tourism. With regards to FedNor, the priorities stated in the *Prosperity and Growth Strategy for Northern Ontario* include:

- Workforce development
- Technology & Innovation
- First Nations small business

Desk Top & Consumer Research Deliverables

Desk, consumer and industry research was undertaken by Kuration regarding "key tourism activities" (KTAs). This involved the creation and deployment of new consumer research (via Environics) to inform the strategy moving forward, as well as stakeholder outreach to gain input from the regional industry -- particularly tourism business owners who work "in the trenches" and have anecdotal insight into consumer interests pertaining to product. At the foundation of this entire project is the understanding that RTO12 is planning to evolve its marketing strategy to focus on international markets in 2018 and beyond, specifically (though not limited to) the USA.

The following specific research was undertaken or reviewed:

A. RTO competitive product & itinerary research and analysis (Appendix 1)

B. 'Package & Itineraries Best Practices' domestically and internationally; research and analysis (Appendix 2)
C. Review of provincial VFR research ("Impact of VFR") and the 2017 Cottager Assoc. Survey results (VFR) for air service
D. Review of the 2017 Inbound/Outbound international and domestic markets research for the commercial air service project
E. Review of OTMPC's *RTO-OTMPC Co-Marketing Partnerships 2018-2019*
F. Review of FedNor's *Prosperity & Growth Strategy for Northern Ontario*
G. Review of RTO12's previous DDPs and BOPs relative to Product Development and Partnership
H. The creation and deployment of a regional tourism stakeholder survey via Wufoo (Appendix 3)
I. The creation and deployment of consumer research (via Environics) into 4 U.S. cities (Appendix 4)
J. Review of *2015 Statistics Canada Travel Survey of the Residents of Canada & International Visitors*:
    i. Snowmobiling Tourism
    ii. Cultural Tourism
    iii. Skiing Tourism
    iv. [Multi-use] Trails Tourism
    v. Fishing Tourism
    vi. Golf Tourism
    vii. Cycling Tourism
    viii. Indigenous Tourism

Stakeholder Survey

In an effort to ascertain the most popular tourism products currently offered in the region and to determine what is considered lacking by visitors, tourism businesses were surveyed online to provide insight into this inventory of assets and gaps. Over 50 tourism stakeholders responded to the questions posed (see Appendix 3) and **Key Tourism Activities** were determined from their responses, which were later (with the execution of consumer research) grouped into related bundles (see Table 1).

While not an exhaustive list of the KTAs on offer in EE, these were selected as they best represent the region's strongest and most established product – what we will call the <u>core product offering</u>. Establishing these KTAs was important before developing the Consumer Product Development Research, as they would be integral to determining consumer interests and motivations.

Table 1 Key Insights from the Tourism Stakeholder Survey

On the water	In the woods	Culinary (Food & Drink)	Motorized	Cycling	Arts & Culture	Health & Wellness	Golfing
Padding (canoe, kayak, paddleboard)	Hiking	Brewery tours	ATVing/Snowmobiling	Road biking	Local arts/crafts	Spas	Golfing
Lakeside (beach, on the dock, swimming)	Camping	Winery tours	RVing	Mountain biking	Museums/Local history	Yoga retreats	
Day cruises	Guided nature tours	Local food (restaurants, farmers markets)	Motorcycling	Bike touring (leisure)	Live theatre/music		
Fishing	Wildlife viewing		Motorboating/personal watercraft/waterskiing		Indigenous Culture		
	Cross-country/down-hill skiing						

Key Insights from the Tourism Stakeholder Survey:

Two of the major concerns that come across from the stakeholder survey do not pertain to Key Tourism Activities. The first is the need to address the growing lack of a qualified workforce to service the industry – a persistent challenge (some use the term “crisis”) in the region and beyond. The second is the desire for more access to the region via alternative transportation options other than personal vehicle (e.g. bus, commercial air service, rentals, etc.). Also mentioned repeatedly is the notion that great product already exists in our region -- and that what is needed is more promotion of that product. Indigenous tourism product was also identified as under-developed.

Integral to the success of future international marketing initiatives will be the development of more packages for the region; the majority of tourism operators surveyed indicated a willingness to collaborate with other businesses to create packages that will convert travelers to customers.

RTO Competitive Analysis

Research was done to compare the KTAs of RTO12 to other RTOs in Ontario (see Appendix 1) to determine if RTO12 has alignment with or can compete against other regions offering the same product; specifically, it was done to determine our differentiated product.

Kuration first reviewed the RTO Competitive Analysis that was done for Explorers’ Edge in 2015 (see Appendix 5). Then, in consultation with Explorers’ Edge staff, Kuration did a comparative analysis of tourism product that is promoted online by other provincial RTOs by reviewing their itineraries and packages. (This was a follow-up to the *International Itineraries & Packages Report* that was done previously for RTO12 and which makes recommendations for product promotion.) Two other RTOs stand out in this preliminary analysis; RTO6 and RTO11. Both have attempted to present experiences/itineraries based on the user's preferences.

Kuration also researched beyond Ontario’s borders to analyze Best Practices for marketing traveler itineraries/packages and considered the websites for 20+ tourism organizations in Canada, US and internationally (see Appendix 2).

In our opinion, overall, itineraries are not optimally presented by any of these organizations because they do not take a client-centric approach to user experience; rather the sites are built around what the organization has to offer, as opposed to what the site user is looking for.

Of the sites we reviewed, we were most impressed by the way in which Newfoundland & Labrador presents itineraries online. They are simple to follow and provide easy access to the resources needed by the user to fully plan a trip. (The itineraries can’t be found based on the potential visitor’s needs, however; they must be located based on definitions assigned by the site.) Recommendations for presenting RTO12's itineraries & packages ("product") are found in the 'Best Practices' report (Appendix 2) and include the following:

RTO12 should present its itineraries and packages around three user-defined variables:

- Trip Duration
- Traveler Type (single, couple, family, etc.)
- Interests (Key Tourism Activities)

Consumer Research

Adhering to the strategic proposition by RTO12 to always take a consumer-centric approach to the organization's output, Kuration was engaged to develop and deploy a survey to determine travelers' interest in the region's core product offering.

To build this survey we had to:

- Define EE's core product offering
- Quantify the appeal of the KTAs in four key USA markets – NYC, Boston, DC and Chicago (urban centers were identified by RTO12)
- Identify viable target audiences within these markets for the product
- Group the KTAs into logical bundles in order to market to targets

The research study attempted to answer the following 5 questions:

- What is the relative appeal of Ontario as a vacation destination for these markets?
- Which of EE's KTAs are the most compelling and likely to attract visitors from these markets?
- How many individuals are there in the key markets who are interested in these activities?
- How can we group these KTAs into logical "product bundles"?
- What do the people who are most interested in these bundles look like? To which Destination Canada Explorer Quotient (EQ) segments do the people interested in these bundles belong?

Table 2 Key Tourism Activities

ATVing/Snowmobiling	Motorcycling
Being lakeside (beach, relaxing on the dock, swimming)	Mountain biking
Bike touring (leisure)	Padding (canoeing, kayaking, paddle boarding)
Camping	Road biking
Cross-country skiing	RVing
Day cruises	Snowshoeing
Downhill Skiing/Snowboarding	Taking brewery tours
Enjoying local cuisine (restaurants, farmers markets)	Taking winery tours
Fishing	Tobogganing
Golfing	Visiting local arts and crafts shops/galleries
Guided nature tours and wildlife viewing	Visiting local museums
Hiking in nature	Visiting spas
Ice Skating	Visiting Yoga retreats
Learning about Indigenous culture	Watching live theatre/music
Motorboating/personal watercraft/waterskiing	Wildlife viewing

Research Methodology:

Working with Environics, a market research firm with extensive experience conducting research into Canadian tourism in offshore markets (the firm developed Destination Canada's seminal Explorer Quotient framework), a survey was deployed into the NYC, Boston, DC and Chicago markets. The survey consisted of 4 key sections which focused on:

- Quantifying interest levels in each of the KTAs and their appeal in motivating the selection of a tourism destination
- Understanding how tourism purchase decisions are made
- Measuring attitudes with respect to travel; to do this we used Destination Canada's EQ battery of 20 questions
- Demographics

Sample size was 1,750 (quotas based on populations):

- Boston - 210
- NYC - 874
- DC - 266
- Chicago – 400

A sophisticated statistical technique called "Factor Analysis" was used to help us group the KTAs into logical product bundles and define the audiences interested in each bundle.

Factor analysis takes a mass of data and shrinks it to a smaller data set that is more manageable and understandable. It identifies complex interrelationships among survey questions and groups them into unified constructs, or "factors". These factors define how we should group the KTAs together and how we provide guidance on marketing them to our target audiences.

For complete results of the Product Development Consumer Research, please review the final report in its entirety (see Appendix 4).

Product with the highest appeal (indexed) is identified in this report. Rankings were created by "interest in activity" as a percent of the total sample, and segmented by "interested in the activity," "do this activity on vacation" and "this activity motivates me to travel."

Key Insights from the Consumer Research:

Of those surveyed who would consider Ontario, Canada as a getaway destination, 53% said they would choose this province for its natural landscapes or for a Canadian wilderness getaway. Given that there are 40 million people in these 4 US markets, this suggests a massive opportunity for RTO12.

Of the 14 KTAs that show the broadest appeal (interest level greater than 50% for the total population), six can be described as “outdoor activities” that are differentiators in the competitive provincial landscape. These KTAs also have relatively strong Motivation Indices, meaning they influence the decision to consider a vacation destination. Together these six activities define a “quintessentially Canadian wilderness experience,” and align perfectly with the EE brand.

The six activities are:

- Being lakeside
- Wildlife viewing
- Guided nature tours and wildlife viewing
- Hiking in Nature
- Paddling
- Learning about Indigenous culture

Together these activities serve as <u>relevant</u> and <u>differentiating</u> proof points for the brand proposition in the USA market.

Connecting With Audiences: Factor Analysis of Consumer Data to Market to Targets

“Factors” describe a cluster of questions – not a cluster of people. Every single survey respondent has a position in a factor. A respondent can be ranked high, low or somewhere in the middle, but all are in every factor. Factors are not mutually exclusive as a segmentation is – with its closed silos. A respondent could be high in one, high in all, or low or middling in all. To use the factor analysis to define market targets, we then profiled the respondents who MOST tightly grouped around them using the following variables:

- Demographics and psychographics (using the Destination Canada EQ battery of 20 questions)
- Travel destination purchase decision
- Travel intentions

These effectively formed target segments for the following seven factors (tentative titles only – RTO12 to rename):

- Winter Sports
- Fair Season Sports
- Biking
- Nature
- Relaxing
- Winery/Brewery Tours

So for the purposes of a product development strategy, the Key Tourism Activities are the product to promote, and the Factors – the overlaying of responses with demographics, psychographics travel destination purchase decision and travel intentions as well as the Destination Canada EQ segments – provide RTO12 with segments to consider marketing these products to in the USA (but most likely correspondingly to domestic audiences as well.)

Gap Analysis (Consumer Research & Stakeholder Feedback)

Stakeholder feedback online (see Appendix 3) and in informal interviews was quite consistent on what constitutes the region's core product offering, and on noting that the region currently has a competitive positioning with this product. The primary areas where stakeholders indicated there were gaps include:

- **Workforce Development**: multiple operators indicated that this should be a priority of the RTO moving forward – to address the problem of lack of service staff to ensure guests enjoy their visit.

- **Transportation**: multiple operators indicated that urban audiences do not necessarily own cars, and international audiences may need transportation options; therefore new transportation strategies to ensure accessibility should be considered for development (in addition to commercial air service) such as bus (including charters and scheduled service) and train.

Based on RTO12 staff in-house research and observations (revealed during interviews), it has also been determined that the following areas should be considered for product development:

- Visiting Friends and Relatives (see Appendix 6)
- Corporate Travel (currently the purview of a DMO in the region)
- Itineraries and packages for international tour operators and FIT audiences (an outcome of the previous report by Twenty31 Consultants)

Based on the 2017 Consumer Product Research Study conducted by Environics for RTO12 and the Key Tourism Activities (KTAs) with high interest among RTO12's American target markets identified in that study, the following gaps have been subsequently been identified for development (based on a high Interest/Motivation Index score; see chart below):

- Culinary Tourism
- Indigenous Tourism
- Arts & Culture (museums, live performances, entertainment, etc)

Table 3 Key Tourism Activities (KTAs) and Interest

Activity	Interested in activity	Do on vacation	Motivates Decision	Interest/Motivation Index
Enjoying local cuisine (restaurants, farmers markets)	94%	83%	84%	90
Being lakeside (beach, relaxing on the dock, swimming)	87%	68%	79%	92
Visiting local museums	84%	66%	73%	86
Watching live theatre/music	84%	60%	70%	83
Day cruises	80%	41%	57%	71
Visiting local arts and crafts shops/galleries	78%	64%	67%	86
Wildlife viewing	77%	44%	59%	76
Guided nature tours and wildlife viewing	73%	37%	53%	73
Taking winery tours	71%	41%	53%	74
Learning about Indigenous culture	71%	46%	57%	81
Hiking in nature	67%	41%	53%	79
Taking brewery tours	64%	34%	45%	70
Visiting spas	58%	33%	43%	75
Padding (canoeing, kayaking, paddleboarding)	51%	19%	29%	56
Bike touring (leisure)	48%	17%	28%	59
Motorboating/personal watercraft/waterskiing	46%	18%	27%	59
Camping	42%	21%	31%	73
Fishing	40%	21%	29%	71
RVing	36%	11%	18%	49
ATVing/Snowmobiling	35%	12%	18%	50
Road biking	34%	13%	21%	63
Ice Skating	33%	11%	17%	52
Mountain biking	32%	13%	19%	60
Downhill Skiing/Snowboarding	30%	13%	21%	70
Visiting Yoga retreats	30%	13%	19%	61
Golfing	29%	17%	22%	77
Tobogganing	28%	9%	13%	45
Snowshoeing	26%	8%	13%	49
Cross-country skiing	25%	8%	14%	57
Motorcycling	24%	10%	14%	57

RTO12 staff also consider an intangible area for development to be in the realm of sustainable product development; this is to ensure that stakeholders in the industry are able to sustain the main draw to the region – the natural landscape – for generations to come, and that this landscape will be protected from 'over-tourism' using strategic measures (e.g. attracting visitors to Algonquin Park during shoulder seasons or mid-week, or dispersing them to other, less travelled parks in the region). Conversations around this topic were highlighted particularly in 2017 – which was the International Year of Sustainable Tourism.

High Potential Markets: KTAs & Social/Content Marketing Reach

The 2017 Consumer Product Research that was developed and deployed shows the following associated potential markets with the Key Tourism Activities (with regionally differentiated product indicated in red):

Table 4 KTAs & Social/Content Marketing Reach

Activity	Interested in activity	NY	Chicago	DC	Boston	Total
Population (2016 Estimate)		**20,153,634**	**9,512,999**	**6,131,977**	**4,794,447**	**40,593,057**
Enjoying local cuisine (restaurants, farmers markets)	94%	4,557,785	2,151,384	1,386,759	1,084,274	9,180,202
Being lakeside (beach, relaxing on the dock, swimming)	87%	4,212,962	1,988,619	1,281,843	1,002,242	8,485,666
Visiting local museums	84%	4,093,386	1,932,177	1,245,460	973,796	8,244,819
Watching live theatre/music	84%	4,090,605	1,930,864	1,244,614	973,134	8,239,218
Day cruises	80%	3,890,385	1,836,355	1,183,695	925,503	7,835,938
Visiting local arts and crafts shops/galleries	78%	3,815,303	1,800,915	1,160,850	907,641	7,684,709
Wildlife viewing	77%	3,770,810	1,779,913	1,147,313	897,056	7,595,091
Guided nature tours and wildlife viewing	73%	3,570,590	1,685,404	1,086,393	849,425	7,191,812
Taking winery tours	71%	3,445,452	1,626,336	1,048,319	819,656	6,939,762
Learning about Indigenous culture	71%	3,439,890	1,623,711	1,046,627	818,332	6,928,560
Hiking in nature	67%	3,239,670	1,529,202	985,707	770,701	6,525,281
Taking brewery tours	64%	3,111,752	1,468,822	946,787	740,270	6,267,630
Visiting spas	58%	2,803,080	1,323,121	852,870	666,838	5,645,908
Padding (canoeing, kayaking, paddleboarding)	51%	2,502,750	1,181,358	761,491	595,391	5,040,990
Bike touring (leisure)	48%	2,341,461	1,105,226	712,417	557,022	4,716,126
Motorboating/personal watercraft/waterskiing	46%	2,230,228	1,052,721	678,573	530,560	4,492,082
Camping	42%	2,043,912	964,776	621,884	486,236	4,116,808
Fishing	40%	1,957,706	924,084	595,655	465,728	3,943,174
RVing	36%	1,760,267	830,888	535,582	418,759	3,545,496
ATVing/Snowmobiling	35%	1,726,897	815,137	525,429	410,820	3,478,283
Road biking	34%	1,637,911	773,133	498,353	389,651	3,299,048
Ice Skating	33%	1,624,006	766,570	494,123	386,343	3,271,042
Mountain biking	32%	1,548,924	731,129	471,278	368,481	3,119,812
Downhill Skiing/Snowboarding	30%	1,482,184	699,626	450,972	352,604	2,985,386
Visiting Yoga retreats	30%	1,482,184	699,626	450,972	352,604	2,985,386
Golfing	29%	1,415,444	668,124	430,665	336,727	2,850,960
Tobogganing	28%	1,368,170	645,809	416,282	325,481	2,755,741
Snowshoeing	26%	1,276,402	602,493	388,360	303,650	2,570,905
Cross-country skiing	25%	1,204,101	568,364	366,362	286,449	2,425,276
Motorcycling	24%	1,170,731	552,613	356,208	278,511	2,358,063

Because RTO12's successful conversion of international audiences into travelers to the region will depend on the organization's ability to reach those audiences through strategic social, mobile, content marketing via Facebook, Kuration conducted research into the potential reach of audiences (USA and UK) on that particular platform (pertaining to key interests that can be associated with the region's KTAs). The results suggest the potential for social, mobile, content marketing to reach international audiences is significant (see chart below), however, consideration of the High Interest/Motivation Index must be undertaken in order to get the best results. Additionally, marketing of product will require strategic considerations to ensure the frequency of content appearing before the target is optimal. The Factor Analysis completed in the Consumer Product Research will also allow RTO12's marketers to "bundle" certain product activities to have greater opportunity for conversion success. See Apendix 1.1

Funding Considerations

An important consideration for RTO12 when strategizing which products to develop or enhance should be the organization’s ability to capitalize on funding partnerships, either private or public. This is particularly important when considering any major infrastructure investments. For cycling infrastructure, for instance, municipal Active Transportation committee funding may be available to access (see Appendix 7). And for major projects involving workforce development, technology and innovation, FedNor’s objectives in the *“Prosperity and Growth Strategy for Northern Ontario”* should be considered to determine if there is alignment opportunity.

Finally, with the potential introduction of the Transient Accommodations Tax by various municipalities in the region starting in 2018, RTO12 should consider what areas of its Product Development Strategy might align with the objectives of the municipalities that implement the tax. (This is something to consider in Year-2 of the strategy perhaps.)

Product Readiness for Packaging

A key recommendation of the earlier report on *International Itineraries & Packages* will require the development of strategic packages for alignment with itineraries catering to international tour operators and their customers. Packages are also necessary for social, mobile content marketing of product, in order to move audiences down the purchase funnel and to foster purchase conversion. RTO12 must move on developing product packages as well if the destination is to keep apace of global trends for package purchasing by travelers (see chart below).

Table 5 Package Holiday Market Outlook - Worldwide

	Package Holiday Users (millions)	Package Holiday Revenue (millions)
2016	48.399	55,027.47
2017	54.366	62,975.46
2018	60.356	71,338.19
2019	65.869	79,568.91
2020	70.619	87,244.27
2021	74.516	94,106.92
2022	77.628	100,092.28

Source: Statista, September 2017; Selected region only includes countries listed in the Digital Market Outlook

The following Key Tourism Activities have been accessed as having 1) (relatively) high number of packages that are market-ready (HL); 2) packages that require development (RD); 3) no packages developed (NP): and 4) to be determined (TBD):

Table 6 Package Overview

RD	Enjoying local cuisine
RD	Being lakeside
RD	Visiting local museums
RD	Watching live theatre/music
HL	Day cruises
RD	Visiting local arts studios/galleries
HL	Wildlife Viewing
HL	Guided nature tours/wildlife viewing
HL	Winery Tours
NP	Learning about Indigenous culture
RD	Hiking in Nature
RD	Taking Brewery Tours
HL	Visiting spas
HL	Paddling
NP	Bike Touring (leisure)
TBD	Motorboat/PWC/waterskiing
RD	Camping
RD	Fishing
TBD	Rving
RD	ATV/Snowmobiling
NP	Road biking
NP	Ice skating
NP	Mountain Biking
RD	Downhill skiing
RD	Visitng Yoga retreats
HL	Golfing
NP	Tobagganing
TBD	Snowshoeing
TBD	Cross-country skiing
TBD	Motorcyling

Preparing the Product Development Framework

After reviewing all the research at our disposal and after identifying the situation analysis, gap analysis and high potential markets, Kuration makes the following recommendations to RTO12 staff in order for them to create the final Product Development Strategy:

- consider two areas for product development: tangible product (e.g. core offerings/KTAs) and intangible product (e.g. improved service via workforce development)
- “unleash” or enhance the current self-guided mobile tours (digital assets) by developing pertinent marketing strategies and tactics for these microsite programs
- Fill gaps by considering high interest activities, budget considerations and high potential markets
- Improve packages for international tour operators and their customers
- Enhance transportation options for greater accessibility
- Include improved workforce development (increase the number of workers) as a service product
- Key Tourism Activities that are high interest and relatively high motivation should be considered for content promotion into international markets
- Fair weather seasons offer a bigger market for the KTAs

Table 7 Explorers' Edge Product Development Framework: Worldly Wise

RTO12 Product Development Framework: Worldly Wise

Tangible			Intangible
Current Digital Assets	Differentiated KTAs	New / Gap	New / Gap
• Bike Cottage Country • Cottage Country Beer Trail • Group of Seven Outdoor Gallery • Fish the Edge • Ride the Edge • Golf Muskoka • Current Inventory Asset • Paddling Inventory	• Being Lakeside • Wildlife Viewing • Guided nature tours • Indigenous Culture / Tourism • Paddling • Hiking in Nature	• Visiting Friends & Relatives (VFR) • Culinary Tourism • International Itineraries & Packages • Indigenous Culture / Tourism • Arts & Culture • Corporate Travel	• Workforce Development (Service) • Transportation (accessibility) • Sustainability to Consider the main offering (the landscape) and to avoid "over tourism"

<u>Rationale</u>

Tangible vs. Intangible

The Worldly Wise Strategy gives the opportunity for the RTO to 1) develop, enhance or promote tangible product within the region (e.g. Key Tourism Activities) or 2) intangible products that will be necessary to ensure international visitors have a truly world-class visit to the region (e.g. enough staff at resorts to provide an optimal experience, or a Tourism Ambassador Program to ensure all visitors have a consistent level of delivery and communication prior to, during and after their stay).

Current Digital Assets

Since 2014, RTO12 has invested in the development of three responsive microsites that are bundled together as part of the "Signature Suite of Self-Guided Mobile Tours." These branded sites, each targeting a niche market, all feature multiple ways for audiences to search information, multiple businesses, suggested routes across multiple sub-regions, GPS navigation, additional/pertinent info (such as events, rentals, guided tours, etc) and, with the exception of one, they were built to enable content marketing to these niche audiences.

The three current responsive microsites in the self-guided mobile tour suite are:

www.go7murals.ca or http://www.thegroupofsevenoutdoorgallery.com/

GROUP of SEVEN | OUTDOOR GALLERY

A unique outdoor trail that features over 100 giant mural replicas showcasing the works of the famous Canadian Group of Seven painters and the gentleman who inspired them, Tom Thomson. Take the mobile tour of locations throughout Muskoka and Algonquin Park, Ontario and experience iconic 20th century Canadian art coming to life again in the digital age. Features details on the artists, the works, other attractions/accommodations/dining in the vicinity of the tour, workshop and guided tour info, and video commentary by Artistic Director Gerry Lantaigne. This site was created in partnership with a private tourism operator, therefore the RTO does not have as much control over the content of this site. It was also developed as a strategic prototype to showcase the differentiated Group of Seven product in the region and the potential of digital "tools"; it was never developed to house/promote content. This is a limitation moving forward in terms of optimal marketing, unless updates to the site are made.

www.bikecottagecountry.ca

An in-depth inventory of over 70 routes and trails that were created with the expertise and insight of regional bike shop owners (who know cycling in the region best). This branded site ("Tour, Train, Trek all year long in Ontario's cottage country") has great info for all levels of rider, from recreational cyclists ("Tour") to endurance athletes ("Train") and mountain bike/fat bikers ("Trek"). Features suggestions for accommodation/attractions/dining in the vicinity of the routes, GPS functionality, listing of cycling events including group rides and time trials, bike shop intel, and where to rent. This site was developed to house content, although the blog landing pages are not yet optimized (limited functionality). RTO12 has been producing content on this site, but has not done much promoting of those pieces.

www.cottagecountrybeertrail.ca

This site was scheduled to be undertaken prior to local breweries reaching out to the RTO to partner on a craft beer trail development. Six breweries – four in the RTO12 region and 2 in the RTO11 region – partnered to product a beer trail strategy with a third party consultant. RTO12 produced its own report additionally, out of which came the branded Cottage Country Beer Trail site. The site features routes between breweries, additional attractions/accommodations/dining along the routes or in the vicinity of the breweries, live music and general events, info on tours and tastings, GPS functionality, brewery and beer info, and is content-friendly for marketing purposes. RTO12 launched the site in late spring of 2017, and content has been produced fairly regularly for it, although not in great numbers. The content has yet to be promoted.

NOTE: Since the creation of the beer trail, three more breweries have opened in the region and will need to be added. This will require design modifications and extensive information to be added/programmed.

It is our recommendation that RTO12 devise a proper consumer marketing plan for each of the three microsites above, and also for the collective Signature Suite of Self-Guided Mobile Tours for the travel media and travel trade markets. These sites have been "unleashed" as RTO12 staff says – now it is time to "unveil" (market) them.

The Factor Analysis done with the Consumer Product Research (see Appendix 4) describes the USA's target audiences for three existing guided tours (Biking, Culture, Winery/Brewery

Touring) and provides insight into how RTO12 should address these audiences. Using this insight RTO12 can bring marketing programs to support the guided tours to market in a very short time frame (depending on budget and staff resources).

Additional Product Marketing for Niche Markets: Fish The Edge / Ride The Edge

RTO12 did not have the budget to product ground up marketing programs for motorsports or fishing/hunting – which are two priority pillars of the provincial marketer. To that end, landing pages were developed on the Explorers' Edge website featuring content pertinent to these two "avid" audiences. Because budget remains tight for Product Development and because motorsports is lower on the KTA results for the American audiences (with only a 57 score on the Interest/Motivation index, it is recommended that the Ride The Edge content only be revisited with the intention of updating it thoroughly. Fishing scored higher with the international target audiences on the Interest/Motivation Index at 71, but it was not among the Top 14 survey results. Therefore, we recommend that the Fish The Edge content only be updated thoroughly (and perhaps the original consultant – Ken Turner – could be engaged to do this).

GolfMuskoka.com

3 years ago, RTO12 entered into a partnership with Golf Muskoka to create a content, responsive microsite that would feature its members. A third party consultant was hired to do this, and was also hired to develop and promote the initial content. Emails are still being collected into a marketing database, and the RTO took over promotion of this site in late summer of 2017 (as well as the associated Facebook page). With many other product development projects to consider and because of the limited budget, we recommend that RTO12 conduct further development on the GolfMuskoka.com site only if Golf Muskoka agrees to a strategy moving forward and funds the cost of any changes or enhancements. The smaller size of the interested market in the target cities (24%) means marketing dollars of the RTO's core budget are better spent elsewhere to attract 'low lying fruit.' (This also suggests a problem with supply versus demand, and Golf Muskoka should therefore consider if or how they want to partner with RTO12 to fill golf courses; we would suggest domestic markets.)

The Paddling Inventory

In 2016, RTO12 hired a 3rd party consultant to develop a thorough inventory of paddling products (paddling routes, guided tours, where to learn, where to rent, competitions, events, outfitters, packages) that has yet to be promoted. There was an intention at one point after the inventory was developed (and after the creation of the self-guided mobile tours) to make paddling the next in the suite of digital tours; this was parked in 2017-2018. As paddling is considered a differentiated KTA in the Consumer Product Research, the inventory should be updated in order to include details in RTO12's content marketing, and also to create new itineraries and packages.

Differentiated KTAs for content marketing

Based on the Consumer Product Research (Appendix 4) that was deployed into markets in NYC, Washington, Chicago and Boston, listed below are six KTAs are considered to be differentiated while still delivering on/emphasing the RTO12 brand (‘the great Canadian wilderness just north of Toronto’). They also score highly on the Interests/Motivation Index.

These KTAs should be the foundation of future marketing into the States, and content marketing is ideally suited to achieve this. (The markets also expressed a desire for clearly described itineraries based on the KTAs, and itineraries are also easily promoted using content marketing.)

The 6 differentiated KTAs (see Appendix 4) are:

- **Being Lakeside** (swimming, lying on the dock, beach)
- **Wildlife Viewing**
- **Guided Nature Tours & Wildlife Viewing**
- **Hiking in Nature**
- **Paddling** (canoe/kayak/stand up paddle board)
- **Indigenous Culture/Tourism**

New Product/Gaps (Tangible)

- **Culinary Tourism**
- **Arts / Culture**

Not surprisingly, culinary tourism and arts & culture tourism show high levels of interest amongst potential US audiences (these are general interest KTAs for travelers the world over). The raw materials for both of these KTAs already exits and, as a result, represent the most immediate opportunity for the region; they should be considered for development or as integral to content marketing output.

OF NOTE: Though there is no regional, branded field to fork culinary product, Muskoka Tourism took over possession of the brand “Savour Muskoka” (once an independent non-profit organization) and created a “Savour Muskoka Trail.” Any culinary tourism product developed for international audiences (including itineraries) should be differentiated from the MTMA Savour Muskoka initiative p as a result, and should also represent culinary stakeholders from across the entire region. (See Muskoka Tourism’s most recent Marketing Plan).

- **Corporate Travel**

  Currently the only concerted business travel marketing is being done by Muskoka Tourism – this via their “Meetings Muskoka” program (which RTO12 partnered on to develop). As

Muskoka has the most capacity to foster corporate travel and business events, it is recommended that RTO12 stick to leisure travel promotion to avoid duplication. (See Muskoka Tourism's Marketing Plan)

- **VFR**

Visiting Friends & Relatives from either domestic or international markets represents an extremely under-developed market, and one which no one in any of the sub-regions has ever created a targeted marketing strategy for. Though RTO12 makes "heads in beds" its priority (and because that is what the provincial funding model demands), there is still a missed opportunity to attract VFR from Ontario to our region (to permanent and seasonal homes) as well as VFR visiting Toronto from domestic or international destinations. It is recommended that RTO12 consider content marketing to these audiences (including suggested itineraries that may include other regions), and that a loyalty program to have VFR visit attractions, restaurants and shops in the region be considered as well. (See Appendix 6 for VFR research).

- **Indigenous Cultural Tourism**

This is a major priority of both the federal and provincial governments. It was also revealed to be a top KTA that also aligns with our destination brand in the Consumer Product Research. RTO12 has never done an inventory of current Indigenous tourism product, and as such it is recommended that you first reach out to the Indigenous Tourism Association of Ontario before doing so for guidance and expertise. It may be that the RTO can offer expertise and partnership opportunities to any First Nations in the region that seeks to build tourism product for the benefit of their communities, and can then help to promote that product to domestic and international audiences.

- **International Itineraries & Packages**

Itinerary and package development and refinement was a recommendation that came out of the "Packages & Itineraries Report" completed in 2016 by Twenty31 Consultants. Itineraries and packages will be integral to RTO12's success in marketing to tour companies and to consumers. This was confirmed in the Consumer Product Research study. For more info on recommendations for "Packages & Itineraries Best Practices," see the research conducted by Kuration for this framework (Appendix 2).

New Product/Gaps (Intangible)

The following intangible products were flagged by RTO12 stakeholders and Board members as integral to improving visitor experiences in the region (either for domestic or international travelers):

- **Workforce Development**

The lack of employees to service the industry is considered a growing "crisis" by tourism operators across the entire region. It is also a major priority for federal and provincial governments to solve this issue, which will only snowball over the next 10 years if not addressed.

Based on interviews and surveys with tourism stakeholders, RTO12 Board members and RTO12 staff, it is recommended that "service" be considered an important product across the region, and that RTO12 consider how they will solve this employment problem that plagues the industry. Funding opportunities should be considered for this intangible product as well, as the RTO does not have a huge budget to devote to this.

- **Transportation**

Many tourism stakeholders would like multi-modes of travel (besides car ownership) to be considered for development, particularly around bus transport. This affords the RTO the opportunity to build partnerships with private bussing companies in order to target niche markets (e.g. bring groups of golfers to the region for a multi-day stay and play tour). If commercial air service is introduced at the Muskoka Airport (CYQA), "last mile" transportation that strategically builds regional dispersion will also need to be introduced.

- **Sustainability**

It is considered by staff and stakeholders as incumbent upon RTO12 to commence prioritizing sustainable tourism across the entire region. With the dedicated intention of bringing more visitors to the region (international travelers), RTO12 must also counter this with strategies on how to avoid "over tourism" (e.g. the Highway 60 corridor at peak fall colour times) and on how the entire regional industry can work to protect its main, differentiating asset: the natural landscape. It is recommended that RTO12 take a preventative and assertive approach to this increasingly global concern, and that funding partnership opportunities be considered in order to introduce any initiatives (e.g. perhaps in conjunction with a local conservancy or stewardship).

Additional Considerations for the RTO

When developing the final Product Development Strategy, the following items should be taken into consideration:

- Consider many different areas for development or enhancement
- Consider finite budget
- Consider strategic partnerships (municipalities etc. for infrastructure etc.)
- Consider staff resources
- Consider federal strategies and priorities
- Consider provincial priorities (see RTO Guide: Multi-cultural, Indigenous & heritage, culinary tourism, trails, cycling, great lakes and waterways)
- Consider our ability to target markets using social, mobile content expertise and lead nurturing strategy (including segmentation)
- Consider building of shoulder seasons
- Consider Supply vs. Demand
- Consider audience reach on FB (our main way of advertising which also allows us to compete)
- Consider how developed a product is for market (not developed, needs enhancement, fully developed)

From Framework to Strategy

The following are the overall recommendations for RTO12 to consider when creating a final Product Development Strategy

i. "Unleash" current product assets (digital/content)
ii. Fill the gaps
iii. Improve itineraries and packages for international audiences
iv. Enhance accessibility / transportation options
v. Workforce Development

Marketing Recommendations for International Target Audiences

- In all marketing, focus on the KTAs with high interest/motivation as well as deliver on the brand promise of a quintessential and accessible Canadian wilderness experience
- With limited marketing resources, focus spend (70%) on the summer. Early fall and winter would also be supported with the balance of the spend (30%)

Marketing tactics:

1) The market expressed a desire for clearly described itineraries based on the KTAs. These itineraries are ideally suited to presentation in content marketing, which would therefore continue to be our primary marketing tactic.
2) Traditional online advertising (display) can also be considered once packages with price points have been developed
3) Consider using the activities/packages area of Jack Rabbit booking widget more effectively to promote packages and itineraries, and to increase likelihood of conversion
4) Continue to add leads into the international database that was started with the earlier "Share Your Canada" campaign, and ensure these leads are communicated with regularly

Appendix 1: Competitive Product and Itinerary Research

Appendix 1. 1 Interest Counts

Activity	Alternate search term (if applicable)	Count: 25+ English-Speaking ALL genders		
		Canada	USA	UK
Arts, culture & entertainment	Arts and music	9,000,000	95,000,000	23,000,000
Art -painting, photography, sculpture		7,500,000	75,500,000	16,000,000
Live music concerts/festivals	Live events	6,750,000	75,000,000	15,500,000
Food, fine dining, foodies		6,000,000	70,000,000	15,000,000
Outdoor Adventure	Outdoor recreation	6,600,000	64,000,000	11,000,000
Live theatre	Theatre	3,000,000	37,500,000	6,500,000
Wine, winery tours		2,000,000	25,000,000	5,000,000
Yoga		2,750,000	23,000,000	4,300,000
Spas		2,000,000	22,000,000	6,500,000
camping		1,750,000	18,000,000	3,250,000
hunting		1,750,000	18,000,000	3,250,000
Shopping for gourmet/local foods in retail stores	Gourmet, Organic Food	1,500,000	17,500,000	2,300,000
fishing		2,000,000	15,000,000	2,500,000
hiking		1,750,000	13,000,000	2,300,000
Amusement parks	Theme parks	875,000	13,000,000	2,250,000
Resorts		1,250,000	13,000,000	2,000,000
Health and wellness getaways	Health club	1,000,000	12,000,000	3,750,000
Crafts		1,300,000	11,500,000	3,250,000
golfing		1,500,000	10,000,000	3,500,000
Farmers’ markets	Farmers' market	800,000	9,000,000	250,000
swimming		750,000	8,000,000	2,250,000
Museums		450,000	7,000,000	1,000,000
horseback riding		500,000	5,000,000	1,500,000
mountain biking		950,000	4,750,000	1,350,000
sailing		375,000	4,250,000	1,300,000
parks	Parks and Recreation	100,000	4,000,000	80,000
RV Touring	RVs	375,000	3,600,000	850,000
ATV-ing	All-terrain vehicle	400,000	3,500,000	550,000
cruising		175,000	2,250,000	650,000
garden touring	Garden-scapes	160,000	2,000,000	600,000
canoeing		225,000	1,750,000	125,000
snowmobiling		300,000	1,000,000	30,000
Indigenous culture	Native American music, Native American arts ...	30,000	1,000,000	15,000
trail running		125,000	950,000	250,000
triathlon		100,000	900,000	350,000
motor boating	Motorboat	22,000	785,000	54,000
stand up paddle boarding		125,000	750,000	135,000

sea-dooing (personal watercraft)	Personal water craft	124,000	580,000	65,000
glamping		130,000	575,000	900,000
ice skating		100,000	500,000	100,000
downhill skiing		150,000	450,000	100,000
wildlife viewing	Wildlife photography	90,000	450,000	200,000
Food & drink festivals		54,000	350,000	150,000
ice fishing		50,000	250,000	6,000
Local history tours	Tour guide, Self-guided tour	35,000	250,000	65,000
cycling (on road)	Road cycling	37,000	225,000	180,000
waterskiing/wakeboarding		15,000	225,000	35,000
Living history attractions	Living history	10,000	175,000	65,000
dog sledding	Sled dog	30,000	150,000	35,000
Foraging		10,000	150,000	50,000
snowshoeing		35,000	125,000	9,000
Historic sites, towns and villages	Historic site	22,000	125,000	6,500
Agri-touring (visiting farms like Johnston's Cranberry Marsh)	Agritourism	2,000	62,000	9,500
kayaking	White-water kayaking	4,200	42,000	6,000
pond hockey		7,000	40,000	1,000
Craft breweries	Craft Beer and Brewing	1,000	30,000	1,000
motorcycle touring		5,500	28,000	5,500
flying	Flying club	5,000	20,000	8,000
Cookouts		1,000	15,000	1,000
bird watching		1,000	8,000	1,000
Nordic skiing		10,000	7,000	2,000
Culinary Tourism		10,000	3,000	2,000
Ice trails		-	-	-

Appendix 1. 2 Distilled

On the water	In the woods	Culinary (Food & Drink)	Motorized	Cycling	Arts & Culture	Health & Wellness	Golfing
Padding (canoeing, kayaking, paddleboarding)	Hiking	Brewery tours	ATVing/Snowmobiling	Road biking	Local arts/crafts	Spas	Golfing
Lakeside (beach, relaxing on the dock, swimming)	Camping	Winery tours	RVing	Mountain biking	Museums/Local history	Yoga retreats	
Day cruises	Guided nature tours and wildlife viewing	Local food (restaurants, farmers markets)	Motorcycling	Bike touring (leisure)	Live theatre/music		
Fishing	Wildlife viewing		Motorboating/personal watercraft/waterskiing		Indigenous Culture		
	Cross-country/down-hill skiing						

Appendix 1. 3 RTO's vs. Activities

Activity	RTO 1		RTO 3		RTO 6		RTO 11		RTO 13A		RTO 13B		RTO 13C	
	Featured	Itineraries	Featured	Itineraries	Featured	Itineraries	Featured	Itineraries	Featured	Itineraries	Featured	Itineraries	Featured	Itineraries
Padding (canoeing, kayaking, paddle boarding)		Y		Y			Y	Y		Y			Y	Y
Lakeside (beach, relaxing on the dock, swimming)	Y	Y									Y	Y		
Day cruises														
Fishing & Hunting	Y								Y	Y			Y	Y
Hiking	Y			Y	Y	Y	Y	Y						Y
Camping	Y									Y				
Guided nature tours and wildlife viewing			Y	Y	Y	Y		Y						
Cross-country/down-hill skiing	Y									Y		Y		
Winery/Brewery tours	Y		Y	Y	Y	Y		Y					Y	Y
Local food (restaurants, farmers markets)	Y			Y	Y	Y		Y				Y		
Cycling	Y	Y		Y	Y	Y			Y	Y	Y	Y		
Local arts/crafts/Museums/Local history	Y			Y				Y		Y				
Live theatre/music	Y							Y		Y				
Indigenous Culture			Y	Y						Y			Y	Y
Spas, yoga retreats														
Golfing				Y	Y	Y								
ATVing/Snowmobiling							Y	Y						Y
RVing														Y
Motorcycling	Y	Y							Y	Y				Y
Motor boating/personal watercraft/waterskiing	Y													Y
Birding	Y	Y												
Regional Travel Guides	Y	Y		Y	Y	Y								

Appendix 1. 4 Aux. Competitors

Activity	The Circle Trail		Visit Stratford		Niagara Canada		Long Point Eco Adventures		Quebec Aboriginal Tourism		D-Tour Mt. Tremblant		Mt. Sutton	
	Featured	Itineraries	Featured	Itineraries	Featured	Itineraries	Featured	Itineraries	Featured	Itineraries	Featured	Itineraries	Featured	Itineraries
Padding (canoeing, kayaking, paddle boarding)	Y	Y				Y	Y	y		Y	Y	Y		
Lakeside (beach, relaxing on the dock, swimming)						Y				Y				
Day cruises					Y	Y								
Fishing & Hunting							Y	Y						
Hiking		Y				Y				Y	Y	Y		
Camping									Y	Y				
Guided nature tours and wildlife viewing	Y	Y	y	Y			Y	Y	Y	Y				Y
Cross-country/down-hill skiing											Y	Y	Y	Y
Winery/Brewery tours			Y	Y	Y	Y	Y	Y						
Local food (restaurants, farmers markets)	Y	Y					Y	Y		Y				Y
Cycling			Y	Y		Y					Y	Y		Y
Local arts/crafts/Museums/Local history		Y	Y	Y		Y			Y	Y				
Live theatre/music						y								
Indigenous Culture									Y	Y				
Spas, yoga retreats		Y												
Golfing						y								
ATVing/Snowmobiling														Y
RVing														
Motorcycling														
Motor boating/personal watercraft/waterskiing							Y	Y						
Birding														
Regional Travel Guides					Y	Y				Y				Y

Appendix 2: Best Practices: Itineraries/Packages Online

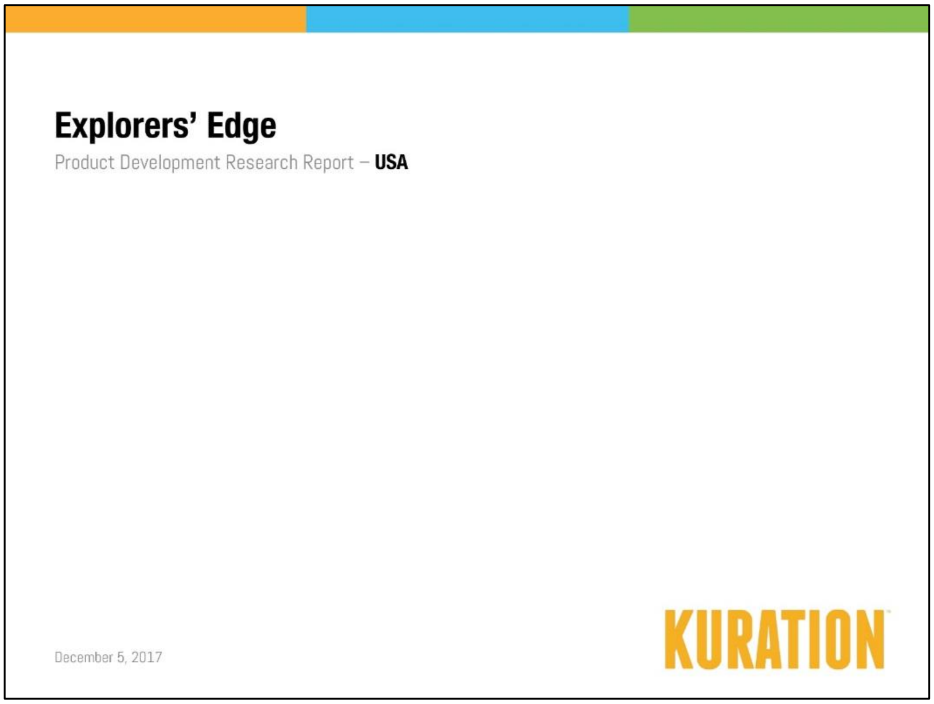
Appendix 3: Stakeholder Survey Excerpt

(To request full survey results contact info@exploersedge.ca)

Based on your interaction with visitors and potential visitors to the region, what activities are they MOST interested in - either with prior knowledge or after speaking to your or your staff?	In your opinion, what are the Top 3 regional products (activities) visitors to your establishment are interested in either through prior knowledge or after being informed about them by you or your staff? Please list:	What is it about each of the Top 3 products (activities) you picked that is most attractive to/interesting for visitors? Please list one thing relative to each product:	What products (activities) do you believe should be developed in order to attract more visitors to the region and to satisfy current customer/market demand?	Are there any suggestions you would make for product enhancement (pertaining to activities) in order to attract more visitors to the region and to give current visitors a better experience? Please list and be as specific as possible:	In your opinion, which do most visitors prefer: self-guided or guided activities?	Would you be interested in partnering with other businesses in the region to create tourism product packages for visitors? Please answer Yes or No.
paddling (canoe, kayak, SUP, other) wildlife viewing (including birding, moose, etc) hiking parks touring museums	Canoeing, Hiking, Wildlife viewing	Canoeing: getting out on the water with no motorboats Hiking: remote vantage points Wildlife Viewing: to see moose	more cycling opportunities in the Park	expand bike trails	self-guided	no

Paddling (canoe, kayak, SUP, other) cycling (on or off road) campfires, bonfires wildlife viewing (including birding, moose, etc) dark sky viewing hiking running (on or off road) individual participation events (cycling, triathlon, biking, running, etc.)Nordic skiing snowshoeing dogsledding parks touring ice trails horseback riding local food dining art installations/exhibits (indoors or outdoors) photography (wildlife/nature)	- Algonquin Park hiking trails - canoeing in nature (half-day outing) - dog sledding and Arrowhead Park ice trail	All are bucket list items, or as I call it, they have the "water cooler effect" i.e. they can stand around the water cooler on Monday (or after returning from their big trip away) and boast about the adventure.	Development of the Kearney access points of Algonquin Park for day-use hiking and paddling (varying lengths of hiking loops to do in under a day, canoe day-rentals on site). Backcountry 'lite' without the camping. This would take some of the volume pressure off the hwy 60 corridor while supporting growth and development of communities just north of Muskoka. I suggest Kearney over South River because it's closer to the main draw of hwy 60 and more likely to lure visitors, whereas South River can be perceived to be too far away.	More self-guided mobile tours in order to give visitors greater depth to the experience without having to source a guided tour to fit their schedule. Potential tours: history, self-powered snow (ski, snowshoe), paddling. Include instructional videos/gifs for paddling (today I witnessed one couple paddling a canoe as they sat face-to-face!). Secondary product development around indoor attractions/activities that are not dependent on weather.	self-guided	yes
camping or glamping RV touring campfires, bonfires leisure time / dock time swimming motor touring (motorcycle, automobile)fishing (open water)hiking cruises local food dining fine dining casual dining arts & crafts festivals cultural festivals & events	Dining Walking/hiking Swimming	People travelling like to eat, shop and be entertained either by an attraction or an activity like walking or swimming or going on a cruise or to a concert etc. Think about what you do when you travel.	It would be great to have a Great Wolf Lodge of the North in our region with some inside and outside activities for all seasons.		Guided	Maybe

Appendix 4: Product Development Research Report - USA



Appendix 5: RTO Positioning/Marketing Analysis

RTO	BRAND	Nature in Positioning?	Targeting GTA?	Doing Seasonal Advertising Campaigns?	TAGLINE
1	Ontario's Southwest	✔	✔	✔	Shaped by Nature.
2	Visit Niagara	✘	✔	✔	None
3	The Heart of Ontario	✔	✔	✔	Nature Unexpected
4	ONTravel.ca	?	✔	?	Yours to Explore
5	Toronto	✘	–	Not analysed	None
6	Central Counties	✔	✔	✔	Pursue Your Passion.
7	BruceGreySimcoe	✔	✔	✔	Always in Season.
8	Kawarthas Northumberland	–	✔	✔	None
9	The Great Waterway	✔	✘	✔	None
10	Canada's Capital	✘	✔	Not analysed	None
11	Ontario's Highlands	✔	✔	✔	Come Wander
12	Explorers' Edge	✔	✔	✘	Naturally Adventurous
13	Northern Ontario Canada	✔	–	✔	Canada's Great Outdoors

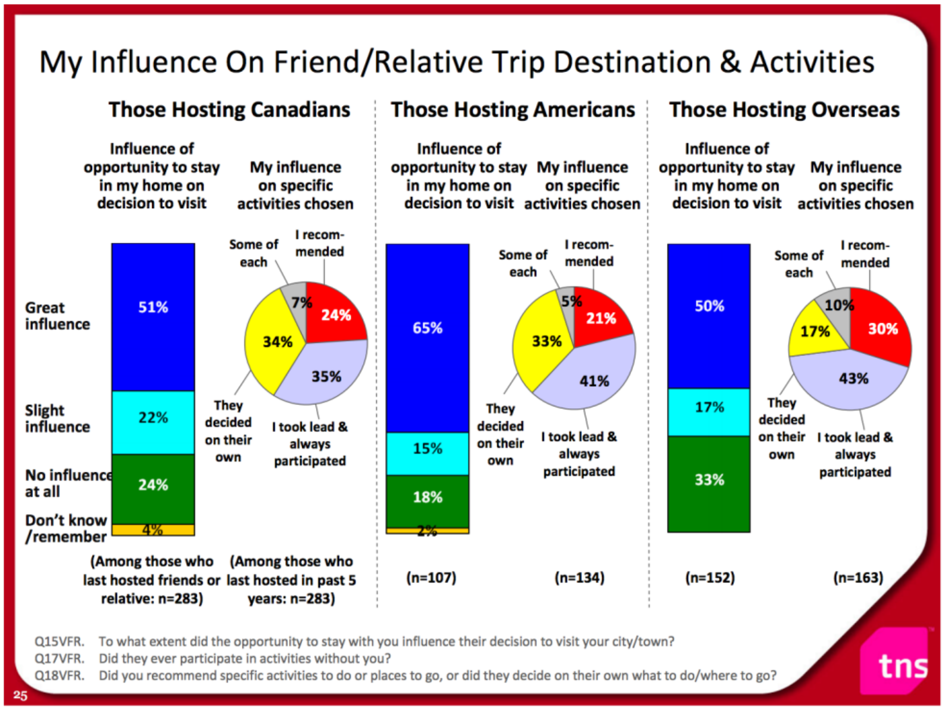
Research conducted by the OTMPC found that many travelers in Ontario seek "rest and relaxation" when making their travel purchase decisions. Therefore it's not surprising that "nature" has become a central component of the positioning strategies of 8 of the 13 RTOs in the province:

- A few of the RTOs have at least focused on a specific aspect of nature that sets their region apart – RTO 1, for example, has zeroed on its beaches, while RTO 9 emphasizes its waterways
- Others, such as RTO 3, RTO 6 and RTO 7, tout their connection nature more broadly. In the cases of RTOs 3 and 6, this nature claim lacks the credibility of RTO 12, which can support its nature positioning with well-known and iconic natural retreats such as Algonquin Park, Muskoka and Georgian Bay
- To illustrate the marketing challenge, the
- positioning strategies of each region were mapped based on an assessment of their stated strategies. (Regions who indicated a desire to be increasingly seen as a destination for nature are marked with a red arrow)

Further compounding this positioning problem:

- Almost all of these RTOs are targeting travelers in the GTA
- Almost all are advertising to this market at the same time with seasonal campaigns employing the same traditional offline and online media

Appendix 6: Ontario VFR



Impact of VFR Visiting Friends And Relatives derived from the TNS Access Panel states 56% of Ontarians have hosted friends or family from out of the province. 39% of that group have done so in the last 12 months.

Country of Origin:
Among Ontarians that have hosted VFR in the past 5 years, 54% of visitors originated from other parts of Canada. Other countries as listed below.
USA - 20%
UK - 7%
AUSTRALIA & SOUTH PACIFIC - 5%
WESTERN EUROPE - 5%
CARIBBEAN - 2%
JAPAN - 2%

VFR accounted for 52% of trips taken by those from India to Canada in 2015. Home of large South Asian populations, Ontario and BC are the top destinations among Indian visitors.

The Ontario Tourism Market Report from 2009 lists U.K., India and China as top counties with potential for VFR.

For in-country travel, the report also lists VFR is the main reason for Quebecers to visit Ontario, accounting for one-half (49%) of all trips to Ontario

CTC Australia Consumer and Travel Trade Research, August 2007 says 37% of Australians travelled to Canada to visit family and friends.

Statistics Canada, Travel Survey of the Residents of Canada 2012 lists VFR as accounting for 24.2% of travel to Ontario.

Travel Habits:

Guests from overseas generally stay the longest and are also most likely to be taken out of town by their hosts to see other Ontario destinations. They are also the most inclined to spend multiple nights in commercial accommodation beyond the nights they spend with their hosts.

VFR most commonly visit in the summer. In not visiting in summer, Canadian visitors from out of province as equally as likely to visit Ontario in spring or winter. VFR from overseas are the most likely demographic of VFR to visit in the fall.

23% of VFR researched trip activity beyond their family's town prior to their trip to Ontario. 20% researched these activities on arrival. 34% followed the recommendations from friends and family. (84% of recommended activities from family members came from having previously participated in those activities in the past themselves.)

When asked what specific aspects of their trip to Ontario they enjoyed best, 5% of VFR said Sports and Recreation and 6% said nature and outdoor parks. 30% accounted for visiting the family and another 24% selected don't know.

Overseas VFR stay an average of 16.5 nights in Ontario (11.6 in family town and 4.9 elsewhere in Ontario).

Too Big to Ignore - VFR Tourists in Northern Ontario (RTO13): A Situation Analysis says During 2013 the 1.5 million VFR overnight tourists in Northern Ontario spent $262.0 million in the region. It also says of the 4.4 million nights VFR tourists spent in Northern Ontario, 89% of them were spent in unpaid lodging. Also, Northern Ontario's VFR tourists spend about $239.00 per trip in the region, approximately $68.00 per night. On a per trip basis, the average is on par with corresponding tourists in Southern Ontario.

Appendix 7: Potential Product Infrastructure Funding Programs

Active Transportation – District of Muskoka
https://www.muskoka.on.ca/en/live-and-play/Active-Transportation.aspx

Muskoka Active Transportation Committee - $200k reserve fund through Engineering and Public Works capital budget
https://muskoka.civicweb.net/filepro/documents/5493?preview=15715

Municipal Assistance Program – Parry Sound
http://www.parrysound.ca/en/play-here/Municipal-Assistance-Program.asp

Trails Master Plan – Parry Sound
*their strategic plan for 2015-2018 specifies an increase in funding for the Trails Master Plan implementation (page 37)
http://www.parrysound.ca/en/inside-town-hall/resources/2017-Staff-Proposed-Budget---Town-of-Parry-Sound.pdf
http://www.parrysound.ca/en/do-business/resources/Trails_Master_Plan_Combined_File.pdf

The Bracebridge Plan for Walking and Cycling – specifies need for bike parking page 40 (corrals and shelters)
https://bracebridge.civicweb.net/document/14427
*says contact is Director of Public Works, Walt Schmid – 705-645-6319 ext. 230

Town of Gravenhurst Active Transportation Plan
http://www.gravenhurst.ca/en/Active-Transportation-Plan.asp#
*contact jeremy.rand@gravenhurst.ca

Town of Huntsville Community Project Grant
https://www.huntsville.ca/en/living/resources/EconDev_Com_Grant_Guide.pdf

Transport Canada's Moving on Sustainable Transportation (MOST) program
http://data.tc.gc.ca/archive/eng/programs/environment-most-aboutmost-685.htm

Ontario Ministry of Transportation's Transportation Demand Management Program
http://conf.tac-atc.ca/english/resourcecentre/readingroom/conference/conf2009/pdf/mto.pdf