

NEWFOUNDLAND AND LABRADOR TOURISM MARKETING COUNCIL



ACTIVITY PLAN

**FISCAL YEAR
2007-08**



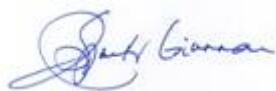
MESSAGE FROM THE CHAIR OF THE COUNCIL

The Newfoundland and Labrador Tourism Marketing Council (NLTMC) is a Category Three Entity of the Department of Tourism, Culture and Recreation under the *Transparency and Accountability Act*. The NLTMC marks a new era of partnership and cooperation for the province's tourism industry. The council provides both the Provincial Government and industry with the opportunity to work cooperatively and enhance decision-making in promoting and marketing the province.

At its inception in 2003, the council, which consists of eight industry leaders and two representatives from government, has undertaken a detailed strategic planning process that has consisted of extensive information gathering and several planning sessions and resulted in the *Newfoundland and Labrador Strategic Marketing Plan 2004-2008* (2004).

Based on this planning process, the council has developed this transitional activity plan which it is pleased to present it to the Minister of Tourism, Culture and Recreation. As with the council's marketing strategy prepared in 2004, the purpose of this plan is to communicate the vision, mission, mandate and key activities of the partnership between industry and government, and to identify the key issues and goals for planning period 2007-08.

This plan supports government's strategic directions that the province becomes a multi-season tourism destination. The 2007-08 activity plan for the council is submitted in accordance with the Provincial Government's commitment to accountability. This plan was prepared under the direction of the council and reflects the transitional activity plan of the council from April 1, 2007 to March 31, 2008. My signature below is indicative of the entire council's accountability for the preparation of this plan.



Judy Sparkes-Giannou, President Maxxim Vacations
Chair, Newfoundland and Labrador Tourism Marketing Council

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1. OVERVIEW

The Newfoundland and Labrador Tourism Marketing Council (NLTMC) is an industry-government team committed to ensuring that tourism continues to grow in Newfoundland and Labrador. The council is responsible for advising the Minister of Tourism, Culture and Recreation in establishing, implementing, evaluating and managing the Newfoundland and Labrador Tourism Marketing Strategy. Council members help prepare a provincial marketing strategy and annual marketing plans, and monitor their implementation.

Structure

The council includes eight industry leaders and two government representatives. Industry members are selected through an application process and are chosen based upon their expertise in tourism marketing and business experience. Council members are selected on the basis of the following criteria:

- Recognized as an industry leader
- Owner operator or senior manager of a tourism enterprise (mandatory for being on the council – “enterprise” includes tourism businesses operations, for-profit, not-for-profit or government operated)
- Not officially representing a provincial, regional or sectoral tourism association understanding of the extra-provincial marketplace
- Committed to taking a "big-picture" view
- Appropriate marketing-related skills and experience
- Participate in provincial co-op marketing programs
- Committed to making the partnership a success
- Ability to attend meetings.

The Council chair and members are as follows:

Council Chair:

Judy Sparkes-Giannou, President Maxxim Vacations.

Council Members:

John Fisher, Owner/Operator Fishers' Loft Inn

Cathy Lomond, Owner/Operator Hotel Port aux Basques

Roger Jamieson, Owner/Operator Kilmory Resort

David Snow, Owner/President Wildland Tours

Gudrid Hutchings, Owner/Operator Rifflin' Hitch Lodge

Sue Rendell, Owner/Operator Gros Morne Adventures

Tineke Gow, Owner/Operator Campbell House B&B Retreat and Artisan Inn

Mark McCarthy, President McCarthy's Party Ltd

Carmela Murphy, Director Tourism, Department of Tourism, Culture and Recreation

Mary Taylor-Ash, Assistant Deputy Minister, Department Tourism, Culture and Recreation.

Revenue and Expenditure

The council itself does not have any revenue or nor does it authorize expenditures. All revenue and expenditures are included under the government's allocation to the Department of Tourism, Culture and Recreation for tourism marketing. The role of the council is advisory only.

2. MANDATE

The mandate of the Newfoundland and Labrador Tourism Marketing Council is to advise on the preparation of strategic marketing and annual marketing plans; monitor the implementation of marketing programs; assist the department with developing industry marketing partnership programs; and report annually to the minister and to industry on the marketing programs and their results.

3. VALUES

The NLTMC has identified the following values that provide guidance for future planning and the development of the Department of Tourism, Culture and Recreation's tourism marketing initiatives:

- **Evidence-based decision making.** When assisting the department to prepare marketing plans, the council focuses on obtaining market research and information to support effective marketing decision-making and evaluation of results.
- **Championing the Newfoundland and Labrador Brand.** The council champions the consistent promotion of the Newfoundland and Labrador brand as a means to “sell the destination Newfoundland and Labrador first.”
- **Use of New Technology.** When assisting the department to prepare marketing plans, the council promotes the use of the internet to enhance

and extend our market reach and to position Newfoundland and Labrador as a compelling and unique destination.

- **Season Extension.** When assisting the department to plan and develop tourism marketing initiatives and industry partnerships, the council promotes the expansion of the Newfoundland and Labrador tourism season to increase the economic benefit.
- **Strategic Partnerships.** When assisting the department with developing industry marketing partnership programs, the council promotes the establishment of strategic partnerships to integrate tourism marketing efforts to maximize impact for all stakeholders.

4. PRIMARY CLIENTS

The council provides both government and industry with the opportunity to work cooperatively and enhance decision-making in promoting and marketing the province. It strengthens government's commitment to tourism and the working relationship of government and industry.

5. VISION

To be globally recognized as a uniquely exotic, multi-season tourism destination that realizes Newfoundland and Labrador's full tourism potential.

6. MISSION

By 2008, the Newfoundland and Labrador Tourism Marketing Council will have advised the Department of Tourism, Culture and Recreation on tourism marketing investments that increase visitations and revenue to the province.

7. ISSUES

Newfoundland and Labrador is one of the most unique tourism destinations in the world. Its natural attractions, its cultural heritage, and its people are outstanding

assets, representing a competitive and unique selling proposition. The province has experienced a steady growth in visitation and future prospects for growth are encouraging.

The anticipated growth will be spurred by the largest travel market consisting of baby boomers that are now retiring and looking for new places to go. Travellers are looking for new, exotic and different experiences and the well-travelled visitor has high expectations for the experience they will find at a destination. Quality service and hospitality are critical. While many of today's travellers are prepared to spend, they also expect value for their money. Greater emphasis will be required to ensure tourism businesses are market ready to meet the needs of the demanding, sophisticated travellers.

Increasingly, the Internet is becoming more important to travellers in seeking out destinations of interest in researching and planning their trips and in making bookings and trip purchases. The Internet revolution is by no means over; it is still heating up.

Tourism faces a number of continuing challenges including the accessibility, capacity, cost and quality of air and ferry transportation. Though improving, development is required for additional and improved tourism products and the infrastructure expected by visitors.

Tourism activity continues to be highly seasonal and creative product development and marketing to support an extended season will be critical for increasing the viability of the tourism industry. Becoming a successful tourism destination involves a sustained and consistent effort over time.

The competition for tourists is great and the timeline of building demand is gradual and long. Effective tourism marketing strategies require sustained investments of financial and human resources. However, even with recent increases to the provincial tourism marketing budget, the total available budget is insufficient to target a large number of different markets.

The true key to success with limited resources is concentrating effort in fewer, proven markets to reach a critical mass. The future prospects are bright, but harnessing potential will require the focused, coordinated efforts of Newfoundland and Labrador Tourism and its industry stakeholders.

Issue 1: Research and Information

Council has identified the need for additional market research of various types, and the need for more up-to-date, timely information on the characteristics of visitors to Newfoundland and Labrador as a major priority. Research provides the necessary information on visitor decision making, behavior, awareness and

perceptions of the destination. This information, along with detailed profiles of visitors, enables Newfoundland and Labrador Tourism to effectively reach its markets and provide a measure of accountability to the tourism industry.

Council has noted that an enhanced focus on market research is required on a regular basis, including research into market trends, socio-demographic trends and travel trends and their implications for the province's tourism industry. Research efforts must be targeted for evaluation research as a means of achieving the best return on marketing investments of various marketing programs.

Currently, the Tourism Marketing Division works closely with the Department's Strategic Planning and Policy Division and numerous private and public partners to monitors visits, emerging trends and any changes in the marketplace.

Goal: Market research and information support effective marketing decision-making and evaluation of results.

Issue 2: Sell the Newfoundland and Labrador “First”

During the trip planning process, potential visitors must be motivated to select Newfoundland and Labrador as a destination first. It is only when a destination is selected that people begin their decision-making regarding the particular mix of experiences and the geographic regions which offer these experiences. The various regions and sectors of Newfoundland and Labrador have a lot to offer travellers, but individually they have difficulty generating adequate exposure to motivate the non-resident visitor to their regions. The main problem is the cost of promoting to people who live thousands of miles away and where awareness is low.

Council advises that the Department of TCR form partnerships that promote the province first. Working with tourism stakeholders, the Department will work to convince people to visit the province by selling the destination Newfoundland and Labrador.

Industry partners and stakeholders then benefit from the influx of visitors who need hotels, retail, restaurants, and entertainment. Council promotes using collective budgets more wisely by combining time and resources to market the destination first. This will result in increased spending, tax dollars, jobs, and investment throughout the province.

As Newfoundland and Labrador moves forward as a globally recognized, unique destination, NLTMC and Newfoundland and Labrador Tourism will play an active and integral role as the primary non-resident marketing force for the province and as an outspoken advocate “to sell Newfoundland and Labrador first.”

Goal: Council will have championed the consistent promotion of the Newfoundland and Labrador brand as a means to “sell the destination first.”

Issue 3: The Internet Revolution

Website and e-mail marketing have clearly taken a permanent role in tourism and destination marketing strategies. Indeed, Internet marketing will continue to play an even more important and dynamic role as technology capabilities and user access expands. The use of the Internet for planning a trip among North American overnight leisure trips has increased from 2% in 1995 to 29% in 2000, an increase of 1359%. And, for 57% of North Americans, the Internet is their first choice for planning trips, ahead of advice from friends and relatives.

Like other forms of media and communications directed at the province’s markets, Internet marketing efforts must be integrated with an overall marketing strategy and managed to capture the greatest potential benefits. Newfoundland and Labrador Tourism is creating an Internet/Online Marketing Strategy that will integrate the Internet into the overall Newfoundland and Labrador Tourism Marketing Plan. The purpose of the strategy is to generate and maintain traffic to the Newfoundland and Labrador Tourism website, to provide trip planning information to potential tourists, tour operators and other travel influences in our key target audiences, and to establish ongoing relationships with these users to increase visitation to Newfoundland Labrador.

Goal: The Internet is used to enhance and extend our market reach and to position Newfoundland and Labrador as a compelling and unique destination.

Issue 4: Season Extension

Capacity limitations and the shortage of quality accommodations in the high season strongly favour increased attention to an extended tourism season. Finding new ways to encourage travel beyond the summer season is key to the long-term viability of the tourism industry. These strategies will have a direct impact on business profitability of our partners and on visitor satisfaction as there are negative impacts if there are shortages of quality accommodations and strain on the outdoor product during the peak summer season. The strategies must build upon our current reputation as an exotic destination for outdoor experiences and create awareness that Newfoundland and Labrador is open for business in the shoulder seasons too.

There are indicators that older and retired travellers are not restricted to traditional summer travel periods and are becoming more discriminating in the types of experiences they desire. There is already a growing fall travel market

and special interest markets for icebergs and birds in May and June. In addition, there is great potential in the meetings and conventions market in the shoulder seasons. Currently when the peak tourism season ends, many private tourism businesses and publicly-run tourism attractions close. The extended season is attractive given the availability of leveraging this infrastructure capacity and the opportunity for competitive pricing.

Goal: The Newfoundland and Labrador tourism season is expanded to increase the economic benefit.

Issue 5: Establish Strategic Partnerships

Effective strategic partnerships are required to coordinate and leverage marketing resources to achieve maximum benefit and effectiveness. Currently in the province, there are regional and activity tourism associations who have a vested interest in achieving greater consistency and less duplication of marketing efforts. However, more can be achieved to ensure coordinated and focused activities, including further definition of the role and mandate of the province, of regional tourism associations and of their funding agencies to ensure more productive and efficient business models.

In addition, strategic partnerships are possible with other non-tourism industry associations and sectors which can be pursued to access new marketing channels. For example, through other non-tourism industry partners (e.g., publishers, musicians, writers, craftspeople) and through the export of goods, there may be natural partnerships which can be formed for cross-marketing and other innovations. Newfoundland and Labrador Tourism believes coordinated efforts can also result in increased visitor yield, including the potential yield for pre- and post-conference visitors. To support strategic partnerships, a renewed focus on best practices, sound policies and effective processes must be developed.

Goal: Strategic partnerships are established to integrate tourism marketing efforts to maximize impact for all stakeholders.

APPENDIX A: STRATEGIC DIRECTIONS

The Department of TCR is working toward achieving the following long term strategic directions (i.e., outcomes) articulated by the Government of Newfoundland and Labrador:

- Newfoundland and Labrador becomes a multi-season tourism destination;
- Newfoundland and Labrador's heritage is protected and promoted, our identity celebrated and cultural creativity championed as follows:
 - The province's vibrant artistic community is recognized for its cultural and economic contributions, and offers stable working conditions to professional artists through public and private sector support;
 - Newfoundland and Labrador's distinctive tangible and intangible cultural heritage is preserved, strengthened and celebrated;
 - Sustainable creative enterprises and cultural industries are developed; and
- Newfoundlanders and Labradorians increase their participation in physical and recreational activities.

These long-term, forward looking strategic directions will require several planning cycles to achieve.

A full description of these strategic directions is found in the Department of Tourism, Culture and Recreation *Strategic Plan April 2006 to March 2008* (2006) at www.tcr.gov.nl.ca/tcr/plans/plan2006-08.pdf.

The specific accountabilities of the Newfoundland and Labrador Tourism Marketing Council for the period April 2007 to March 2008 are presented in Section 7 of the preceding Activity Plan.

Strategic Directions:

1. Tourism

Title: Tourism Industry

Strategic Direction: Newfoundland and Labrador becoming a multi-season tourism destination.

The following components must be addressed to achieve the strategic direction:

This Direction is Addressed in the Department's:				
Components of the Strategic Direction	Applicable to other Entities Reporting to the Minister	TCR Strategic Plan	TCR Operational Plan	TCR Branch or Divisional Work Plans
Market Newfoundland and Labrador as a destination	• <i>NLTMC</i>	•		
Provincial tourism development strategy		•		
Cultural tourism			•	
Quality of the tourism product				•