TOURISM OPPORTUNITIES IN THE CITY OF GREATER SUDBURY

PREPARED FOR

CITY OF GREATER SUDBURY

BY

Research Resolutions & Consulting Ltd.

JANUARY 2015

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INTRODUCTION

The City of Greater Sudbury [Greater Sudbury] is developing a new long term strategy for tourism development and marketing. To aid in this process, Greater Sudbury commissioned Research Resolutions & Consulting Ltd.[1] to utilize major tourism studies to describe the current state of tourism activity in Greater Sudbury and provide a review of trends and opportunities that might increase the number of tourists in the City and, in turn, generate greater economic benefit. The project included three key components:

1. Review of tourism volume and value data for Greater Sudbury based on the 2011/12 pooled Travel Survey of Residents of Canada (TSRC) and International Travel Survey (ITS) including economic impact measures (GDP, jobs, wages and taxes) accruing to Greater Sudbury based on the Ontario Ministry of Tourism, Culture and Sport (OMTCS) tourism economic impact model (TREIM);

2. Review of TAMS data generated on behalf of Tourism Northern Ontario and provided to the City of Greater Sudbury for analysis covering information on Canadian and American tourists who are motivated to travel in order to engage in many of the activities Greater Sudbury offers: attractions, events, festivals and outdoor activities such as nature parks, camping, hiking, and boating; and

3. Literature search of trends in consumer media behaviour and business travel.

Findings of the project are contained in the following pages. Detailed computer tables from the 2011/12 pooled TSRC and ITS data files have been provided under separate cover.

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EXECUTIVE SUMMARY

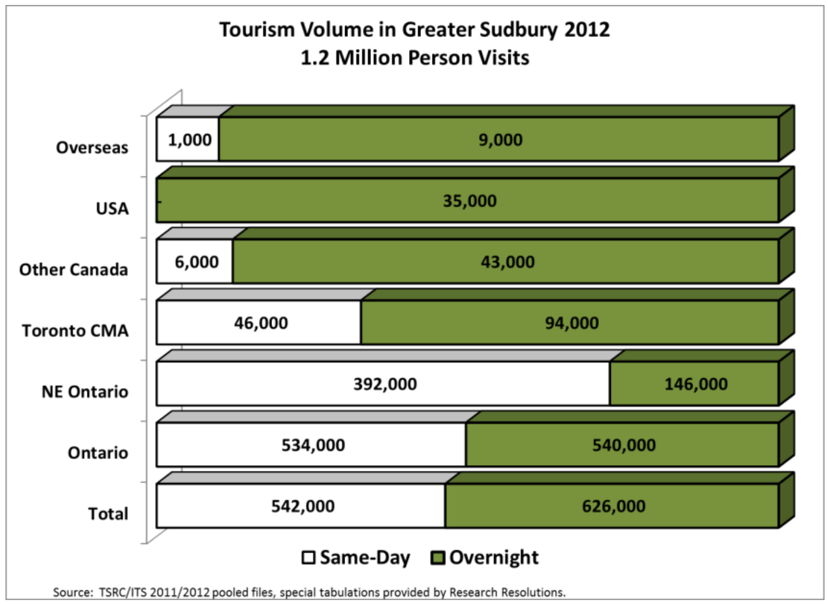
TOURISM VOLUME & VALUE IN GREATER SUDBURY

Approximately 1.2 million visitors went to Greater Sudbury in 2012.

Almost all of the city's visitors are Ontario residents (1.1 million, 92%). Key feeder markets include other parts of Northeastern Ontario (538,000) and Toronto (139,000).

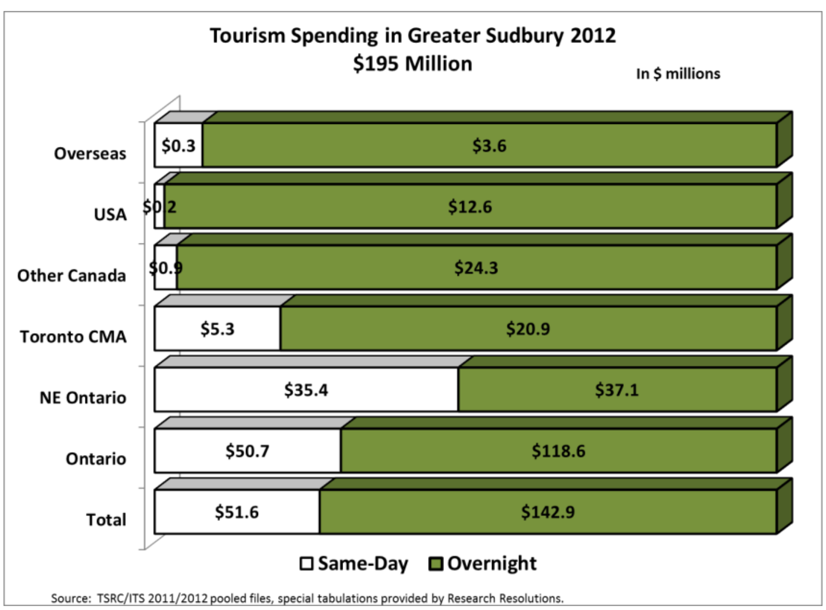
More than half of all visitors to Greater Sudbury spent nights in the city (626,000).

Like the tourism mix overall, the overnight market is dominated by Ontarians (540,000) including 94,000 Torontonians. The surrounding Northeastern area makes a less substantive contribution to the city's overnight market (146,000) than to its same-day market (392,000) but remains an important source of overnight visitors for Greater Sudbury.



Same-day visitors represent almost half of all tourists in Greater Sudbury but only about one quarter of the $195.0 million in tourism spending over the year.

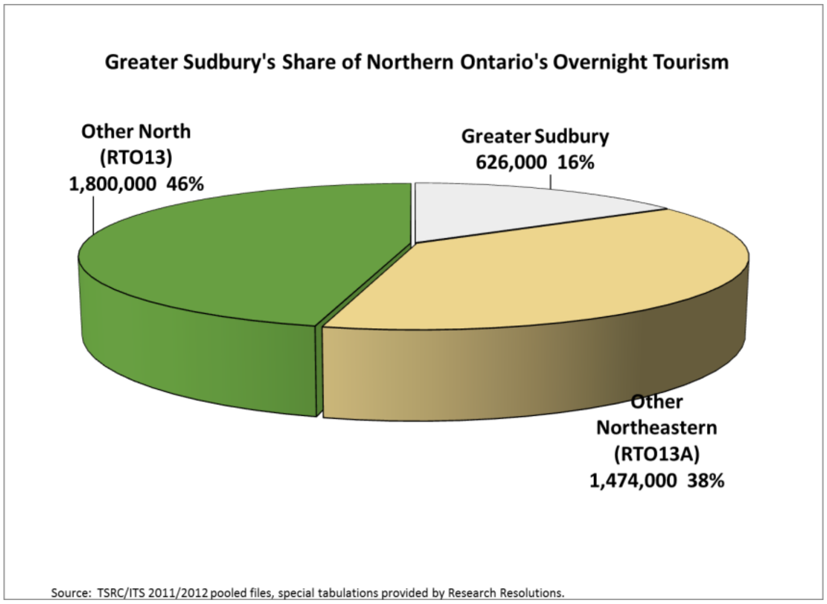
Same-day visitors spent $52 million on tourism goods and services in Greater Sudbury during 2012. This market is dominated by Northeastern Ontario residents who rely on Greater Sudbury as a regional commercial centre and commonly make day visits to shop.



Overnight spending reached $143 million in 2012. About one quarter of this spending was done by residents of Northeastern Ontario ($37.1 million), a further one seventh by Torontonians ($20.9 million) and about one tenth by American tourists spending nights in Greater Sudbury ($12.6 million).

Greater Sudbury makes a substantive contribution to overnight tourism in Northern and Northeastern Ontario.

At 626,000 overnight visitors, Greater Sudbury contributes 16% of *all* overnight tourists in Northern Ontario and almost one third of overnight visitors to Northeastern Ontario (30%).



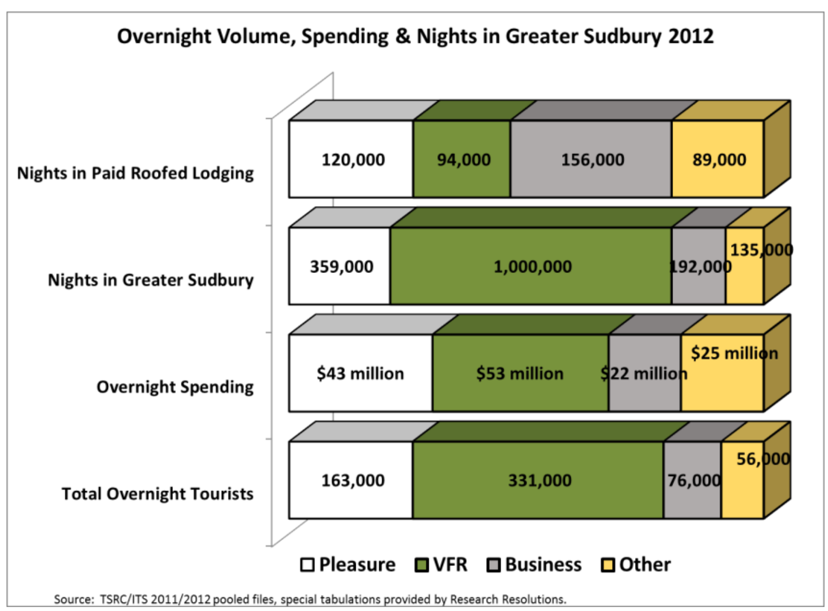
The $143 million in spending on overnight visits to the city represent about 13% of the $1.1 billion spent by overnight tourists across the North and almost one third of the $490.4 million spent on overnight visits throughout Northeastern Ontario (29%).

Twice as many overnight trips are made to Greater Sudbury to see friends and relatives (VFR, 53%) as are made for pleasure purposes (26%).

Business travel accounts for one eighth of the city's overnight tourists and a further one tenth are on overnight visits to conduct personal business or for other reasons.

The large number of VFR tourists (331,000) makes a significant contribution to the lodging sector and to tourism revenues overall even though they rely on commercial lodging at a relatively low rate.

Less than one third of **overnight spending** is associated with the city's 163,000 pleasure travellers ($43 million) while more than one third is accounted for by 331,000 overnight visitors who travelled to see friends and relatives ($53.0 million).



Business travel to Greater Sudbury contributes about one seventh of all overnight visitor spending during a year ($22 million).

The two sectors most apt to contribute to Greater Sudbury's **accommodation** sector are business (156,000 nights) and pleasure travellers (120,000 nights).

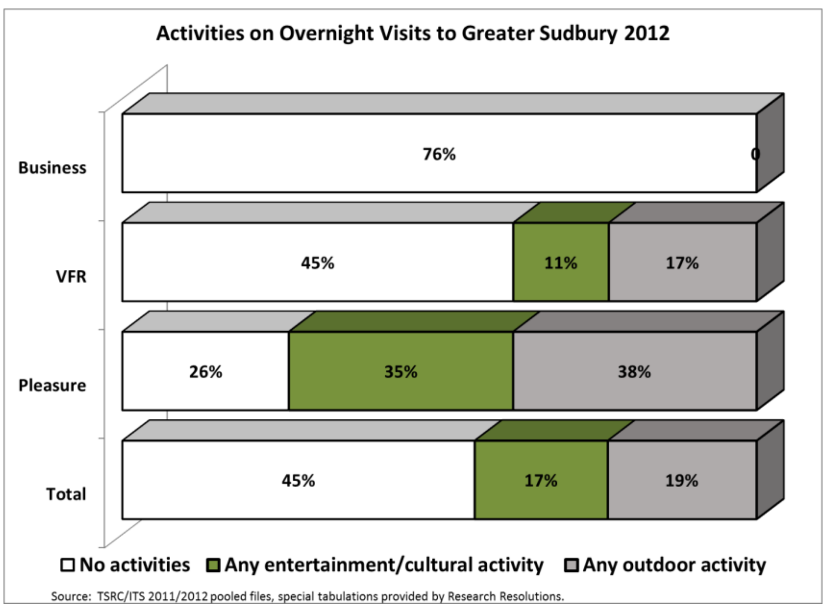
The VFR segment is often ignored in tourism marketing and promotional efforts because it is thought to make only minimal contributions to tourism revenues and to the health of the accommodation sector.

Even though the rate of using paid roofed lodging is appreciably lower for VFR visitors (9% of nights) than for pleasure (33%) and most particularly business (81%) and personal business trips (66%), the one million nights VFR tourist spend in Greater Sudbury generate about 94,000 nights in the city's hotels, motels, B&Bs and other forms of roofed commercial lodging. As these finding indicate, VFR tourists make important contributions to the utilization of commercial lodging and to tourism revenues for Greater Sudbury.

Getting overnight visitors in the VFR and business markets to engage in activities in Greater Sudbury poses a substantial challenge.

Overnight tourists in Greater Sudbury seem to engage in activities at a relatively low rate. In fact, no single activity generates participation by even one-in-ten overnight tourists. Furthermore, close to half claim *not* to have sought **any** entertainment, cultural or outdoor activities on their visit to the city (45%).

Those who participate in activities are almost equally likely to be drawn to entertainment or cultural ones such as going to a sporting event, casino, museum or historic site (17%) as they are to participate in an outdoor activity such as boating, fishing, hiking or going to nature parks (19%).



Individual **outdoor** activities with participation by about 1-in-20 Greater Sudbury overnight visitors include fishing, boating, camping and going to a nature park. The corresponding **entertainment/cultural** activities are attending a sporting event as a spectator and going to a casino.

Not surprisingly, the *pleasure* market is most likely to engage in outdoor (38%) and/or entertainment/cultural activities (35%) whereas the business market is least likely to engage in *any* activity (76%).

The stark contrast between activity participation rates in Greater Sudbury and other parts of Northeastern Ontario is noteworthy.

As an urban destination, it is not surprising that Greater Sudbury attracts more overnight visitors to its entertainment and cultural activities (17%) than do all other areas in Northeastern Ontario (10%). Conversely, overnight tourists to all other parts of Northeastern Ontario are drawn to outdoor activities such as fishing, boating and camping (52%) at a much higher rate than is the case in Greater Sudbury. The rate of engaging in **no** activities is also quite different between the two: Greater Sudbury at 45% and other parts of RTO13A at 26%.

Programs to encourage local hosts to take their VFR guests to Greater Sudbury's many attractions and events might be considered.

On one hand, VFR tourists represent the largest overnight market for Greater Sudbury. On the other hand these tourists attend attractions, performances and other events the city has to offer at a very low rate. To some extent, their low participation rate might be a function of repeat visitation – a tourist visiting friends or relatives might go to an attraction on one trip to the city but would not go the next time he/she is in town.

Lack of awareness could also be a factor in reducing attendance at the city's many cultural, entertainment and outdoor attractions and events. To increase activity participation, promotional campaigns aimed at encouraging residents to bring their out-of-town guests to the city's attractions might increase participation rates.

The average overnight travel party spent just over $300.00 in Greater Sudbury, or about $114.00 per night.

Pleasure travellers spend more per trip ($362.00) and per night ($169.00) than do business travellers ($296.00/trip; $115.00/night) or VFR tourists ($230.00/trip; $76.00/night).

Since they pay for their lodging in the city, it is not surprising that those using commercial accommodations spend considerably more than the average overnight tourist. These commercial lodging users spend about $475.00 per trip or about $230.00 per night on the tourism goods and services they consume in Greater Sudbury, including but not limited to their lodging costs.

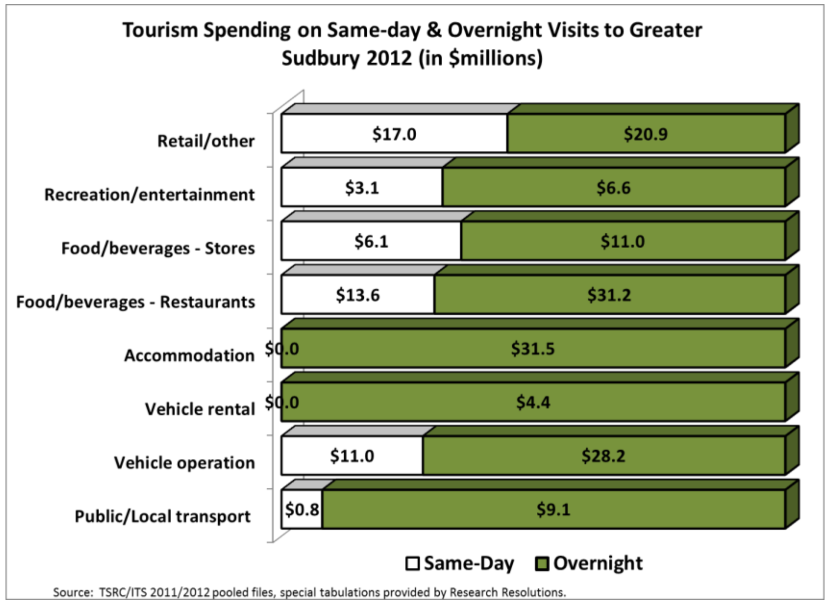
Spending by Overnight Tourists

	Total	Pleasure	VFR	Business	Paid Roofed Lodging
Overnight Visitors	**$143.0 million**	**$43.0 million**	**$53.0 million**	**$22.0 million**	**$85.0 million**
Average Per Trip	$306.00	$362.00	$230.00	$296.00	$474.00
Average Per Party Per Night	$114.00	$169.00	$76.00	$115.00	$230.00

Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions.

Many types of businesses benefit from Greater Sudbury's tourists.

Of the $195.0 million in annual spending by same-day and overnight tourists, about one quarter or $45.0 million was spent in restaurants and bars, $17.2 million (9%) for food and beverages in stores and one fifth was spent in other retail outlets ($37.8 million, 19%). A similar amount was spent at local gas stations ($39.3 million, 20%). Attractions in Greater Sudbury generated almost $10.0 million in tourist spending (9%). Spending on lodging in Greater Sudbury generated about $31.5 million or one fifth of all spending by tourists who spent at least one night in the city.



Tourists make a significant contribution to the economic wellbeing of Greater Sudbury.[2]

These tourists contributed $123.9 million toward Ontario's gross domestic product (GDP). Approximately 1,980 jobs and $76.2 million in wages were generated throughout Ontario as a result of their spending.

At $58.6 million in taxes, all levels of government benefited from spending by tourists in Greater Sudbury. Of the $58.6 million, approximately $31.7 million were federal government taxes, a further $26.6 million were provincial taxes and $341,000 were municipal taxes. More than 90% of the economic benefits generated in Ontario by Greater Sudbury's tourists were retained *within* Greater Sudbury.

	Economic Benefits Retained in Greater Sudbury	Total Benefits Across Ontario	Proportion of Total Ontario Benefits Retained in Greater Sudbury
Gross Domestic Product	$117,400,000	$123,900,000	95%
Wages	$71,800,000	$76,200,000	94%
Jobs	1,898	1,980	96%
Federal Taxes	$30,400,000	$31,700,000	96%
Provincial Taxes	$25,600,000	$26,600,000	96%
Municipal Taxes	$325,000	$341,000	95%

Source: Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions *and special calculations of TREIM for Greater Sudbury (MTCS). Figures are rounded to nearest 100,000.*

[2] Estimates of economic impact are based on MTCS's TREIM model. Figures include direct, indirect and induced impacts. Note that for purposes of direct comparability, the spending estimate used in the TREIM model is based on the same unpooled files that were used for a series of reports for Northern Ontario (TNO).

THE POTENTIAL NORTH AMERICAN MARKET FOR GREATER SUDBURY

MARKET SIZE

By providing visitors with *things to see and do*, Greater Sudbury's attractions and events are important components of tourism infrastructure even if they are not necessarily the reason people take pleasure trips.

Visiting *attractions* is a more common trip activity than is going to *festival or events* among Canadian and American pleasure travellers who have been to Northern Ontario.[3] In fact, at 455,000 Canadian tourists and 559,000 Americans, the attraction market is about twice as large as the festival market on both sides of the border (Festivals & Events: 201,000 Canadians; 235,000 Americans).[4]

Northern Ontario's Attraction and Festival/ Event Tourists are good candidates for the mix of urban and outdoor experiences Greater Sudbury offers.

Approximately 9-in-10 Canadian and American Attraction Tourists also take trips in order to engage in an outdoor experience. At about 8-in-10, the proportion of Festival & Event Tourists with keen interests in the outdoors is somewhat lower.

Attraction Tourists seem to offer the best potential North American market for Greater Sudbury for two reasons:

- Their sizeable volume and the urban nature of their attraction preferences; and
- Their high degree of interest in the types of outdoor experiences Greater Sudbury offers.

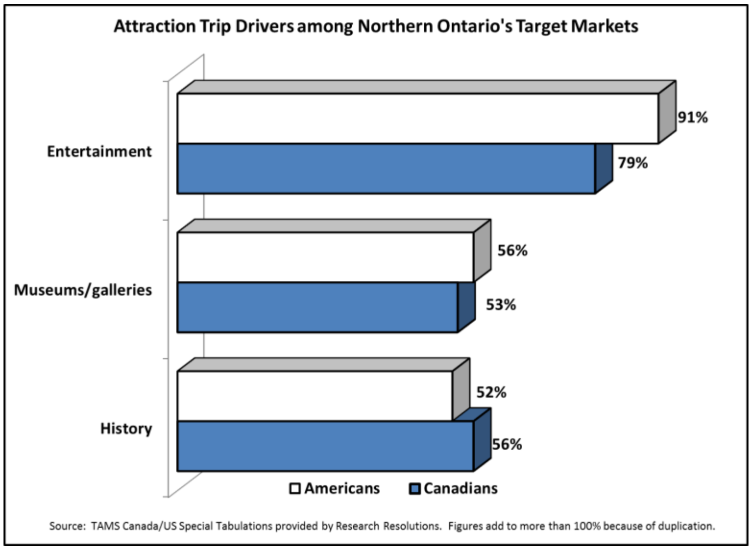
As discussed in the previous section, however, enticing Greater Sudbury's tourists to the city's attractions will be challenging particularly since so many of them are taking trips to see friends and relatives rather than for recreation and entertainment (pleasure).

[3] Northern Ontario travellers are those claiming to have taken an overnight pleasure trip to the region over a two-year period. "Other" (Southern) Ontario travellers are those who have been to the province over this time period and have *not* visited Northern Ontario on their trips (i.e., the residual of all visitors to Ontario).

[4] Findings in this section derive from the TAMS surveys of Canadian and American overnight pleasure tourists. These studies provide information on adults who have travelled to Northern Ontario as a whole, but do not offer information at the sub-regional or municipal level. Also note that TAMS findings provide information on *where* tourists travelled and *what they did* on trips (activities) but do not provide information on which activities took place in specific destinations.

LEADING ATTRACTIONS

Northern Ontario's Attraction Tourists seek the types of attractions Greater Sudbury has to offer: historical sites, museums and entertainment-oriented attractions.[5]



On both sides of the US/Canada border, ***entertainment-oriented*** attractions including theme parks and casinos are most likely to be trip drivers, motivating trips for 8-in-10 Canadians and 9-in-10 Americans.

History-oriented attractions such as historic sites and replicas of cities or towns motivated over half of this North American potential market. Equally popular are **museums and art galleries**. Of particular importance to Greater Sudbury is the lure of *science/technology* museums, driving trips for about one fifth of Canadians and one quarter of Americans in the Attractions market.

Top Attraction Trip Drivers among Northern Ontario's Potential Market[6]

Canadians

1. Theme parks
2. Well known historic sites/buildings
3. Other historic sites, monuments
4. Zoos
5. Museum - General history or heritage
6. Casinos
7. Historical replicas/re-enactments
8. Art galleries
9. **Museum - Science or technology**
10. Botanical gardens

Americans

1. Theme parks
2. Casinos
3. Well known historic sites/buildings
4. Zoos
5. Aquariums
6. Other historic sites, monuments
7. Museum - General history or heritage
8. Art galleries
9. **Museum - Science or technology**
10. Botanical gardens

Most North American tourists who take trips motivated by attractions also take trips in order to engage in outdoor activities.

Tourists who identify attractions as *trip drivers* also take trips driven by other types of activities, including various types of **outdoor** pursuits, **festivals and events**, **shopping** and the like. By packaging its attractions and outdoor features together, Greater Sudbury increases its opportunity to attract these tourists. Key outdoor offerings might include *camping, visiting nature parks, hiking, wildlife viewing* and/or *fishing.*

Other package options might include amateur sporting events, music festivals, fireworks displays and shopping.

[5] See chart. Percentages add to more than 100% because of duplication.
[6] In rank order, highest to lowest, for Canadians and Americans.

Other Top Trip Drivers among Attraction Tourists with Northern Ontario Experience[7]

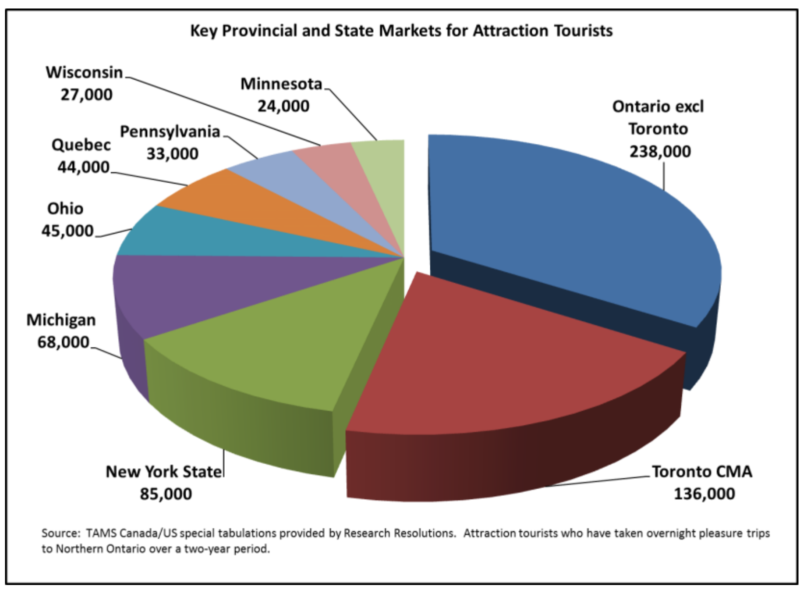
Canadians		**Americans**	
Camping	44%	Spectator sports	45%
Nature park	39%	Shopping	44%
Shopping	38%	Other festivals(e.g., fireworks displays)	37%
Other festivals(e.g., fireworks displays)	34%	Flora/fauna viewing	33%
Spectator sports	32%	Cultural festivals (e.g., culinary, ethnic)	33%
Hiking	27%	Nature park	31%
Live theatre	26%	Camping	30%
Flora/fauna viewing	25%	Live theatre	29%
Cultural festivals (e.g., culinary, ethnic)	24%	Arts festivals (e.g., music, film)	28%
Rock & roll/popular concerts	24%	Fishing - fresh water	20%
Fishing - fresh water	22%		

PROFILE OF THE NORTH AMERICAN POTENTIAL MARKET

Greater Sudbury's potential target market is concentrated in Ontario and Quebec, neighbouring provinces and, for the most part, nearby states.

Of the 1.0 million North Americans in Northern Ontario's Attraction target market, almost three-fourths live in Ontario, bordering provinces or bordering states (see chart[8]).

Most Canadians who have travelled in the region are Ontario residents (374,000) including the sizeable Toronto market (136,000). Northern Ontario also attracts about 44,000 Quebeckers who take trips motivated by attractions.



Only about 5.2 million or one fifth (19%) of Americans who take overnight pleasure trips in order to go to attractions have been to Canada over a two-year period. Of these Americans, about 559,000 have travel experience in Northern Ontario over a two-year period. These Americans are concentrated in a few near-border states, led by New York, Michigan, Ohio, Pennsylvania, Wisconsin and Minnesota. The

[7] In rank order, highest to lowest, for Canadians and Americans.

[8] Chart displays distribution of approximately 700,000 North American Attraction Tourists of the 1.0 million in RTO13's target market.

U.S. market for Greater Sudbury would be appreciably smaller than Northern Ontario's because the City does not have ready road access to major U.S. population centres.

The potential Canadian and U.S. markets have a similar gender split but Americans are somewhat older.

On both sides of the border, the North attracts slightly more women than men in the attractions target market. Conversely, those taking trips to go to festivals and events are somewhat more likely to be men, likely reflecting the popularity of *sporting* events among men. Tourists in these markets span the age continuum but Canadians tend to be younger whereas Americans tend to be older. In fact, one third of the Americans are at least 55 years of age while only one quarter of the Canadian Attraction tourists and one fifth of festival/event tourists are in this age group.

Americans in the market segments have more formal education than the corresponding Canadians but income levels are similar.

A university education is more characteristic of American Attraction (41%) and festival/event tourists (46%) than the corresponding Canadians (31% and 33%, respectively).

In spite of age and education differences between the two markets, Northern Ontario's Canadian and American tourists in these market segments have similar income profiles. Each market is divided almost equally among those with household incomes of less than $60,000, between $60,000 and $99,999 and at least $100,000.

Overall safety and accessibility by car are key factors in destination selection for Canadian and American Attraction tourists.

The primary factors in a destination choice for Canadian and American Attraction and Festival & Event tourists include its overall safety, accessibility by car, absence of health concerns and, especially among Americans, an abundance of things to see and do. Mid-range lodging and/or direct air access are also salient factors for these visitors.

Relaxation, learning and enrichment are important benefits of pleasure travel.

Like tourists in general, Canadians and Americans in Greater Sudbury's target segments put getting a break from the *day-to-day, stress reduction,* creating *lasting memories* and *experiencing new and different things* at the top of their lists of the benefits of pleasure travel. A learning component also figures relatively prominently in these tourism segments. About one third of Canadians and at least two fifths of Americans want pleasure travel to stimulate their minds, provide knowledge of others' history and culture and to enrich their perspectives on life.

Attractions such as Science North, Dynamic Earth, Greater Sudbury's Heritage Museums paired with the scenic and peaceful outdoor settings in the area could contribute to the City's attractiveness to these tourists.

MEDIA USAGE

DMOs need to *own the digital podium.*

There is no doubt that the rapid advances in digital communication have changed the way tourists *dream, shop and buy* tourism experiences. Unlike previous generations, today's tourist has almost instant access to the same information about a location as DMOs traditionally provided.

Destinations can no longer be marketed as a collection of hotels, restaurants, attractions, and retail to be successful in the marketplace. Destinations are now as much an emotional and intellectual experience as they are a physical one.[9]

In the digital marketplace, DMOs will need to be less of a broker and more of a source of *credible engagement with potential visitors*.

Recommendations by family and friends have gone digital.

Well before the digital age, family and friends were the single most important source of destination recommendations and input. This has remained unchanged although in the digital world, tourists commonly communicate with family and friends electronically.

Peers are the new wildcard.

With the advent of social media, peer-to-peer recommendations and experiences have grown in importance. Potential tourists not only rely heavily on sites such as TripAdvisor but also tend to consider them more *credible* than institutional sites (hotels, attractions, etc.). In this environment, Greater Sudbury Tourism has the opportunity to "personalize" the city by building credibility with peer-to-peer stories.

Speed, speed, speed.

Having grown up in a digital world, millennials are a demanding and increasingly important customer base. They have little patience with slow Wi-Fi, slow check-ins, slow responses to service needs and the like. Ensuring that digital platforms are efficient and responsive will be critical to satisfying this segment.

A conundrum for inter-generational tourism.

More and more, millennials and active seniors are taking holidays *together,* with grandparents accompanying their children and grandchildren. In this growing market segment, there is a need to meet the media needs of three generations simultaneously. While older tourists rely on the internet for travel planning and, to a lesser extent, booking, they do not rely on social media

[9] *Destination Next: A Strategic Road Map For The Next Generation Of Global Destination Marketing, Phase 1,* Destination Management Association International, Prepared By InterVISTAS Consulting Inc., 2014.

to the same extent as their children or grandchildren. Tourism organizations are faced with the need to create content and platforms that satisfy the interests of all three generations.

Digital may be pre-eminent but print is not dead.

Some of print's advantages vis à vis electronic media pertain to the ability to target niche markets via newspapers and affinity magazines; its tangibility, staying in homes or offices for comparatively long periods of time; and perceptions of its credibility.[10]

BUSINESS TRAVEL

Business meetings are increasingly reliant on digital tools.

Just as it is having a substantive impact on travel patterns of individual tourists, the ever-changing digital landscape is having impacts on the business meetings and convention markets. There continues to be strong support for face-to-face business meetings but amenities sought from venues are increasingly focussed on digital technology.

Lots of bandwidth, charging stations and options for live-streamed video content are on the business meeting planner's wish list.

With delegates bringing upwards of three wireless devices to their meetings, there is a need for venues to provide considerable bandwidth, ensuring high speed digital access. Services to *charge* these many devices are a value-added feature that could attract the attention of meeting planners (e.g., supervised charging stations or lockers).

Although *hybrid* meetings remain relatively rare, the ability to link remote delegates with those at the destination is expected to gain in importance.

Greater Sudbury Tourism should think "local".

Cost consciousness is driving interest in *local* or *near-local* venues. By booking meetings close to home, travel costs and travel time are reduced. Hence, Greater Sudbury's market for business meetings conforms to the City's largest market – Northern and, to a lesser extent, other parts of Ontario.

Healthy eating, greener meetings and giving back to the community are becoming more important.

Increasingly, booking decisions are made taking into account a venue's culinary offerings, with a focus on nutritious local and/or organic foods; recycling and other eco-friendly practices; and recommendations for leaving a philanthropic legacy in the community.

[10] http://www.forbes.com/sites/thesba/2012/06/28/print-is-dead-not-so-fast/

Team-building experiences are high on the meeting activity list.

With Greater Sudbury's extensive outdoor activity options, an outdoor team-building experience could appeal to the corporate and government meetings markets.

As with leisure travel, intergenerational digital and amenity requirements may be challenging to balance.

Technology-savvy millennials and their older counterparts bring different expectations to business meetings. The inter-generational balancing act will manifest itself in how the meeting is organized, how information is communicated, the food that is served and which activities are provided.

DETAILED FINDINGS

OVERVIEW OF TOURISM IN GREATER SUDBURY

During 2012, Greater Sudbury hosted approximately 1.2 million visitors. Close to half of these tourists were on same-day excursions (542,000) and the remainder spent at least one night in the city (626,000). These visitors spent about $195 million on tourism goods and services in the city. Spending by overnight tourists reached over $143 million or more than twice the amount spent by same-day visitors ($52 million).

Table 1: Overview of Greater Sudbury's Tourist Volume & Spending

	All Tourists	Same-Day Tourists	Overnight Tourists
Visitor Volume	1.2 million	542,000	626,000
Same-Day	46%	100%	-
Overnight	54%	-	100%
Visitor Spending	$195 million	$52 million	$143 million
Same-Day	27%	100%	-
Overnight	73%	-	100%

Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions.

Most tourism in Canada is driven by Canadians and most tourism in each province is driven by residents travelling *within* their home province. Greater Sudbury's tourism market corresponds to this pattern. Of the 1.2 million visitors to the city in 2012, more than 9-in-10 were Canadians. The overnight market for the city is also dominated by Canadians (93%) and particularly by Ontario residents (86%). About 1-in-20 of the visitors who spent at least one night in Greater Sudbury were Americans (6%) and 1-in-100 were residents of other countries (1%).

Table 2: Greater Sudbury's Tourist Volume by Country of Residence & Main Purpose

	All Tourists	Same-Day Tourists	Overnight Tourists
VISITOR VOLUME	1.2 million	542,000	626,000
Place of Residence			
Canada	96%	100%	93%
Ontario	92%	99%	86%
U.S.A.	3%	*	6%
Overseas	1%	*	1%
Trip Purpose			
Pleasure	36%	47%	26%
Visit Friends/Relatives	39%	24%	53%
Business	15%	18%	12%
Other	11%	12%	9%

*Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions. *Less than 0.5%.*

The same-day market is largely a *pleasure* market including excursionists who come to Greater Sudbury to shop. In fact, of Greater Sudbury's 252,000 same-day pleasure visitors, about 140,000 or 55% were on shopping trips. One quarter of same-day visitors were in the city to see friends and relatives and close to one fifth were there on business.

The picture is quite different in the overnight market. More than half of Greater Sudbury's overnight tourists travelled to see friends and relatives (VFR, 53%) whereas about one quarter claimed to be on a pleasure trip (26%). Overnight business travellers accounted for one eighth of Greater Sudbury's overnight market in 2012 (12%).

In light of the dominance of Canadians in Greater Sudbury's tourism mix, it is not surprising that these tourists contributed $178.2 million or 92% of the $195.0 million spent on tourism goods and services in the city over a year. Americans contributed a further $12.7 million and the overseas market spent $3.6 million in 2012.

The $143.0 million in spending by **overnight tourists** is primarily done by Canadians ($127.0 million) although foreign markets contribute more than $16.0 million or about 12% of spending by overnight tourists (USA, 9%; Overseas, 3%).

Table 3: Greater Sudbury's Tourist Spending by Country of Residence & Main Purpose

	All Tourists	**Same-Day Tourists**	**Overnight Tourists**
VISITOR SPENDING	$195 million	$52 million	$143 million
Place of Residence			
Canada	92%	100%	89%
U.S.A.	7%	*	9%
Overseas	2%	*	3%
Trip Purpose			
Pleasure	40%	66%	30%
Visit Friends/Relatives	33%	21%	37%
Business	13%	6%	15%
Other	14%	6%	17%

*Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions. *Less than 0.5%.*

Pleasure travel accounts for two thirds of all same-day **spending** in Greater Sudbury but much of the $34.3 million in spending by those on same-day pleasure trips was done on shopping trips. These shoppers spent $22.3 million on a variety of tourism goods and services including vehicle operation, food and beverages in restaurants, entertainment and retail. Same-day trips for other pleasure purposes account for a further $12.0 million in spending in Greater Sudbury.

In contrast, less than one third of **overnight spending** is associated with pleasure travel (30%) and more than one third is done on trips taken to see friends and relatives (37%). Business travel to Greater Sudbury contributes about one seventh of all overnight visitor spending during a year (15%).

GREATER SUDBURY'S SHARE OF OVERNIGHT TOURISM IN NORTHERN ONTARIO

As a major metropolitan area in Northern Ontario, it is not surprising that Greater Sudbury captures a significant proportion of *all* overnight tourism in the region. (see Table 4). The city contributes about one sixth of all overnight tourists in Northern Ontario (16%) and about one eighth of the associated tourist spending (13%).

And as the largest urban centre in Northeastern Ontario (RTO 13A) Greater Sudbury's contribution is considerably more pronounced, representing about three in ten of RTO13A's overnight tourists (30%) and their spending (29%) in 2012.

Table 4: Greater Sudbury's Share of Overnight Tourists and Spending in Northern Ontario

	Overnight Visitors	Overnight Spending
Northern Ontario	3.9 million	$1,093.0 million
Northeastern Ontario	2.1 million	$490.4 million
Greater Sudbury	626,000	$143.0 million
Greater Sudbury's Share of Northern Ontario	**16%**	**13%**
Greater Sudbury's Share of Northeastern Ontario	**30%**	**29%**

Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled; Festival Tabulations Harmonized, prepared by Research Resolutions.

OVERNIGHT TOURISTS IN GREATER SUDBURY

VOLUME & SPENDING BY PLACE OF RESIDENCE

As noted previously, almost all overnight tourists in Greater Sudbury live in Canada and the vast majority of these are Ontario residents (86%) (see Table 5). Approximately one quarter of the overnight market represents visitors from other parts of the Northeastern region (23%). The Toronto (94,000) and, to a lesser extent, the Ottawa Gatineau Census Metropolitan Areas (CMA) (39,000) are also significant markets for overnight tourism in Greater Sudbury.

Canadians from all other provinces are comparatively rare (7%) although the city attracts about 1-in-25 of its overnight tourists from Quebec (4%). Most of these Quebeckers reside in the greater Montréal area (19,000).

American (35,000) and overseas tourists (9,000) when combined (7%) contribute a relatively small share of Greater Sudbury's overnight market.

Table 5: Greater Sudbury's Overnight Tourists by Place of Residence

	Number	Per cent
Greater Sudbury's Overnight Tourists	626,000	100%
Canada	583,000	93%
Ontario residents	540,000	86%
Northeastern Ontario (13A)	146,000	23%
Toronto CMA	94,000	15%
Ottawa Gatineau CMA	39,000	6%
Other Canadians	43,000	7%
Quebec	28,000	4%
Montréal CMA	19,000	3%
U.S.A.	35,000	6%
Overseas	9,000	1%

Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions.

The $143.0 million spent by overnight tourists in Greater Sudbury closely parallels visitor volume by place of residence (see Table 6). Hence, most spending in the city is done by Canadians, including about $37.0 million by residents of Northeastern Ontario (26%), $21.0 million by Torontonians (15%) and $10.0 million by Ottawa residents.

Americans spent about $13.0 million on their overnight stay in Greater Sudbury (9%) and overseas visitors spent a further $4.0 million (3%).

Table 6: Greater Sudbury's Overnight Tourist Spending by Place of Residence

	Dollars	Per cent
Greater Sudbury's Overnight Tourist Spending	$143.0 million	100%
Canada	$127.0 million	89%
Ontario residents	$119.0 million	83%
Northeastern Ontario (13A)	$37.0 million	26%
Toronto CMA	$21.0 million	15%
Ottawa Gatineau CMA	$10.0 million	7%
Other Canadians	$8.0 million	6%
Quebec	$4.0 million	3%
Montréal CMA	$2.0 million	1%
U.S.A.	$13.0 million	9%
Overseas	$4.0 million	3%

Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions.

TRIP PURPOSE & RELIANCE ON PAID ROOFED LODGING

As previously mentioned, over half of Greater Sudbury's total overnight visitors are on trips made in order to see family and friends (VFR) while one quarter are on pleasure trips (26%) and about half this proportion are overnight business travellers (12%) (see Table 7).

Of the city's 626,000 overnight tourists, about 233,000, or more than one third relied on Greater Sudbury's paid roofed lodging for at least some of the nights they spent in the city.[11] Among these lodging establishment users, **business travellers** are substantially over-represented. Accounting for 12% of *all* overnight tourists, business travellers represent one quarter of those who used paid roofed lodging in the city (27%).

Table 7: Greater Sudbury Overnight Tourists by Trip Purpose

	All Overnight Tourists		**Used Paid Roofed Lodging in Greater Sudbury**	
	626,000		233,000	
	#	%	#	%
Trip Purpose				
Pleasure	163,000	26%	73,000	31%
Visit Friends/Relatives	331,000	53%	58,000	25%
Business	76,000	12%	62,000	27%
Other	56,000	9%	41,000	18%

Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions.

In contrast, the pleasure segment relies on paid roofed lodging at a rate that is roughly commensurate with its volume (26% of visitors; 31% of paid lodging users) while the VFR segment is substantially under-represented among those using Greater Sudbury's hotels, motels and B&Bs. Despite its under-representation, VFR tourists account for almost as many paid roofed lodging customers (58,000) as do business travellers (62,000).

The *rate* of reliance on paid roofed lodging differs considerably among travellers with different trip purposes. Business travellers (81%) and those travelling for personal business (73%) are most reliant whereas fewer than half of pleasure travellers use commercial lodging during their Greater Sudbury visit (45%).

Since they are in town to visit with friends or relatives, many VFR tourists can be expected to stay with these friends and relatives. Hence, it is not surprising that VFR tourists are least reliant on the commercial accommodation infrastructure. At the same time, close to one fifth of them use paid roofed lodging in Greater Sudbury. The VFR segment is often ignored in tourism marketing and promotional efforts because it is thought to make only minimal contributions to tourism revenues and to the health

[11] The questionnaires for Statistics Canada's US and Canadian travel surveys provide different lodging choices for survey respondents. Furthermore, respondents self-identify their lodging type from an available list that does not provide descriptions to aid in differentiating a "lodge" from a "resort" or "commercial cottage/cabin". This analysis can only provide information *as reported*, recognizing that consumer responses may not match industry definitions of lodging types.

of the accommodation sector. As these finding indicate, however, VFR tourists make a sizeable contribution to the accommodation customer base (58,000).

	Rate of Reliance on Paid Roofed Lodging
• All Purposes	37%
• Pleasure	45%
• Visit Friends/Relatives	18%
• Business	81%
• Other (personal business)	73%

A DIGRESSION ON THE IMPORTANCE OF VFR TOURISTS

The VFR segment is commonly considered to be the *poor cousin* by tourism businesses and destination marketing organizations, particularly when compared to the *business* and *pleasure* segment market segments. While this characterization has merit with respect to the rate of utilization of paid roofed lodging, it masks the important contribution VFR tourists make to the sustainability of a destination's accommodation, event and attraction infrastructure.

In Greater Sudbury, the VFR market represents over half of all overnight tourists. By virtue of its size, this segment has the potential to use paid roofed lodging and to patronize museums such as Science North, the city's galleries and historic sites as well as its restaurants, gas stations and many retail stores.

When VFR tourists' hosts -- Greater Sudbury residents -- accompany their visiting friends and relatives to attractions, events and community festivals, even if these activities were *not* the hook that brought them to Greater Sudbury, *tourism* benefits in three interrelated ways:

- Attendance increases because both guest and host attend;
- The increased attendance contributes to the sustainability of the attraction or event;
- By virtue of its enhanced sustainability, the attraction or event can continue to be a vibrant component of the destination's tourism infrastructure, thereby adding to the attractiveness of the destination for potential tourists.

AGE & GENDER

Overnight visitors to Greater Sudbury are divided evenly between men and women (see Table 8). They represent all age groups with a particular concentration among those in the 45 to 54 year old age group (30%). On average, they are about 45 years old.

Table 8: Greater Sudbury's Overnight Tourists by Gender & Age

Overnight Tourists in Greater Sudbury	626,000
	%
Gender of respondent	
Male	51%
Female	49%
Age of respondent	
Under 25	9%
25-34	15%
35-44	23%
45-54	30%
55-64	13%
65+	10%
Average Age (years)	45.4

Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions

TRAVEL PARTY SIZE & COMPOSITION

On average, overnight visitors to Greater Sudbury are travelling in parties of one to two people (see Table 9). For the most part, these visitors represent adult-only parties (84%) although about one sixth are coming to the city with children or teenagers.

Table 9: Greater Sudbury's Overnight Tourists by Travel Party Size & Composition

Overnight Tourists in Greater Sudbury	626,000
	%
Travel Party Size	1.6 people
Travel Party Composition	
Adult only	84%
Any children/teens	16%

Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions

LODGING NIGHTS IN GREATER SUDBURY

Over the course of a year, Greater Sudbury's tourists spent 1.7 million nights in the city (1,686,000) (see Table 10). On average, they spent 2.7 nights on their visits to the city. Nine in ten of these nights (1,520,000) were spent by Canadians and the remaining ten percent were split between Americans (112,000 or 7%) and Overseas tourists (54,000 or 3%).

Reflecting their sizeable volume, tourists on VFR trips spent more nights in Greater Sudbury than those travelling for any other purpose. These VFR tourists spent one million nights in the city (59%), followed at a considerable distance by those travelling for pleasure (359,000 nights). Business travellers accounted for one tenth of the nights spent in the city (192,000) and those travelling for other reasons spent a further 135,000 nights.

NIGHTS IN COMMERCIAL LODGING

Approximately one quarter of the 1.7 million nights in Greater Sudbury were spent in the city's commercial lodging establishments (459,000). Tourists who used these lodgings spent two nights in them, on average. The remaining 1.1 million tourist nights in Greater Sudbury were spent in the homes of friends and relatives.

As the dominant source of Greater Sudbury's tourists, Canadians account for most of the nights in paid roofed lodging (401,000). These nights represent about one quarter of all nights spent in Greater Sudbury by Canadians. At 47,000, a much higher proportion of the 112,000 nights spent by American tourists in the city were in hotels, motels and other forms of paid lodging (42%) than is the case for Canadians (26%) or overseas visitors (21%).

	Proportion of Nights in Greater Sudbury Spent in Paid Roofed Lodging
All Origins/Purposes	27%
• Canadians	26%
• Americans	42%
• Overseas	21%
• Pleasure	33%
• Visit Friends/Relatives	9%
• Business	81%
• Other	73%

One third of pleasure tourists' nights were spent in commercial accommodation, yielding 120,000 nights. Even though only about 1-in-10 nights in Greater Sudbury by VFR tourists were in commercial lodging (9%), because of their substantial contribution to tourism volume in Greater Sudbury, VFR tourists accounted for 94,000 commercial lodging nights.

Business travellers are the heaviest users of commercial accommodation. They spent 156,000 nights in these properties during 2012. This figure represents four fifths of all the nights business travellers spent in Greater Sudbury over the year.

Those travelling for personal business or other reasons also rely on commercial lodging. Of the 135,000 nights they spent, two-thirds or 89,000 were in Greater Sudbury's hotels, motels and other types of commercial lodging.

Table 10: Greater Sudbury Tourist Nights by Origin & Purpose

	All Overnight Tourists		**Paid Roofed Lodging in Greater Sudbury**	
Total Person Nights	**1,686,000**		**459,000**	
Average # of Nights in Greater Sudbury	**2.7 nights**		**2.0 nights**	
	#	%	#	%
Canadians	1,520,000	90%	401,000	87%
Americans	112,000	7%	47,000	10%
Overseas	54,000	3%	12,000	3%
Trip Purpose				
Pleasure	359,000	21%	120,000	26%
Visit Friends/Relatives	1,000,000	59%	94,000	21%
Business	192,000	11%	156,000	34%
Other	135,000	8%	89,000	19%

Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions.

ACTIVITIES ON THE TRIP

While on their trip, overnight tourists in Greater Sudbury engage in a variety of activities, albeit at low levels. In fact, no activity in the Statistics Canada surveys captures even one-in-ten overnight tourists. Furthermore, close to half claim *not* to have sought any entertainment, cultural or outdoor activities on their visit to the city (45%) (see Tables 11, 12).

Those who do participate in activities are almost equally likely to be drawn to entertainment or cultural ones such as going to a sporting event, casino, museum or historic site (17%) as they are to participate in an outdoor activity such as boating, fishing, hiking or going to nature parks (19%).

Individual **outdoor** activities with participation by at least 1-in-20 Greater Sudbury overnight visitors include fishing, boating, camping and going to a nature park. The corresponding **entertainment/cultural** activities are attending a sporting event as a spectator and going to a casino.

As demonstrated in Table 11, the *pleasure* market is most likely to engage in outdoor (38%) and/or entertainment/cultural activities (35%) whereas the business market is least likely to engage in *any* activity (76%).

Table 11: Activity Participation by Main Purpose & Lodging Type

	Total	Pleasure	VFR	Business	Paid Roofed Lodging
None/no activities mentioned	45%	26%	45%	76%	41%
Any entertainment/cultural activity	17%	35%	11%	*	24%
Any outdoor activity	19%	38%	17%	*	14%
Other (TSRC only*)	24%	9%	34%	20%	24%

*Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions.*The most common volunteered "other activity" is visiting friends and relatives.*

As an urban destination, it is not surprising that Greater Sudbury attracts more overnight visitors to its entertainment and cultural activities (17%) than do all other areas in Northeastern Ontario (10%). Conversely, overnight tourists to all other parts of Northeastern Ontario are drawn to outdoor activities such as fishing, boating and camping (52%) at a much higher rate than is the case in Greater Sudbury. The stark contrast between the city and other parts of the region suggests that what draws tourists to RTO13A as a whole is quite different from what entices them to visit Greater Sudbury.

Table 12: Overnight Tourists' Activities on Trip

Location(s) in Which Nights Spent	**Greater Sudbury**	**Northeastern Ontario excluding Greater Sudbury**[12]
Overnight Person Visits	626,000	1,477,000
	%	%
Any Outdoor/Nature	**19%**	**52%**
Fishing	5%	23%
Boating/canoeing/kayaking	7%	23%
Camping	5%	19%
National, provincial or nature park	6%	12%
Golfing	2%	3%
Hunting	*	4%
Any Entertainment/Culture	**17%**	**10%**
Historic site	4%	4%
Museum or art gallery	4%	4%
Performance/concert	4%	1%
Theme park	1%	1%
Zoo or aquarium	1%	1%
Casino	5%	1%
Festival or fair	2%	2%
Sporting event as spectator	7%	2%
Team sports as participant (TSRC only)	3%	6%
Other (TSRC only)**	**24%**	**21%**
No activities mentioned	**45%**	**26%**

*Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions.*Less than 0.5%. **The most common volunteered "other activity" is visiting friends and relatives.*

[12] Overnight visitors to all locations in Northeast Ontario *excluding* Greater Sudbury.

SPENDING ON THE GREATER SUDBURY TRIP

SAME-DAY VISITORS

Same-day visitors to Greater Sudbury spent about $52.0 million in the city or approximately one quarter of total visitor spending during 2012 (see Table 13). Most of this spending was done by visitors on shopping or other types of pleasure trips ($34.0 million). One third of this amount was spent by tourists visiting friends and relatives for the day ($11.0 million). Because so many of these trips were focussed on shopping, reinforcing Greater Sudbury's role as a regional commercial centre for surrounding areas, per diem spending is relatively high, averaging $127.00 per same-day trip. The shoppers within the same-day pleasure market spent about $160.00 on average whereas those on day excursions for *other* pleasure purposes averaged $107.00 per trip.

OVERNIGHT VISITORS

The $143 million spent by overnight visitors in Greater Sudbury represents about three quarters of all tourism spending during 2012. Almost two fifths of this spending was done by VFR tourists ($53.0 million), close to one third was done by pleasure tourists ($43.0 million) and one seventh was contributed by business travellers ($22.0 million).

Regardless of the purpose of their trip, overnight visitors who relied on paid roofed lodging in Greater Sudbury spent approximately $85.0 million on tourism goods and services in the city. This figure represents three fifths of all spending by overnight tourists (59%).

The average overnight travel party spent just over $300.00 in Greater Sudbury, or about $114.00 per night. Pleasure travellers spend more per trip ($362.00) and per night ($169.00) than do business travellers ($296.00/trip; $115.00/night) or VFR tourists ($230.00/trip; $76.00/night).

Since they pay for their lodging in the city, it is not surprising that those using commercial accommodations spend considerably more than the average overnight tourist. These commercial lodging users spend about $475.00 per trip or about $230.00 per night on the tourism goods and services they consume in Greater Sudbury, including but not limited to their lodging costs.

Table 13: Spending by Main Purpose & Lodging Type

	Total	**Pleasure**	**VFR**	**Business**	**Paid Roofed Lodging**
All Visits	**$195.0 million**	**$77.0 million**	**$64.0 million**	**$25.0 million**	**$85.0 million**
Same-day Visitors	**$52.0 million**	**$34.0 million**	**$11.0 million**	**$3.0 million**	**N/A**
Average Per Trip	$127.00	$136.00	$85.00	*	N/A
Overnight Visitors	**$143.0 million**	**$43.0 million**	**$53.0 million**	**$22.0 million**	**$85.0 million**
Average Per Trip	$306.00	$362.00	$230.00	$296.00	$474.00
Average Per Party Per Night	$114.00	$169.00	$76.00	$115.00	$230.00
Average # of Nights in Greater Sudbury	2.7	2.2	3.0	2.5	2.0

Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions.

SPENDING IN GREATER SUDBURY BY CATEGORY

Many types of businesses benefit from Greater Sudbury's tourists (see Table 14). Of the $195.0 million in annual spending by same-day and overnight tourists, about one quarter or $45.0 million was spent in restaurants and bars, $17.2 million (9%) for food and beverages in stores and one fifth was spent in other retail outlets ($37.8 million, 20%). A similar amount was spent at local gas stations ($39.3 million, 20%). Attractions in Greater Sudbury generated almost $10.0 million in tourist spending (5%).

Because so many of the city's same-day tourists are shopping during their visit, their retail spending is particularly high, reaching almost $17.0 million or one third of same-day tourists' spending.

Spending on lodging in Greater Sudbury generated about $31.5 million or one fifth of all spending by tourists who spent at least one night in the city. These overnight tourists contributed a similar amount to local restaurants and bars ($31.2 million) and slightly less to gas stations ($28.2 million). Local grocery stores ($11.0 million) and other retail outlets ($20.9 million) were also major beneficiaries of spending by overnight tourists. They spent a further $6.1 million on entertainment and recreation.

Table 14: Visitor Spending in Greater Sudbury by Category

			Overnight				
	Total	**Same-Day**	**Total**	**Pleasure**	**VFR**	**Business**	**Paid Roofed Lodging**
Visitor Spending in Region by Category							
Total Visitor Spending	**$195.0 million**	**$52.0 million**	**$143.0 million**	**$43.0 million**	**$53.0 million**	**$22.0 million**	**$85.0 million**
Public/Local transport	5%	2%	6%	4%	4%	19%	7%
Vehicle operation	20%	21%	20%	17%	29%	10%	10%
Vehicle rental	2%	*	3%	*	1%	14%	5%
Accommodation	16%	-	22%	23%	14%	33%	36%
Food/beverages - Restaurants	23%	26%	22%	23%	24%	18%	19%
Food/beverages - Stores	9%	12%	8%	9%	11%	3%	4%
Recreation/entertainment	5%	6%	5%	9%	4%	*	5%
Retail/other	20%	33%	15%	15%	14%	3%	16%
In Millions							
Public/Local transport	$9.9	$0.8	$9.1	$1.7	$2.3	$4.2	$5.8
Vehicle operation	$39.3	$11.0	$28.2	$7.2	$15.5	$2.3	$8.1
Vehicle rental	$4.4	*	$4.4	$0.2	$0.4	$3.1	$3.9
Accommodation	$31.5	*	$31.5	$10.1	$7.3	$7.2	$30.6
Food/beverages - Restaurants	$44.8	$13.6	$31.2	$10.0	$12.7	$3.8	$15.8
Food/beverages - Stores	$17.2	$6.1	$11.0	$3.8	$5.6	$0.7	$3.5
Recreation/entertainment	$9.7	$3.1	$6.6	$4.0	$2.0	*	$3.9
Retail/other	$37.8	$17.0	$20.9	$6.3	$7.2	$0.5	$13.4

*Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions.*Less than 0.5%.*

ECONOMIC IMPACT OF TOURISTS IN GREATER SUDBURY

INTRODUCTION

The money spent by tourists in Greater Sudbury ripples throughout the local and provincial economies.[13] These expenditures generate economic activity including contributions to gross domestic product (GDP); jobs in tourism-related sectors such as accommodation, transportation and food services; jobs in other sectors such as manufacturing and agriculture; and taxes.[14]

GROSS DOMESTIC PRODUCT

Gross domestic product is the value of goods and services produced by labour and capital located within a region. This definition helps explain why GDP retained in Greater Sudbury is smaller than the total amount of spending done by visitors to the city: many of the goods and services provided to serve these tourists are produced outside the region.[15]

During 2012 tourists spent over $192.0 million on tourism goods and services in Greater Sudbury.[16] Once the imports from other locations in Ontario, other parts of Canada, and other countries are taken into account, spending by Greater Sudbury tourists generated about $76.6 million in direct economic activity (i.e. GDP), and an additional $40.8 million in indirect and induced GDP for the city's economy.

There was, therefore, about $117.4 million in GDP retained in Greater Sudbury. Other parts of Ontario benefited from about $6.5 million in GDP (direct, indirect, and induced) from visitor spending in the city. When combined, the province-wide GDP contribution of Festival & Event tourism in Northern Ontario reached $123.9 million.

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[13]Note that the total spending estimate used in the TREIM model estimating tourism economic impact in Greater Sudbury is based on the unpooled TSRC 2012 and the 2012 ITS US and overseas files for greater consistency with estimates generated for Tourism Northern Ontario in a series of sectoral reports. The difference between total tourism spending by tourists in Greater Sudbury had the pooled TSRC and ITS been used ($195.0 million) and the unpooled ($192.4 million) is about $2.6 million.

[14] The economic impact estimates provided in this section reflect visitor spending only, that is, spending by visitors to Greater Sudbury. The estimates provided here are the most appropriate ones to use when assessing the results of marketing and promotional efforts, and the appeal of tourism products and experiences in Greater Sudbury. MTCS's glossary of terms to be used in conjunction with outputs from TREIM is appended.

[15] In some geographical areas, the amount of economic activity is on par with, or less than visitor spending. Greater Sudbury is one of these locations. This situation occurs when a sizeable proportion of the economic activity required to create the goods and services consumed by tourists occurs outside the community. For example, most of the food prepared in restaurants in Greater Sudbury is grown outside the region. Consequently, much of the economic activity associated with restaurant meals purchased by tourists takes place outside the city. Similarly, materials required for building hotels, motels and other lodging establishments are created outside Greater Sudbury and generate economic activity in communities where the materials are produced.

[16] Spending estimates are based on the 2012 reference year for all markets (see Note 13, above).

Table 14: Contributions to GDP and Funds Retained in Greater Sudbury

	Amount Retained in Greater Sudbury (A)	Amount Retained in Other Ontario (B)	Total Contribution to Ontario's GDP (A + B)
Direct	$76,600,000	$0	$76,600,000
Indirect	$21,500,000	$3,700,000	$25,300,000
Induced	$19,300,000	$2,700,000	$22,000,000
Total GDP	$117,400,000	$6,5000,000	$123,900,000

Source: Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions *and special calculations of TREIM for Greater Sudbury (MTCS). Figures are rounded to nearest 100,000.*

JOBS, WAGES, AND SALARIES

Approximately 1,434 direct jobs and an additional 464 indirect and induced jobs were generated in Greater Sudbury as a result of tourists' spending (see Table 15). These jobs include part- and full-time positions, on both annual and seasonal bases.[17] Additional employment in the province was generated because of tourists in Greater Sudbury, bringing the total number of direct, indirect and induced jobs to about 1,980 in Greater Sudbury and across the entire province.

Over a year, Greater Sudbury retained 96% of the 1,980 jobs created by the city's tourism.[18] These jobs generated $76.2 million in wages and salaries province-wide, with 94% of this amount ($71.8 million direct, indirect, and induced) retained in Greater Sudbury.

TAXES

All levels of government benefited from tourism spending in Greater Sudbury. This spending generated $31.7 million in federal government taxes, a further $26.6 million in provincial taxes and $341,000 in municipal taxes based on incremental tourism revenue (direct, indirect, and induced) province-wide. Greater Sudbury retained the following amounts from these taxes:

- $18.3 million in direct federal taxes; and
- $18.9 million in direct provincial taxes.

[17] Note that estimates for tourism economic impact in Greater Sudbury published in other products may differ from those provided herein because the inputs used for the TREIM model are somewhat different. For example, Research Resolutions pooled the 2011 and 2012 files for the TSRC and ITS to create sufficient base sizes for analysis at the municipal level.

[18] Estimates of jobs produced by the economic impact model use the same definition as is used in Statistics Canada's Labour Force Survey. Thus, jobs generated by the model include part-time, full-time and seasonal jobs. They also include paid employees and unpaid family employees.

Table 15. Economic Impact of Tourists in Greater Sudbury

	Economic Benefits Retained in Greater Sudbury	Total Benefits Across Ontario	Proportion of Total Ontario Benefits Retained in Greater Sudbury
Gross Domestic Product	**$117,400,000**	**$123,900,000**	**95%**
Direct	$76,600,000	$76,600,000	100%
Indirect/Induced	$40,800,000	$47,300,000	86%
Wages	**$71,800,000**	**$76,200,000**	**94%**
Direct	$45,800,000	$45,800,000	100%
Indirect/Induced	$26,000,000	$30,400,000	86%
Employment (Jobs)	**1,898**	**1,980**	**96%**
Direct	1,434	1,434	100%
Indirect/Induced	464	546	85%
Federal Taxes	**$30,400,000**	**$31,700,000**	**96%**
Direct	$18,300,000	$18,300,000	100%
Indirect/Induced	$12,100,000	$13,400,000	90%
Provincial Taxes	**$25,600,000**	**$26,600,000**	**96%**
Direct	$18,900,000	$18,900,000	100%
Indirect/Induced	$6,700,000	$7,700,000	87%
Municipal Taxes	**$325,000**	**$341,000**	**95%**
Direct	$113,000	$113,000	100%
Indirect/Induced	$212,000	$228,000	93%

Source: Special Tabulations, TSRC 2011/2012 Pooled/ITS US/OVS 2011/2012 Pooled, prepared by Research Resolutions *and special calculations of TREIM for Greater Sudbury (MTCS). Figures are rounded to nearest 100,000.*

GREATER SUDBURY'S POTENTIAL NORTH AMERICAN MARKET OPPORTUNITIES

Potential TAMS Tourists for Greater Sudbury

Information in this section derives from the TAMS study. The Canadians and Americans described here meet the following criteria:

- Adults (18+ years)
- Have taken an overnight leisure trip to Northern Ontario over a two-year period;
- Have identified two or more attractions or festivals/events as a trip driver for an overnight leisure trip to any destination over a two-year period.

In the following pages, the North American tourist market for attractions is explored. Information is based on findings of the Travel Activities and Motivation Surveys (TAMS) conducted in Canada and the United States. The study explores a wide range of activities that are engaged in and/or motivate trips by overnight pleasure travellers in each country. It also provides information on these tourists' destinations worldwide but does not link trip motivations or activities to specific destinations. Consequently, a North American tourist in the target market has travelled to Northern Ontario over a two-year period but may or may not have engaged in specific activities in the region.

TAMS findings cannot be analyzed at the city or sub-region level. Thus, the information presented in the following sections is based on recent North American travellers who have taken overnight pleasure trips in Northern Ontario (RTO13) over a two-year period.

POTENTIAL TAMS TOURISTS FOR GREATER SUDBURY

In the TAMS studies, North Americans who have taken overnight pleasure trips over a two-year period are asked which of about 160 different activities they participated in during their travels. For each one they claim to have participated in, they are asked if it was a *trip driver* – that is, it was the main reason the trip took place. Within the large array of possible activities covered by the study, two market segments have particular relevance to Greater Sudbury because of its potential to offer *urban-oriented* experiences. These are Attraction and festival & event tourists.

Many travellers visit attractions or festivals/events as *one-of-many* activities on their pleasure trips but for analytical purposes, this report focuses on those who are *motivated* to travel in order to do so. Hence, Attraction Tourists are defined to be past two year pleasure travellers who name at least two of these attractions as a *trip driver.* Similarly, Festival & Event tourists are those who name at least two of these types of events as motivations for overnight trips (see following page for list).

Attractions	Festivals & Events
History-Oriented Attractions	**Arts Festivals**
Historical replicas of cities with historic re-enactments	International film festivals
Well known historic sites/buildings	Literary festivals or events
Other historic sites, monuments and buildings	Music festivals
Other Attractions	Theatre festivals
Planetarium	Comedy festivals
Botanical gardens	**Cultural Festivals**
Aquariums	Religious festivals
Zoos	Food/drink festivals
Theme parks	Ethnic festivals
Casinos	Gay Pride parades
Museums/Galleries	Aboriginal festivals and events
Art galleries	**Other Festivals**
Aboriginal heritage attractions	Free outdoor performances (theatre/concerts)
Museum - Children's	Fireworks displays
Museum - Science or technology	Hot air balloon festivals
Museum - General history or heritage	Exhibitions or fairs
Museum - Military/war	**Sporting Events**
	Amateur sports tournaments
	Auto races
	Professional games/tournaments
	Horse races
	National/international sports events

POTENTIAL MARKET SIZE IN CANADA & U.S.A.

Visiting attractions is a more common trip activity than is going to festival or events among Canadian and American pleasure travellers who have been to Northern Ontario. In fact, at 455,000 Canadian tourists and 559,000 Americans, the attraction market is about twice as large as the festival market on both sides of the border (Festivals & Events: 201,000 Canadians; 235,000 Americans).

Almost all attraction and festival/ event tourists who have been to Northern Ontario name at least one **outdoor activity** as a trip driver. Hence, tourists in these markets are good candidates for the mix of urban and outdoor experiences Greater Sudbury offers.

Approximately 9-in-10 Canadian and American Attraction tourists also take trips in order to engage in an outdoor experience. At about 8-in-10, the proportion of Festival & Event tourists with keen interests in the outdoors is somewhat lower.

Note that there is not a great deal of *duplication* between Attraction and Festival & Event tourists. Only about 130,000 Canadians with Northern Ontario travel experience and 186,000 Americans claim to take some trips motivated by attractions and other trips driven by their interest in festivals and events.

Attraction tourists seem to offer the best potential North American market for Greater Sudbury for two reasons:

- Their sizeable volume and the urban nature of their attraction preferences; and
- Their high degree of interest in the types of outdoor experiences Greater Sudbury offers.

For these reasons, Attraction tourists are the primary focus of the activity, demographic and attitudinal profiles found in the following pages. Information is also provided for Festival & Event tourists, where appropriate.

Table 16: Northern Ontario's Potential Attraction and Festival & Event Tourist Markets

	Overnight Pleasure Tourists to Northern Ontario	
	Canadians	**Americans**
Attraction Tourists	**455,000**	**559,000**
With Outdoor Activities as Trip Driver	372,000	441,000
	89%	88%
Festival & Event Tourists	**201,000**	**235,000**
With Outdoor Activities as Trip Driver	179,000	206,000
	82%	79%
Both Attraction and Festival & Event Tourists	130,000	186,000
With Outdoor Activities as Trip Driver	121,000	173,000
	93%	93%

Special Tabulations, TAMS Canada, USA prepared by Research Resolutions.

PROFILES OF POTENTIAL ATTRACTION AND FESTIVAL & EVENT TOURIST MARKETS

WHERE THEY LIVE

Northern Ontario's markets for attractions and festivals/events are highly concentrated in Ontario. Four fifths of the 455,000 highly motivated Attraction market members who have recent Northern Ontario travel experience live within the province (82%). A further one tenth are residents of Quebec (10%). Similarly, four fifths of the Festival & Event market is Ontario residents and one tenth are Quebeckers.

In both market segments, about 3-in-10 Canadians live in Toronto making this city a prime market for Greater Sudbury (Attractions, 136,000; Festival & Event, 88,000).

Table 17: Place of Residence - Canadians

	Overnight Pleasure Tourists to Northern Ontario			
	Attraction Tourists		Festival & Event Tourists	
Canada	455,000		333,000	
Atlantic Canada	4,000	1%	4,000	1%
Quebec	44,000	10%	33,000	10%
Ontario	374,000	82%	275,000	83%
Toronto CMA	136,000	30%	88,000	26%
Manitoba	17,000	4%	12,000	4%
Saskatchewan	2,000	1%	2,000	1%
Alberta	9,000	2%	5,000	1%
British Columbia	6,000	1%	3,000	1%

Special Tabulations, TAMS Canada prepared by Research Resolutions.

Over half of American Attraction and Festival & Event tourists who have travelled to Northern Ontario over a two-year period live near the Canadian border. About one quarter of the North's respective markets are residents of East North Central states. The same proportions of each segment are residents of the Mid-Atlantic region. New York (15%) and Michigan (12%) are particularly robust sources of Attraction tourists for Northern Ontario.

Table 18: Place of Residence - Americans

	Overnight Pleasure Tourists to Northern Ontario			
	Attraction Tourists		Festival & Event Tourists	
USA	559,000		372,000	
New England	44,000	8%	25,000	7%
Middle Atlantic	**152,000**	**27%**	**94,000**	**25%**
New York State	85,000	15%	48,000	13%
Pennsylvania	33,000	6%	22,000	6%
South Atlantic	43,000	8%	29,000	8%
East North Central	**157,000**	**28%**	**101,000**	**27%**
Wisconsin	27,000	5%	33,000	9%
Michigan	68,000	12%	28,000	8%
Ohio	45,000	8%	27,000	7%
West North Central	32,000	6%	28,000	7%
Minnesota	24,000	4%	24,000	6%
East South Central	48,000	9%	24,000	7%
West South Central	15,000	3%	30,000	8%
Mountain	20,000	4%	4,000	1%
Pacific	48,000	9%	36,000	10%

Special Tabulations, TAMS USA prepared by Research Resolutions.

KEY TRIP DRIVERS

Canadians and Americans in Greater Sudbury's target markets are very similar in the types of attractions, festivals and events that motivate their overnight pleasure trips. Note that these attractions, festivals and events could have been in destinations anywhere in the world and on a scale not available in Greater Sudbury or anywhere else in Northern Ontario.

World-wide competition & mega attractions

Many North Americans in Northern Ontario's Attraction market have travelled overseas throughout the U.S.A. and across Canada, including Southern Ontario.

The TAMS survey does not provide details about the specific attractions that may have motivated trips. Hence, a tourist could have taken a trip to go to an art gallery such as the Louvre, a historic site such as the Parthenon, a theme park like Disneyworld, a museum like Chicago's Museum of Science and Industry and so on.

Entertainment attractions are especially popular trip drivers. On both sides of the border, theme parks on the scale of Disney or MGM followed by casinos are most apt to draw Canadians and Americans in the target market. Zoos are also popular in both groups.

Among **history-oriented attractions,** *well-known historic sites* along with *other sites and monuments* motivate overnight trips for more than one third of Canadian and American Attraction tourists. *Historical replicas of cities/towns with re-enactments* are more popular trip drivers among Northern Ontario's Canadian Attraction tourists (26%) than among their American counterparts (16%).

About half of the Americans and Canadians in the target market go to **museums/ galleries** led by *general history museums, art galleries* and *science/technology museums.* [19]

Top Attraction Trip Drivers among Northern Ontario's Potential Market[20]

Canadians

1. Theme parks
2. Well known historic sites/buildings
3. Other historic sites, monuments
4. Zoos
5. Museum - General history or heritage
6. Casinos
7. Historical replicas/re-enactments
8. Art galleries
9. **Museum - Science or technology**
10. Botanical gardens

Americans

1. Theme parks
2. Casinos
3. Well known historic sites/buildings
4. Zoos
5. Aquariums
6. Other historic sites, monuments
7. Museum - General history or heritage
8. Art galleries
9. **Museum - Science or technology**
10. Botanical gardens

[19] Source: TNO, *Attraction Tourists in Northern Ontario (RTO13): A Situation Analysis*
[20] In rank order, highest to lowest, for Canadians and Americans.

Table 19: Attraction Trip Drivers - Northern Ontario's Potential Attraction Tourist Market

	Overnight Pleasure Tourists to Northern Ontario	
	Canadians	**Americans**
Attraction Tourists	**455,000**	**559,000**
History-Oriented Attractions	**56%**	**52%**
Historical replicas/re-enactments	26%	16%
Well known historic sites/buildings	42%	39%
Other historic sites, monuments	35%	31%
Museums/Galleries	**53%**	**56%**
Art galleries	25%	26%
Aboriginal heritage attractions	16%	10%
Museum - Children's	5%	12%
Museum - Science or technology	21%	26%
Museum - General history or heritage	30%	29%
Museum - Military/war	16%	17%
Entertainment-Oriented Attractions	**79%**	**91%**
Planetarium	6%	15%
Botanical gardens	17%	23%
Aquariums	13%	37%
Zoos	34%	38%
Theme parks	59%	73%
Casinos	29%	51%

Special Tabulations, TAMS Canada, USA prepared by Research Resolutions.

Like their Attraction counterparts, Canadian and American Festival & Event tourists share common interests. Among their trip drivers, **sporting events** led by *amateur sports tournaments* and *professional games* are especially popular. Professional hockey games are most apt to draw Canadians while Americans favour professional football, baseball and basketball games.

Among **other festivals**, *free outdoor performances* such as concerts or plays, *fireworks displays* and *exhibitions or fairs* are also strong trip drivers. About half of the Americans and two fifths of the Canadians in the target market go to **cultural festivals** led by those with a *culinary* or *ethnic* focus. Of the array of **arts festivals** covered in the study, *music festivals* are the most popular, by far.[21]

Table 20: Festival & Event Trip Drivers - Northern Ontario's Potential Festival & Event Tourist Market

	Overnight Pleasure Tourists to Northern Ontario	
	Canadians	**Americans**
Festival & Event Tourists	**333,000**	**372,000**
Arts Festivals	**32%**	**47%**
International film festivals	4%	17%
Literary festivals or events	7%	5%
Music festivals	23%	26%
Theatre festivals	6%	7%
Comedy festivals	2%	11%
Cultural Festivals	**43%**	**52%**
Religious festivals	12%	14%
Food/drink festivals	19%	28%
Ethnic festivals	16%	23%
Gay Pride parades	5%	6%
Aboriginal festivals	12%	8%
Other Festivals	**66%**	**65%**
Free outdoor performances	36%	23%
Fireworks displays	31%	39%
Hot air balloon festivals	4%	24%
Exhibitions or fairs	30%	30%
Spectator Sports	**71%**	**73%**
Amateur sports tournaments	35%	27%
Auto races	16%	22%
Professional games/tournaments	48%	49%
Professional hockey games	28%	10%
Horse races	9%	18%
Curling bonspiel	4%	1%
National/international sporting events	5%	6%

Special Tabulations, TAMS Canada, USA prepared by Research Resolutions.

[21] Source: TNO, *Festival & Event Tourists in Northern Ontario (RTO13): A Situation Analysis*

OUTDOOR TRIP DRIVERS

As noted previously, the high degree of interest in outdoor experiences among Attraction Tourists is a key factor in the potential attractiveness of this segment for Greater Sudbury. The ability of the city to offer its visitors a mix of urban attractions and outdoor activities could make Greater Sudbury more appealing to these tourists than would either a wholly urban or wholly outdoor experience.

In fact, Northern Ontario's Attraction Tourists are drawn to the very types of outdoor activities Greater Sudbury offers: They take trips in order to *camp, visit nature parks, hike, view wildlife* and/or *fish*.

Table 21: Outdoors Trip Drivers - Northern Ontario's Potential Attraction Tourist Market

	Overnight Pleasure Tourists to Northern Ontario	
	Canadians	**Americans**
Attraction Tourists	**455,000**	**559,000**
Outdoor Activities	**82%**	**79%**
Camping	44%	30%
Nature park	39%	31%
Hiking	27%	19%
Flora/Fauna Viewing	25%	33%
Fishing - fresh water	22%	20%
Kayaking/canoeing	17%	8%
Motor/sail boating	16%	11%
Cycling	13%	7%
Golfing	13%	10%
Fishing - ice fishing	9%	9%
Hunting	7%	8%
Snowmobiling	6%	7%
Motorcycling	3%	4%

Special Tabulations, TAMS Canada, USA prepared by Research Resolutions.

PACKAGING GREATER SUDBURY'S URBAN/OUTDOOR MIX

Neither Greater Sudbury nor Northeastern Ontario can be all things to all potential tourists but the multi-dimensional character of Attraction Tourists suggests packaging opportunities for Greater Sudbury that capitalize on its strengths. For example, combining camping in one of the City's provincial parks with interpretive hikes featuring wildlife viewing, a performance at the Sudbury Theatre Centre and a visit to Science North and the Art Gallery of Sudbury could appeal to Canadians and Americans in the target market.

Table 22: Individual Trip Drivers – Attraction Tourists

Package Options		**Canadians**	**Americans**
		455,000	**559,000**
	Theme parks (e.g., Disney, MGM)	59%	73%
✓	**Camping**	**44%**	**30%**
	Well known historic sites/buildings	42%	39%
✓	**Nature parks**	**39%**	**31%**
	Shopping	38%	44%
	Zoos	34%	38%
✓	**Fireworks displays, outdoor performances, other festivals**	**34%**	**37%**
	Spectator Sports (e.g., pro hockey, football, baseball)	32%	45%
✓	**Museum - General history or heritage**	**30%**	**29%**
	Casinos	29%	51%
✓	**Hiking**	**27%**	**19%**
	Historical replicas/re-enactments	26%	16%
✓	**Live Theatre**	**26%**	**29%**
✓	**Art galleries**	**25%**	**26%**
✓	**Flora/Fauna Viewing**	**25%**	**33%**
✓	**Cultural Festivals (e.g., ethnic, culinary)**	**24%**	**33%**
	Rock & roll/popular concerts	24%	12%
✓	**Fishing - fresh water**	**22%**	**20%**
✓	**Museum - Science or technology**	**21%**	**26%**
✓	**Arts Festivals (e.g., music festivals)**	**18%**	**28%**

WHERE ELSE TOURISTS TRAVEL

Over a two-year period, most North American Attraction and Festival & Event tourists described in this report have taken overnight pleasure trips to other destinations across Canada, the U.S.A. and other countries.[22] Since about 8-in-10 Canadian Northern Ontario tourists are Ontario residents and many reside in the Toronto area, it comes as no surprise that two thirds of each segment have been to destinations in Southern Ontario. It is also predictable that virtually all the Americans and most Canadians have taken overnight pleasure trips within the U.S.A.

Travel to overseas destinations, most notably Europe and Mexico or the Caribbean, is more common among American Attraction and Festival & Event Tourists than among their Canadian counterparts.

Greater Sudbury is vying for these tourists with destinations worldwide, many of which have iconic attractions and/or host mega festivals and events. In this context, Greater Sudbury faces considerable competition on two fronts: gaining attention as a destination and intriguing tourists with the attractions, events or outdoor experiences it can offer.

Table 23: Other Destinations

	Overnight Pleasure Tourists to Northern Ontario			
	Attraction Tourists		**Festival & Event Tourists**	
	Canadians	Americans	Canadians	Americans
Locations Visited in Past 2 Years				
Newfoundland and Labrador	3%	4%	3%	7%
Prince Edward Island	11%	7%	15%	6%
New Brunswick	18%	7%	19%	8%
Nova Scotia	16%	9%	16%	9%
Quebec	44%	37%	40%	39%
Ontario	100%	100%	100%	100%
Northern Ontario	100%	100%	100%	100%
Southern Ontario	67%	45%	67%	55%
Manitoba	12%	11%	9%	9%
Saskatchewan	11%	9%	8%	8%
Alberta	16%	10%	14%	7%
British Columbia	20%	19%	15%	17%
USA (any)	64%	100%	66%	100%
Other Countries	35%	46%	32%	54%

Source: TAMS Canada/US, special tabulations provided by Research Resolutions. Note: percentages add to more than 100% because of trips to more than one province/region.

[22] Recall that TAMS findings provide information on *where* tourists travelled and *what they did* on trips (activities) but do not provide information on which activities took place in specific destinations.

IMPRESSIONS OF CANADIAN PROVINCES

Seeing is believing . . . North American Attraction and Festival & Event Tourists who have been to Northern Ontario have a more favourable impression of the province than of most others. Regardless of the segment, these tourists give Ontario a rating of over eight on a ten-point scale for being an appealing destination.

Among Canadians, British Columbia and Alberta are the only other provinces to surpass or approach this score and no other province does so among Americans. It is, however, important to note that at least one third of Northern Ontario's American Attraction market are *unable* to rate most Canadian provinces, likely because they do have direct experience with them.

Table 24: Ratings of Canada's Destinations

	Overnight Pleasure Tourists to Northern Ontario			
	Attraction Tourists		Festival & Event Tourists	
	Canadians	Americans	Canadians	Americans
Average Rating				
Newfoundland and Labrador	7.2	6.3	7.3	6.8
Prince Edward Island	7.7	6.6	7.7	6.7
New Brunswick	7.2	6.0	7.2	6.3
Nova Scotia	7.8	6.7	7.8	6.9
Quebec	7.5	7.1	7.2	6.9
Ontario	**8.4**	**8.1**	**8.5**	**8.3**
Manitoba	5.7	6.1	5.6	6.5
Saskatchewan	5.3	5.9	5.2	6.3
Alberta	8.0	6.5	7.9	6.8
British Columbia	9.1	7.3	9.1	7.2

Source: TAMS Canada/US, special tabulations provided by Research Resolutions. Averages are based on a ten-point scale ranging from very appealing as a destination (10) to not at all appealing (1). Averages are based on total providing a rating.

KEY ATTRIBUTES OF A DESTINATION

The primary factors in a destination choice for Canadian and American Attraction and Festival & Event tourists include its overall safety, accessibility by car, absence of health concerns and, especially among Americans, an abundance of things to see and do. Mid-range lodging and/or direct air access are also salient factors for these visitors.

In addition to greater emphasis on the range of activities for adults, American Attraction tourists are more apt than Canadians to place a high level of importance on the following attributes:

- Direct access by air
- Budget accommodation
- Low cost package deals
- Shopping opportunities
- Being familiar with culture/language
- Luxury accommodation
- Place culturally different than own
- Disabled-person friendly

The higher level of concern about a destination's facilities for disabled people and the availability of rail or bus service than is evident among the corresponding Canadians possibly reflects the fact that the American market is somewhat older than the domestic one –one third of these Americans are at least 55 years of age (see Table 11).

Table 25: Important Attributes in Destination Choice

% stating each attribute is *highly important*	**Overnight Pleasure Tourists to Northern Ontario**			
	Attraction Tourists		**Festival & Event Tourists**	
	Canadians	**Americans**	**Canadians**	**Americans**
Feeling safe	74%	81%	68%	74%
No health concerns	52%	49%	50%	48%
Convenient access by car	51%	57%	46%	61%
Lots of adults to do	49%	60%	45%	61%
Availability of mid-range accommodation	36%	41%	36%	40%
Direct access by air	33%	42%	27%	40%
Availability of budget accommodation	25%	38%	22%	31%
Lots for children to do	21%	28%	17%	27%
Low cost package deals	20%	31%	19%	26%
Availability of camping	18%	20%	18%	17%
Convenient access by train/bus	18%	21%	14%	23%
Being familiar with the culture/language	17%	29%	16%	27%
Offers great shopping	16%	31%	11%	31%
Place very different, culturally, than yours	11%	20%	12%	15%
Having friends or relatives living there	9%	15%	7%	12%
Disabled-person friendly	8%	19%	8%	20%
Availability of luxury accommodation	6%	21%	4%	27%

Source: TAMS Canada/US, special tabulations provided by Research Resolutions. Proportions stating that an attribute is "highly important" in selecting a destination.

BENEFITS OF PLEASURE TRAVEL

Like tourists in general, Canadians and Americans in Greater Sudbury's target segments put getting a break from the *day-to-day, stress reduction,* creating *lasting memories* and *experiencing new and different things* at the top of their lists of the benefits of pleasure travel. At least half of them also see pleasure travel as a way to enrich their relationships with immediate family members. Having *no fixed schedule* and *keeping family ties alive* are also key benefits among these tourists.

A learning component figures relatively prominently in these tourism segments. About one third of Canadians and at least two fifths of Americans want pleasure travel to stimulate their minds, provide knowledge of others' history and culture and to enrich their perspectives on life.

Attractions such as Science North, Dynamic Earth, Greater Sudbury's Heritage Museums paired with the scenic and peaceful outdoor settings in the area could contribute to the City's attractiveness to these tourists.

Table 26: Benefits of Pleasure Travel

% stating each benefit is *highly important*	**Overnight Pleasure Tourists to Northern Ontario**			
	Attraction Tourists		**Festival & Event Tourists**	
	Canadians	**Americans**	**Canadians**	**Americans**
To get a break from your day-to-day environment	71%	67%	72%	68%
To relax and relieve stress	70%	75%	68%	63%
To see or do something new and different	62%	71%	54%	74%
To create lasting memories	60%	73%	63%	72%
To enrich relationship with immediate family	54%	59%	59%	57%
To have a life with no fixed schedule	46%	55%	43%	62%
To keep family ties alive	46%	46%	38%	45%
To gain knowledge of history/cultures/places	44%	46%	38%	47%
To stimulate your mind	37%	39%	33%	36%
To enrich your perspective on life	36%	43%	36%	45%
To renew personal connections with people	26%	20%	26%	26%
To be challenged physically	24%	26%	25%	27%
To have stories to share back at home	17%	24%	16%	28%
To seek solitude and isolation	17%	13%	13%	17%
To be pampered	16%	27%	14%	27%

Source: TAMS Canada/US, special tabulations provided by Research Resolutions. Proportions stating that an attribute is a "highly important" benefit of pleasure travel.

DEMOGRAPHICS

ATTRACTION TOURISTS

The potential Canadian and U.S. Attraction markets have similar gender splits, marginally favouring women. Attraction Tourists span the age continuum but Canadians tend to be younger whereas Americans tend to be older. In fact, one third of the Americans are at least 55 years of age while only one fourth of the Canadians are in this age group. These differences are reflected in the average age of Northern Ontario's Attraction Tourists: Canadians are about 43 years of age and their American counterparts are about 47 years of age, on average.

Americans in the market segment have more formal education than the corresponding Canadians but income levels are similar. A university education is more characteristic of the Americans (41%) than Canadians (31%). Conversely, close to one third of the Canadians has a secondary school diploma or less (30%) compared to about one fifth of the Americans (20%).

In spite of age and education differences between the two markets, Northern Ontario's Canadian and American Attraction Tourists have a very similar income profile. Each market is divided almost equally among those with household incomes of less than $60,000, between $60,000 and $99,999 and at least $100,000.

FESTIVAL & EVENT TOURISTS

The demographic profile of Festival & Event tourists closely resembles that of Attraction tourists but while more Attraction tourists are women, more Festival & Event tourists are men. Their greater prevalence in the Festival & Event market likely results from the popularity of sporting events among men.

Like their Attraction counterparts, the U.S. Festival & Event tourist is older than corresponding Canadians but not quite as old. Almost one third of the Americans are at least 55 years of age while only one fifth of the Canadians are in this age group, yielding average ages of about 42 years for Canadians versus 46 years for American Festival & Event Tourists.

In other respects, the profiles of the two segments are very similar.

Table 27: Demographics of the Potential North American Markets

	Overnight Pleasure Tourists to Northern Ontario			
	Attraction Tourists		Festival & Event Tourists	
	Canadians	Americans	Canadians	Americans
Gender				
Male	46%	45%	57%	56%
Female	54%	55%	43%	44%
Age				
18-24 years	13%	8%	13%	6%
25-34 years	22%	19%	22%	23%
35-44 years	22%	22%	27%	17%
45-54 years	19%	19%	17%	23%
55 – 64 years	13%	12%	14%	19%
65 + years	11%	20%	7%	12%
Average age (18+) (years)	42.7	47.4	41.8	45.5
Education				
Less than high school	8%	2%	9%	3%
High school diploma	22%	18%	23%	8%
Some post-secondary	14%	23%	13%	22%
Post-secondary diploma/certificate	24%	15%	22%	15%
University degree	31%	41%	33%	46%
Household Income*				
Under $40,000	16%	17%	15%	14%
$40,000 to $59,999	22%	21%	18%	22%
$60,000 to $99,999	30%	31%	32%	32%
$100,000 or more	32%	31%	35%	33%

*Special Tabulations, TAMS Canada/USA prepared by Research Resolutions. *Household income (2006) based on total stating, reported in Canadian currency.*

WHAT THE EXPERTS HAVE TO SAY: MEDIA USAGE & BUSINESS TRAVEL

INTRODUCTION

As separate components of this project, Research Resolutions explored what experts have to say about trends in tourists' media usage and business travel. Whether the subject is media or business travel trends, there are few authoritative studies publically available for analysis. For this reason, our comments are based on articles and papers by leisure tourism and/or business meeting organizations. They should be viewed as qualitative insights and opinions by experts rather than as proven facts.

We quote liberally from these experts because paraphrasing them tends to mask the nuances inherent in a phenomenon as complex as a travel destination decision. Under separate cover, we provided Greater Sudbury Tourism with pdf copies of the most salient papers we reviewed and encourage readers to explore these in greater depth.

SETTING THE STAGE: DMOS ARE DIFFERENT

Greater Sudbury Tourism, like other destination marketing organizations (DMOs) is structurally different from traditional tourism businesses such as accommodations, attractions or food services. In fact, according to a Destination Management Association International (DMAI) study of DMOs across Canada and the United States, DMOs face particular challenges because of distinct characteristics that individual tourism operators do not necessarily share.[23]

> *The DMO's role as primary information source, promotional intermediary and relationship broker has been significantly diminished.*
>
> *DMOs need to develop new value-producing roles and relationships with consumers and travel professionals in today's redefined marketplace.*
>
> *Source: Destination Next: A Strategic Road Map For The Next Generation Of Global Destination Marketing, Phase 1,* Destination Management Association International, 2014.

They are described as having unrivalled local knowledge, passion for place and connections to a wide array of stakeholders in the community. They also have distinct characteristics that influence their role in the tourism marketplace:

- expectation of impartiality,
- desire to remain focused while building consensus among a diverse and often changing set of stakeholders, and
- expectation to effect growth while having minimal control over the quality or pricing of product.

These characteristics influence DMOs media planning and buying decisions (the full list of characteristics cited in the study is appended).

[23] *Destination Next: A Strategic Road Map For The Next Generation Of Global Destination Marketing, Phase 1,* Destination Management Association International, Prepared By InterVISTAS Consulting Inc., 2014.

The DMAI study also identified the top twenty trends that are and will continue to have an impact on DMOs such as Greater Sudbury Tourism.[24] Those of particular relevance to this discussion are listed below.[25]

1. Social media's prominence in reaching the travel market (e.g., Facebook, Pinterest, Twitter, Weibo).
2. Mobile platforms and apps becoming the primary engagement platform for travelers.
3. Customers increasingly seeking a personalized travel experience.
5. Travelers demanding more information, control, interaction, and personalization.
9. Technology enabling faster decision-making by customers, thereby, increasing business to a destination.
10. Consumers becoming increasingly comfortable with ordering products online.
16. More third-party information providers aggregating content about destinations.
17. Peer-to-peer buyer influence driving customer purchases.

The digital revolution is clearly top-of-mind for North American DMOs. The trends DMOs identified will alter how they do business, particularly in light of consumers' increasing distrust of traditional promotional messaging, the importance of peer reviews via TripAdvisor, Yelp and other online forums; and a move away from online travel agencies (OTAs) such as Expedia and toward direct online interaction with the vendor (hotel, airline, attraction).[26]

MEDIA TRENDS FOR TRIP PLANNING & BOOKING

Not surprisingly, most available commentary on media usage and trends pertains to the rapid proliferation of digital technology. The imploding new technology has transformed how consumers obtain travel information and make planning and booking decisions. Changes in the devices and channels available have emerged at dizzying speed. These changes create challenges for tourism operators and for DMOs. According to one source:

- Travelers typically visit 22 websites in 9.5 web-sessions when researching a trip. Fewer than 19% consult a DMO website *(Source: Google and Destination Analysis)*
- 76% of consumers today feel advertisements are "very" or "somewhat exaggerated." *(Source: Lab42)*

[24] *Online Marketing Strategy and Consumer Behavior*, Published by the HSMAI Foundation (Hospitality Sales and Marketing Association International). http://www.owners.org/Portals/1/Documents/NDP/DCA%20Full_Part6.pdf
[25] The numbers displayed represent each trend's position among the top twenty. For the full list, see the appendix.
[26] *Online Marketing Strategy and Consumer Behavior*, Published by the HSMAI Foundation (Hospitality Sales and Marketing Association International). http://www.owners.org/Portals/1/Documents/NDP/DCA%20Full_Part6.pdf

- 77% of travelers consult TripAdvisor before selecting a destination or hotel. (*Source: TripAdvisor)*
- 92% of consumers trust peer recommendations more than advertisements. *(Source: SKIFT)*
- 85% of travelers use their smartphones while abroad. *(Source: SKIFT)*
- 74% of travelers use social media while on vacation and 76% of travelers use social media to share their experiences after they return. *(Source: SKIFT)* [27]

No wonder the traditional roles of DMOs and print media are in flux! Consumers now have access to the same information as destination marketers and often bypass legacy channels that were once the domains of DMOs' traditional tools: brochures, printed travel guides, magazine and newspaper advertising.

MULTI MEDIA STILL INCLUDES PRINT

Even though it gets considerably less attention than digital media, print continues to have a role in tourism advertising. According to a several sources including a recent article in Forbes Magazine, print is *not* dead. In fact, some of its advantages vis à vis electronic media pertain to the ability to target niche markets via newspapers and affinity magazines; its tangibility, staying in homes or offices for comparatively long periods of time; and perceptions of its credibility.[28] In fact, Forbes suggests that the migration to electronic media can increase the impact of print because the competitive environment *within* print media has diminished. Along with other experts, Forbes writers also suggest a way to bridge the gap between print and electronic media is to embed QR codes on printed pieces, providing potential tourists with a tool to access more detail.

It would seem that an effective marketing campaign works best when print is used with other media as one element of an integrated solution. The print medium selected would depend on whether Greater Sudbury Tourism was interested in a *mass* media approach (e.g., national newspapers), the *near market* (e.g., local newspapers) or affinity groups (e.g., specialty outdoor or golf magazines).

THE DIGITAL WORLD

CONTENT & INTERACTION

The literature abounds with the need for destinations, hotels, attractions and other tourism businesses to focus on *content* and *interaction* among digital channels and devices.

> *It is not realistic to expect travelers to go to one site for all their online travel needs. Content and interaction are crucial, given the many choices a consumer has online for travel shopping and booking*. [29]

[27] *Online Marketing Strategy and Consumer Behavior*, Published by the HSMAI Foundation (Hospitality Sales and Marketing Association International). http://www.owners.org/Portals/1/Documents/NDP/DCA%20Full_Part6.pdf
[28] http://www.forbes.com/sites/thesba/2012/06/28/print-is-dead-not-so-fast/
[29] *Online Marketing Strategy and Consumer Behavior*, Published by the HSMAI Foundation (Hospitality Sales and Marketing Association International). http://www.owners.org/Portals/1/Documents/NDP/DCA%20Full_Part6.pdf

> *Content marketing will replace traditional advertising. Marketing's new mantra, "Brands must now act as publishers," has come about due to social media and its potential to engage in meaningful conversations with loyal fans and clients alike.*[30]

TOURISTS' DESIRE TO SHARE THEIR EXPERIENCES

Connectivity on devices such as smartphones, notebooks and tablets is important to travellers, providing them with ways to stay in touch with family and friends. Connectedness also becomes a tool for generating peer-to-peer content.

> *Customer decisions are increasingly – though not exclusively – based on content created and shared by peers . . . travel and tourism operators need to foster loyal brand communities based on a traveler's natural desire to talk about and recommend good experiences.*[31]

Well before the digital age, family and friends were the single most important source of destination recommendations and input. This has remained unchanged although in the digital world, tourists communicate with family and friends electronically. Digital technology has, however, created two new communication elements:

1. Family and friends are now supplemented with *peers.* Hence, the growing role of sites such as TripAdvisor.
2. Information sharing is almost instantaneous and occurs before, during and after the trip.

The more things change, the more they remain the same.

*While today's consumers base their vacation decisions on far more digital and physical touch-points than ever before, the **core values** that drive tourism – **quality service, authenticity, and experiences worth talking about** – remain the same. Integrating service offerings across platforms in a manner that speaks directly to how consumers already inspire, decide on, purchase and experience their travels is paramount.*

Source: Text100 Digital Index: Travel & Tourism Study, conducted by Redshift Research in October 2012.

CONFIDENCE & TRUST

Various survey findings support the influence social media and peer-to-peer reviews are exerting on travellers' decision making:

- 52% of Facebook users said their travel plans were affected by seeing friends' pictures of trips;[32]
- 48% of people who had already made travel plans stuck with their original plan after checking out what was being said on social media channels (33% changed their hotel and 7% changed their destination);[33]

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[30] *Top 10 Hospitality Industry Trends in 2014,* Robert Rauch, CHA. http://www.slideshare.net/ssoman/usa-tourism-trends-statistics-2013
[31] Text100 Digital Index: Travel & Tourism Study, 2013.
[32] *The future of social media for the travel industry,* Posted by Luc Chomé in Industry News, Tourism Tomorrow, April 19, 2013. http://www.tourismlink.eu/2013/04/the-future-of-social-media-for-the-travel-industry/
[33] See above (*The future of social media for the travel industry).*

- About half share self-made videos and photos during and after their vacations; [34]
- About one quarter share blog posts or news stories; [35]
- Over 80% of travellers read numerous reviews before making a decision in which hotel to stay, and 53% indicated that they would not be willing to book a hotel that had no reviews; [36]
- Over 50% checked reviews before choosing a restaurant and 44% did so for an attraction.[37]

Peer reviews are regarded as more accurate and impartial than materials produced by a DMO or tourism businesses. Hence, in an era of an unprecedented quantity of instantly available tourism information, these reviews contribute to a tourist's confidence in destination, accommodation or attraction decisions:

> *The vast majority [of respondents] agreed that TripAdvisor reviews helped them feel more confident in their booking decisions (87%), and that they considered reviews on the site to be accurate (98%).*[38]

Independence and responsiveness to comments, both favourable and unfavourable, are critical for building trust at peer-to peer sites. Actively responsive businesses are viewed more favourably because they provide consumers with the impression that they care about their customers' experiences. In this context, Greater Sudbury Tourism might ensure that it is monitoring such sites, responding to comments in order to engage tourists, and encouraging local operators to do the same.

CREATING PEER CONTENT

In response to the importance of social media and peer reviews, some tourism businesses are attempting to integrate social media with other channels. With customers' decisions increasingly based on peer content, Greater Sudbury Tourism and individual tourism businesses might provide potential visitors with the technological infrastructure needed to create, share and receive content about others' travel experiences, thereby leveraging this growing social capital in an increasingly fragmented marketplace with declining barriers to competition and entry. [39]

According to one study, the critical elements in digital reviews are **prices** followed by surrounding **attractions within the area**.

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[34]See above (*The future of social media for the travel industry)*.
[35]See above (*The future of social media for the travel industry)*.
[36] *Travellers and Social Media, http://etc-digital.org/digital-trends/social-networking-and-ugc/travellers-and-social-media/*
[37] *Travellers and Social Media, http://etc-digital.org/digital-trends/social-networking-and-ugc/travellers-and-social-media/*
[38] *Travellers and Social Media, http://etc-digital.org/digital-trends/social-networking-and-ugc/travellers-and-social-media/, a*s reported by Travel Daily News (2012).
[39] Text100 Digital Index: Travel & Tourism Study, 2013.

> *This suggests that reviews might benefit from including more content from independent / peer sources like vacationers and incorporate a rating on value for money aspects to aid consumer decisions.* [40]

These interests are supported by some of the major trends expected to influence tourism decisions and activities among North American travellers:

- ***"Instatravel":*** *The proliferation of smartphones allows travelers to share instantly to-the-minute updates on where they are, illustrating exciting experiences as they happen.*

- ***Meaningful family and multigenerational travel:*** *Families are traveling together and looking for time to reconnect. An important factor in family travel is to know the make-up of the travel party has changed.*

- ***Value for money:*** *As travelers begin hitting the road on leisure trips in larger numbers following the economic recession one thing remains constant – regardless of the cost of the trip, consumers are looking to get the most for their dollar including value added services.*

- ***Return to pre-recession travel habits and spend:*** *Consumers are once again making purchasing decisions based on destination experiences rather than on price or deal offerings and booking windows are also lengthening*

- ***Smartphone as a travel tool:*** *With increasing versatility and market penetration, smartphones are quickly replacing many traditional travel necessities including guide books.*[41]

A GENERATION GAP: MILLENIALS AND MATURE TOURISTS

Millennials and *active seniors* are expected to be the most important tourism segments in the next decade. The former are entering their peak earning years and the latter often have considerable time and disposable income at their disposal.

Millennials are a multi-faceted group seeking a wide variety exploration, interaction and experiences. Often, they are willing to pay more for a greater experience, are "foodies" looking for an overall gourmet experience. They are internet bloggers, culture buffs, and ethnically and socially diverse travellers looking for a unique, novel experience.

Speed and precision will be a requirement when it comes to accommodating Millennials in upcoming years according to Hotels.com's latest Hotel Price Index report. Fast booking, fast check-in, fast Wi-Fi and fast responses to customer service needs will need to be implemented within hotels. Considering Millennials have no problems speaking up, if what they are seeking is not quick enough, they will turn to

[40] Text100 Digital Index: Travel & Tourism Study, 2013.
[41] *Evaluating Predicted 2013 North American Travel Trends*, http://www.slideshare.net/ssoman/usa-tourism-trends-statistics-2013

Twitter, Facebook, Yelp or TripAdvisor to voice their complaints. Of course, active seniors also use the internet for travel planning, booking and as a way to keep up with loved ones but are less technology and speed driven than their younger counterparts.[42]

More and more, millennials and active seniors are taking holidays *together,* with grandparents accompanying their children and grandchildren. In this growing market segment, there is a need to meet the media needs of three generations simultaneously.

REAL TIME

One expert suggests that while social media interaction is typically confined to trip planning and post-trip sharing, travel suppliers should also offer customers deals and information based on their real-time experiences.

> *For example, if someone is tweeting about skiing in the Alps, offer them information on snow conditions and the best après-ski that evening. Engaging with travellers in real-time on social media has huge implications for the travel industry, meaning extra products and upsells can be presented as travellers need them. The bigger the portfolio of products on the books of agents and DMOs, the more effective this interaction will be.*[43]

SOCIAL MEDIA & THE BUYING DECISION

Travel is a personal, subjective experience. Consequently, reliance on social media is not surprising although the literature suggests that consumers gain inspiration and insights from their social networks but do not generally *book* via social sites.

> *Approximately one-fifth of leisure travellers worldwide turn to social media platforms for inspiration within different categories of their travel planning, the highest reference being taken for selecting destinations (27% of respondents), while hotels, vacation activities, attractions and restaurants are similarly highly searched (23%, 22%, 21%, 17% respectively).*[44]

According to the 2014 PhoCusWright *Technology Survey* of US leisure travellers, travellers do not appear to engage in social networks with the primary intent of actually booking travel. They may research trips and find inspiration but purchases on social media are rarer. In fact, travel suppliers who added booking tools or full-fledged booking engines on Facebook reported mixed results. This same

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[42] *Top 10 Hospitality Industry Trends in 2014*, Robert Rauch, http://www.hospitalitynet.org/news/4063217.html

[43] *The future of social media for the travel industry,* Posted by Luc Chomé in Industry News, Tourism Tomorrow, April 19, 2013. http://www.tourismlink.eu/2013/04/the-future-of-social-media-for-the-travel-industry/. Dimitrios Buhalis is president of International Federation for Information Technologies in Travel and Tourism (IFITT)

[44] Travellers And Social Media (ITB- Berlin), http://etc-digital.org/digital-trends/social-networking-and-ugc/travellers-and-social-media/, 2014 from eMarketer, 2013.
Travellers And Social Media

study suggests that the favoured *dreaming, shopping* and most especially, *buying* tool remains a desktop or laptop computer.[45]

	Tablet	Smartphone	Desktop/laptop
Dream	20%	26%	81%
Shop	18%	26%	83%
Buy	11%	15%	81%

These leisure travellers claim that their primary frustrations with travel planning on a mobile device are the small screen, making it difficult to see pictures/videos well (51%) and the user's inability to keep multiple windows or apps open on the phone simultaneously (29%).

[45] PhoCusWright *Technology Survey, 2013.*

BUSINESS TRAVEL

Much of the business meeting/event literature pertains to large cities and large meetings, conferences or conventions. There is also a pronounced shortage of *Canadian* information with most material emanating from the U.S. or Europe.

While experts in the business travel market identify many of the same trends and issues regardless of meeting size or venue, issues facing destinations such as Las Vegas or Chicago hosting events for thousands of delegates are likely to be different than those that might be encountered by Greater Sudbury Tourism and operators in the region. For this reason, we have highlighted trends and comments that refer specifically to *small meetings* (*SM) in the discussion that follows.[46]

A REBOUNDING BUT CHANGING MARKET

Business travel declined markedly following the 2008 – 2009 recession but according to the literature, is rebounding, albeit at a relatively low rate. For 2013 Meeting Professionals International (MPI) predicted modest growth in the number of meetings (about 3%) while the U.S. Travel Association estimated that domestic business trips within the U.S. would increase at a lower rate (about 1%).[47]

The number of meetings may have increased over the past couple of years but the *nature* of these meetings seems to be changing. MPI's survey identified three major challenges for the meetings market:

1. staying up to date with the flood of new technology and figuring out which products to use;
2. a need for better risk management, and
3. accommodating the different expectations and requirements of different generational groups.

Another study of five major U.S. event destinations[48] reported that even though the volume of meeting proposals now exceeds pre-recession levels, companies are changing the structure of meetings:

- Meeting smaller – by paring the number of people attending events, often to fewer than 50 participants;
- Meeting shorter – by reducing event length to same or one-day meetings;
- Planning on the fly – by sourcing for meeting services with less lead time in order to accommodate fluctuating event budgets.[49]

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[46] Source of trends for the small meetings market: Backal Management Group, Owner of Event Space Apella, http://hospitality.cvent.com/blog/group-business-meet-and-potatoes/top-ten-small-meeting-trends-part-i

[47] Development Counsellors International, Summary of Forecasted U.S. Travel Trends for 2013. http://www.aboutdci.com/wp-content/uploads/2013/01/2013-US-Travel-Trends-Summary1.pdf These findings are the most current publically available. Analogous statistics were not found for Canada in the literature search.

[48] Chicago, Las Vegas, Los Angeles, New York and Orlando

Benchmark Resorts & Hotels' review of data from its 40 U.S. hotels, resorts and conference centers concurs that there is post-recession growth in the meetings market, lead times are shorter and companies are very cost conscious.

DIGITAL TECHNOLOGY CHALLENGES

Just as it is having a substantive impact on travel patterns of individual tourists, the ever-changing digital landscape is having impacts on the business meetings and convention markets. Of the many sources reviewed in this literature search, *none* fails to mention the role of new technology in changing how business meetings are booked and organized. For example, the Benchmark study highlights the importance digital technology:

> ***Lightning speed is paramount.*** *Free, fast and it better be reliable — highly effective Wi-Fi is the #1 issue for planning professionals and conferees. Typical Benchmark attendees often come with up to three wireless devices, so greater bandwidth is a necessity. Planners are expecting adequate bandwidth to keep meeting guests connected and engaged.*[50]
>
> ***Select social media has a place in meetings****. Social media has minimal impact on securing corporate meetings business, with the possible exception of LinkedIn. During meetings, however, planners and attendees use Twitter and LinkedIn for communicating with each other, and also with moderators.*

The company predicts that there will be meeting-specific property apps tailored for communication during the planning and implementation phases. Advances such as this are expected to supersede the role of social media. This expectation is reinforced by anticipated trends for *small meetings.*[51] One such trend suggests that building **social media and event apps** into programs for Q&A sessions and/or contests among delegates can generate leading-edge optics for the meeting planners and venue(*SM).

As noted above, delegates can arrive with up to three wireless devices requiring considerable bandwidth. These same devices require *charging.* Hence, those planning for small business meetings not only need to recognize the need for Wi-Fi but also can provide value-added by providing charging stations for the multiple devices delegates bring to meetings. According to the literature, these stations can take the form of rented charging lockers or table charging stations for guests to power up. Since delegates are unlikely to want to wait for devices to charge, such stations would require someone to monitor them – a service that could be provided by the venue (*SM).

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[49] http://www.activenetwork.com/news-and-events/active-press-releases/2013/active-network-study-reveals-shift-in-meeting-trends#

[50] 6 Top Meeting Trends for 2014, Allen Sheinman, March 6, 2014, Benchmark Resorts & Hotels, http://meetings-conventions.com/Blogs/The-List/post/2014/03/06/6-Top-Meeting-Trends-for-2014

[51] Backal Management Group, Owner of Event Space Apella, http://hospitality.cvent.com/blog/group-business-meet-and-potatoes/top-ten-small-meeting-trends-part-i

Increased use is being made of **electronic event planning tools** whether for small or large business meetings. These tools assist with registration and can generate floor plans and seating charts. They help the client and venue communicate efficiently, make the registration process seamless for guests when checking in and planners when gathering information post-event. Smartphone and/or iPad apps can be updated daily or, in some cases, hourly to alert attendees to changes to sessions, room locations and the like (*SM).

Much has been written about **hybrid events** –those that offer both an in-person component and live-streamed video content. In a small meeting environment, these hybrids are thought to be increasingly popular because they save money on travel expenses and still reach an expansive audience and maintain human connectivity (*SM). For venues in Greater Sudbury, being able to offer live-streamed video is likely to become increasingly important for the small meeting market although the take-up rate for such meetings is relatively low according to a study conducted by the MPI Foundation.

The hybrid meetings movement hasn't gained critical mass. Fifty percent of respondents have never organized a hybrid event, and another 25 percent have never attended or even helped to organize a hybrid event.[52]

According to another study, two thirds of meeting planners surveyed did **not** plan to use either a virtual or hybrid meeting in 2013.[53]

AMENITIES FOR PLANNERS & DELEGATES

A meeting may have to be more than a meeting. Provision of out-of-the-ordinary experiences is a growing factor in destination decisions. Destinations or properties are increasingly likely to be expected to provide additional programming in order to attract business meetings. They are urged to consider partnering with local attractions, such as wineries, historic and natural wonders, intriguing adventure resources, and unique off-site reception and dinner venues in order to provide *special* experiences for delegates.

A study among U.S. meeting planners identifies the top ten amenities that influence them when making booking decisions and the top ten amenities they believe are important to attendees. In today's highly competitive and cost conscious business environment, it is not surprising that 9-in-10 amenities influencing the **buyer's decision** are related to keeping costs down while most of those identified by **attendees** are associated with convenience.

The increasing concern about costs is influencing destination decisions, with a move toward more "local" meetings.

[52] Hybrid Meetings and Events, Jenise Fryatt, Rosa Garriga Mora, Ruud Janssen, Richard John, Samuel J. Smith, MPI Foundation.

[53] Hotels & Resorts' "State of the Meeting Industry" survey was sent to 383 meeting planners representing corporate, association, government and independent meeting planners in August of 2012. http://www.meetingsfocus.com/ArticleDetails/tabid/162/ArticleID/22440/Default.aspx. Destination

Not all planners were looking so far afield. Many anticipated rising or unpredictable travel costs playing a larger role in their budget process, with almost 30% of respondents expecting their meetings to take place in local markets. [54]

Top 10 Amenities[55]

Influence Planners' Booking Decisions

1. Discounted sleeping room
2. Discounted meeting space
3. Free or discounted meeting room Wi-Fi
4. Discounted menu prices
5. Free or discounted in-room Wi-Fi
6. Allowable attrition
7. Sleeping room upgrades
8. Discounted audiovisual
9. Discounted parking
10. Late checkout times

Most Attractive to Attendees

1. Free Wi-Fi/Internet access
2. Round-trip airport transportation
3. Free parking
4. Late checkout
5. Meal service
6. Early check-in
7. Fitness center access
8. Business center access
9. Welcome reception
10. Beverage service

Other trends of special pertinence to the small meetings market focus on lifestyle and legacy.

Interest in **healthy eating** includes requests for nuts and fruit for snacks to the best sustainable, farm to table, local foods for meals.

> *More than 78% of planners identified culinary offerings as an important part of their selection process, 30% of them noting it was 'extremely important.' . . . smart, well-planned CMP packages that focus on health and nutrition (43%) as well as specialized dietary offerings (35%). "We've seen a substantial increase in demand for organic cuisine from groups," noted Curtis Bova, vice president of sales at Destination Hotels & Resorts. "Meetings are no longer focused on opulent, calorie-laden dining; planners want attendees to have a memorable meal that also leaves them feeling strong and alert."*

Some meeting planners are seeking more **informal and non-traditional meeting spaces** to encourage creativity and collaboration (*SM). Such spaces could include "learning lounges", with comfortable seating and set in conversation areas; having speakers abandon a lectern, instead addressing delegates from within their seating area.

G**reener meetings**: recycling nametags, minimizing the number of printed handouts, and using water in pitchers rather than individual bottles (*SM).

[54] *State of the Meeting Industry & 2013 Trend Forecast*, Destination Hotels & Resorts, www.DestinationMeetings.com

[55] *Survey Shows What Hotel Amenities Planners And Attendees Want*, Dave Kovaleski, Dec 2, 2013 from Cvent survey of 800 U.S.-based meeting planners, http://meetingsnet.com/resources-and-reports/survey-shows-what-hotel-amenities-planners-and-attendees-want

Eco-friendly practices are not new to the meetings industry; group gatherings have been going "green" for some time. However, meeting planners are well ahead of the general leisure travel market in evaluating green practices as part of their booking decision. While 45% of planners say eco-friendly practices are 'somewhat important' when choosing a venue, an additional 18% say it's 'extremely important,' a clear indicator that hotels and resorts are going to see an impact on securing future business through offering thoughtful, established programs[56].

"Leave a Legacy" programs add a **philanthropic component** into meetings and events. They create a meaningful link between delegates and the community in which they are meeting (*SM). They should be consistent with the client's mission/product/service. As an example, one meeting planner reported that for a golf client, delegates "raised 50 percent of the funds required to run a kids golf tournament."

Local, authentic experiences and team-building are important to many meeting planners. They can contribute to cohesion and provide a sense of place for attendees.

The increased popularity in adventure team-building has been led by demand for authentic local experiences beyond the boardroom. Mirroring the trends we are seeing from leisure travelers, groups want to create itineraries that are memorable and distinctive to the destination they are in. [57]

Team-building is at the top of the list of activities often incorporated into meetings according to one study among meeting planners.[58] Interestingly, it is the only activity that achieves noteworthy mention for *government* meetings but is least commonly cited for *association* meetings.

Activities Often Incorporated in Meetings[59]

	All	Association	Corporate	Government	Independent
Attractions/theme parks	27%	22%	25%	6%	32%
Cooking programs	16%	7%	22%	6%	16%
Golf	47%	42%	50%	13	49%
Spas/spa activities	34%	21%	38%	6%	39%
Sporting events	24%	16%	22%	0%	24%
Spousal programs	30%	35%	20%	13%	37%
Team-building activities	49%	18%	63%	56%	58%

Technology-savvy Millennials will likely bring different expectations to business meetings than their older counterparts. The inter-generational balancing act will manifest itself in everything from how the

[56] *State of the Meeting Industry & 2013 Trend Forecast*, Destination Hotels & Resorts, www.DestinationMeetings.com

[57] *State of the Meeting Industry & 2013 Trend Forecast*, Destination Hotels & Resorts, www.DestinationMeetings.com

[58] Destination Hotels & Resorts' "State of the Meeting Industry" survey was sent to 383 meeting planners representing corporate, association, government and independent meeting planners in August of 2012. http://www.meetingsfocus.com/ArticleDetails/tabid/162/ArticleID/22440/Default.aspx.

[59] Destination Hotels & Resorts' "State of the Meeting Industry" survey was sent to 383 meeting planners representing corporate, association, government and independent meeting planners in August of 2012. http://www.meetingsfocus.com/ArticleDetails/tabid/162/ArticleID/22440/Default.aspx.

meeting is organized, how information is communicated, to what types of food is served and to which activities are provided.

APPENDICES

DEFINITIONS OF TAMS ATTRACTION/FESTIVAL & EVENT TOURISTS

To amplify profile information on the Canadian and American markets for attractions, the analysis draws on information from the Travel Activities and Motivation Surveys (Canada and US). Overnight tourists who name two or more of the following attractions as the main reason for a recent overnight pleasure trip (to any destination) and particularly those who have taken an overnight trip to RTO13 are deemed Attraction Tourists for purposes of this analysis.

Attractions (NET) (2+ as main reason for trip)

History-Oriented Attractions

Historical replicas of cities or towns with historic re-enactments
Well known historic sites/buildings
Other historic sites, monuments and buildings

Museums/Galleries

Art galleries
Aboriginal heritage attractions (e.g., museums, interpretive centres)
Museum - Children's
Museum - Science or technology
Museum - General history or heritage
Museum - Military/war

Other Attractions

Planetarium
Botanical gardens
Aquariums
Zoos
Theme parks
Casinos

Overnight tourists who name two or more of the following **festivals or events** as the main reason for a recent overnight pleasure trip (to any destination) and particularly those who have taken an overnight trip to RTO13 are deemed festival/event tourists for purposes of this analysis.

Festivals/Events (NET) (2+ as main reason for trip)

Arts Festivals

International film festivals
Literary festivals or events
Music festivals
Theatre festivals
Comedy festivals

Cultural Festivals

Religious festivals
Food/drink festivals
Ethnic festivals
Gay Pride parades
Aboriginal festivals and events (e.g., Pow Wows)

Other Festivals

Free outdoor performances (theatre/concerts, etc.)
Fireworks displays
Hot air balloon festivals
Exhibitions or fairs
Western theme events, such as rodeos
Carnivals

Spectator Sports

Amateur sports tournaments and competitions
Auto races
Professional games/tournaments
Horse races
Equine (horse) competitions

DMOS DISTINCT CHARACTERISTICS[60]

- *Need to have long-term perspective yet short-term industry pressure to drive ROI and political priorities based on election cycles*
- *Desire to be focused in an environment that demands building consensus amongst diverse stakeholders*
- *Want to be market driven while being sensitive to the interests of local residents*
- *Need to demonstrate broad economic benefits with only fledgling tools to measure such impact*
- *Expectation to be difference makers while having lack of control over quality and pricing of product in destination.*
- *Desire to be stable with constantly changing faces, whether it is industry people moving around or government officials departing*
- *Expectation to be impartial in an environment where sector issues and industry politics can distract attention*
- *Need to carve out a niche in a complex industry with varying degrees of overlap and duplication*
- *Need to overcome perception that destination marketing is more than advertising and promotion*

[60] *Destination Next: A Strategic Road Map For The Next Generation Of Global Destination Marketing, Phase 1,* Destination Management Association International, Prepared By InterVISTAS Consulting Inc, 2014.

DMOS TOP 20 TRENDS[61]

1. Social media's prominence in reaching the travel market (e.g., Facebook, Pinterest, Twitter, Weibo).

2. Mobile platforms and apps becoming the primary engagement platform for travelers.

3. Customers increasingly seeking a personalized travel experience.

4. Smart technology (e.g., phones, bag tags, and cards) creating new opportunities for innovative new services and processes.

5. Travelers demanding more information, control, interaction, and personalization.

6. Geotargeting and localization becoming more prevalent.

7. Brand identity for destinations becoming more critical in terms of meeting planner perceptions about value and experience.

8. Customers increasingly looking for a travel experience that allows them to experience a local's way of life.

9. Technology enabling faster decision-making by customers, thereby, increasing business to a destination.

10. Consumers becoming increasingly comfortable with ordering products online.

11. Hotel taxes increasingly vulnerable to alternative politically based projects.

12. Big Data arriving for the tourism industry.

13. The brand of a destination becoming a more important factor in travel decisions to consumers.

14. Governments facing pressure to reduce or eliminate direct financial subsidies to the tourism sector.

15. Short-stay trips and mini vacations becoming increasingly popular.

16. More third-party information providers aggregating content about destinations.

17. Peer-to-peer buyer influence driving customer purchases.

18. Governments dealing with tourism from an integrated, multidepartmental perspective, focused on economic development.

19. Customers increasingly going directly to suppliers for goods and services.

20. Economic conditions continuing to be highly volatile, subject to global and regional shocks.

[61] *Destination Next: A Strategic Road Map For The Next Generation Of Global Destination Marketing, Phase 1,* Destination Management Association International, Prepared By InterVISTAS Consulting Inc, 2014.