
**TOO BIG TO IGNORE - VFR TOURISTS
IN NORTHERN ONTARIO (RTO13)
A SITUATION ANALYSIS**

PREPARED FOR

TOURISM NORTHERN ONTARIO

BY

 **Research Resolutions & Consulting Ltd.**



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EXECUTIVE SUMMARY

Over 58 million overnight tourists across Canada were travelling to see friends and relatives.

In 2013 almost half or 58.6 million of the 126.6 million overnight tourists from all markets claim to have taken their trip in Canada in order to visit with family or friends (VFR).¹

Similar to *all* overnight tourism, Canadians dominate the VFR sector. Residents of Canada account for 9-in-10 of overnight VFR tourists (92%). Americans represent about one tenth of Canada's overnight tourists as a whole (9%) but only about one twentieth of the country's VFR tourists (5%), largely because comparatively few Americans have friend or relatives living in Canada. At the national level, overseas markets contribute about the same proportion of VFR tourists (2%) as they contribute to *all* overnight tourism in Canada (3%).

Ontario attracts more VFR tourists than does any other province.

Overnight tourists in virtually every region of Canada were travelling to see friends and relatives. Their large populations and the propensity of provincial residents to have friends and relatives in their *own* province contribute to the dominance of Ontario and Quebec as destinations for VFR tourists. Roughly commensurate with their respective populations, Ontario captures two fifths of this market and Quebec attracts one quarter.²

Northern Ontario attracted almost 1.5 million or 1-in-33 of the national overnight VFR tourist segment – about on par with Manitoba (3%) and Saskatchewan (4%). British Columbia at 7.0 million and Alberta at 6.0 million VFR tourists are also noteworthy destinations for these tourists.

Overnight VFR Tourists to . . . Province in 2013

Overnight Visitors <i>Location(s) in Which Nights Spent</i>	VFR Tourists in Canada	
	Number	% of Canada's VFR Tourists
Ontario	23,389,000	40%
RTO13	1,474,000	3%
Southern Ontario	21,973,000	38%
Quebec	14,712,000	25%
Manitoba	1,684,000	3%
Saskatchewan	2,614,000	4%
Alberta	6,044,000	10%
B.C.	7,013,000	12%
Atlantic	4,197,000	7%

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. Numbers/percentages add to more than total/100% because of duplication.

¹ All markets include Canada, U.S.A. and overseas origins.

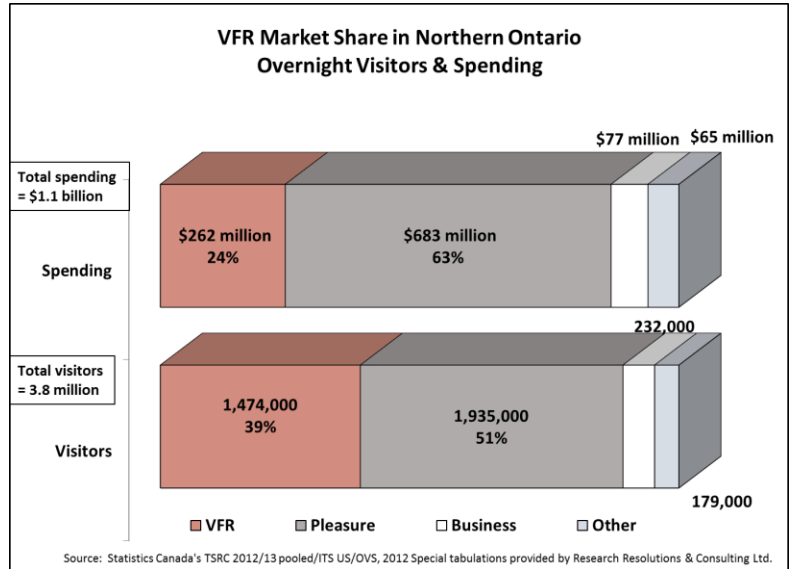
² Share of Canada's 2014 population: Ontario = 39%; Quebec = 23%.

During 2013 the 1.5 million VFR overnight tourists in Northern Ontario spent \$262.0 million in the region.

The VFR market represents two fifths of the 3.8 million overnight tourists who travelled in Northern Ontario during 2013 (39%) and one quarter of the \$1.1 billion spent by all overnight tourists in the region (24%). This market is second only to the overnight pleasure market which represents about half of the North's tourists (51%) and about three fifths of overnight spending in Northern Ontario (63%).

Few VFR tourists live outside Ontario.

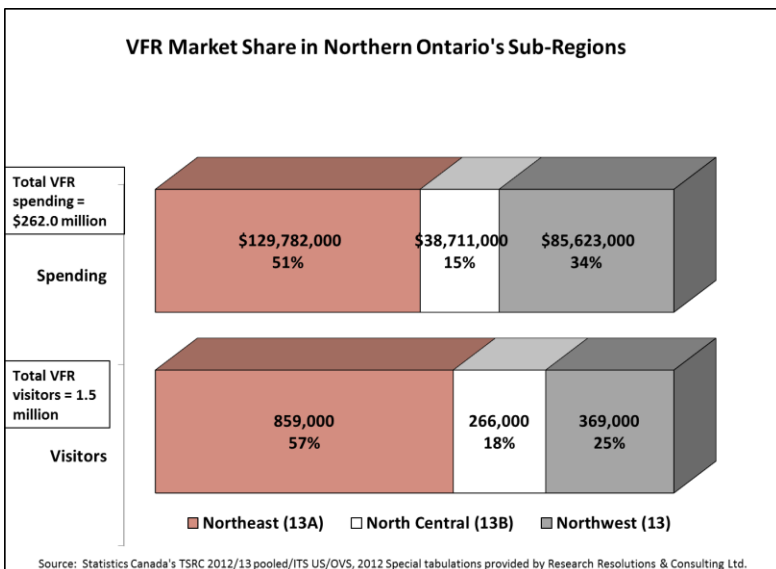
As might be expected, there is considerable *intra-regional* VFR activity. Residents of Northern Ontario travelling to see their friends and relatives in other parts of the North account for over one half million (38%) VFR tourists. A further 689,000 of the North's VFR overnight tourists reside in Southern Ontario (47%). Only about one tenth of the market came to Northern Ontario from other provinces, most commonly neighbouring Manitoba (4%) and Quebec (3%). Because their familial ties within the North are not nearly as extensive as is the case for Canadians, Americans (4%) and overseas tourists (1%) are not widely represented in Northern Ontario's VFR market.



Each Northern Ontario sub-region attracts VFR tourists and spending at rates commensurate with its population.

There is an obvious relationship between the size of a location's resident population and its

attractiveness to VFR tourists: the more people who live in a place, the more people there are for tourists to visit. This relationship is clearly apparent in the VFR market share for each Northern Ontario sub-region.



Northeast Ontario (13A) attracts more than half of Northern Ontario's overnight VFR tourists (859,000) and their spending (\$129.8 million). Correspondingly, the Northeast accounts for about half of Northern Ontario's population.

Similarly, almost one fifth of the North's VFR visitors go to locations in North Central (13B) (266,000), generating about \$38.7 million in visitor spending (15%). Approximately 17% of Northern Ontario's population reside in North Central.

The Northwest (13C) receives one quarter of VFR tourists (369,000) and about one third of the segment's spending in Northern Ontario (\$85.6 million). Close to one third of Northern Ontario residents live in the Northwest.

Northern Ontario's VFR tourists are appreciably more inclined to spread their visits throughout the year than are tourists in general or those who travel to the North for pleasure purposes.

In fact, VFR tourists are twice as likely as pleasure tourists to be in the North between January and March (18% vs. 9%) and October to December (24% vs. 13%). The winter/shoulder concentration is at least partly explained by the major *family-oriented* holidays that occur during these months (Christmas, Easter, Thanksgiving). This temporal dispersion is a central benefit of VFR tourists: to a much greater extent than pleasure tourists, they spread touristic activity including spending at stores, restaurants, gas stations and, less commonly, lodging establishments throughout the year.

VFR tourists in the North are more likely to be women and are somewhat younger than are all overnight visitors to the region.

More women (57%) than men (43%) take overnight VFR trips to Northern Ontario than is the case for *all* overnight tourists to the North (women 43%; men 57%) but the Southern Ontario **VFR market** exhibits a gender split identical to Northern Ontario's.

Tourists of all ages are in Northern Ontario's VFR market. On average, they are in their early-forties but close to two fifths are under 35 years, one third are between 35 and 54 years and over one quarter are at least 55 years of age.

Northern Ontario's VFR tourists spend between three and four nights in the region.

At an average stay of 3.4 nights, VFR tourists' stay in the North is about the same as the region's *typical* overnight tourist (3.6 nights) and slightly longer than VFR tourists with a destination in Southern Ontario (2.8 nights).

In 2013 VFR tourists spent almost 5.0 million nights in Northern Ontario (4,964,000).

More than 9-in-10 of these nights were spent by Canadians (4.6 million), 240,000 were spent by Americans and a further 118,000 were spent by overseas tourists in the region.

Most nights were spent in unpaid lodging.³

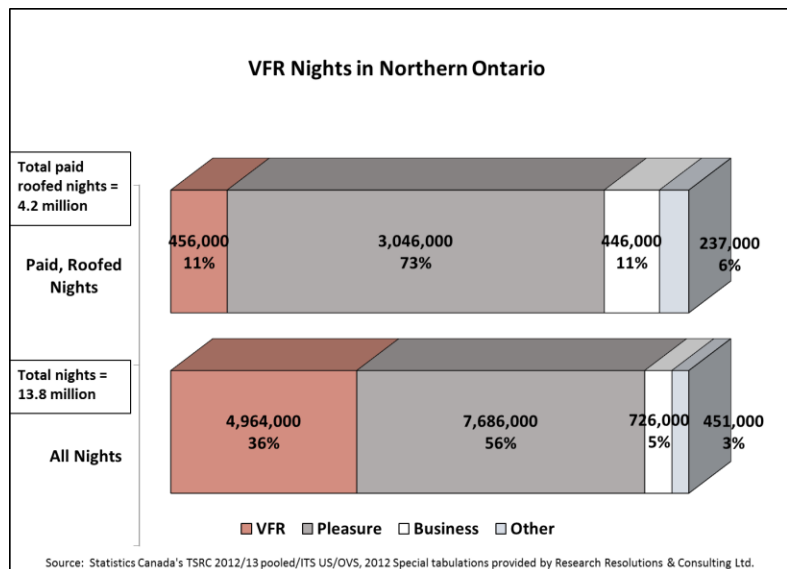
Most of the nights spent by VFR tourists were in unpaid lodging (4.4 million nights, 89%). Roofed commercial lodging accounts for almost one tenth of the VFR nights spent in Northern Ontario (456,000). Most of these nights were spent in hotels and motels (377,000). Additionally, about 55,000 nights by VFR tourists were spent in the North’s campgrounds and trailer facilities.

Not surprisingly, people visiting their friends and relatives are especially apt to stay with them. Hence, the proportions of nights in paid roofed lodging (30%) and campgrounds (9%) for *all* Northern Ontario tourists are appreciably higher than is the case for VFR tourists in the region.

The VFR market represents one tenth of nights spent in Northern Ontario’s commercial roofed lodging establishments.

During 2013 about 4.2 million nights were spent in Northern Ontario’s paid roofed lodging. VFR tourists accounted for almost one half million of these nights (456,000 or 11%). In fact, the VFR segment contributes the same number of nights to the commercial lodging sector (456,000) as do business travellers (446,000) in the North.

Conversely, the *pleasure* market makes a considerably greater contribution to commercial lodging operators in the North than does the VFR market.



³ The questionnaires for Statistics Canada’s foreign 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.

Some VFR tourists in Northern Ontario do more than visit but too many do not participate in the activities available throughout the region.

Three-in-ten overnight VFR tourists undertake outdoor activities with the most prominent being boating (10%) and fishing (9%). In fact, of the 970,000 overnight tourists who go fishing on their overnight trip in Northern Ontario, over one tenth are VFR tourists (130,000 or 13%). About one sixth of the VFR market go to Northern Ontario's attractions and entertainment venues, including historic sites and spectator sporting events.

At the same time, close to two fifths (37%) of VFR tourists do *not* engage in the many outdoor, cultural or entertainment opportunities offered throughout Northern Ontario. This level of disengagement is similar to that found among Southern Ontario's VFR tourists but higher than the typical overnight visitor in the North (25%).

ECONOMICS OF VFR TOURISTS IN NORTHERN ONTARIO

VFR tourists contribute to tourism revenues in Northern Ontario.

VFR tourists spend about one quarter or \$262.0 million of the \$1.1 billion spent by *all* overnight tourists in the North. This segment contributes at somewhat higher rate in Southern Ontario (31%) than it does in the North, largely as a result of the South's attractiveness to overseas tourists coming to visit the sizeable population of recent immigrants that are concentrated in the southern portion of the province.

Northern Ontario's VFR tourists spend about \$239.00 per trip in the region.

Each of these travel parties spends approximately \$68.00 *per night*. On a per trip basis, the average is on par with corresponding tourists in Southern Ontario.

Not surprisingly, spending increases substantively among those who rely on Northern Ontario's paid roofed lodging. A VFR travel party that uses a hotel, motel, B&B or other type of paid roofed lodging in Northern Ontario spends over \$200.00 *more* per stay than does a typical segment member (\$499.00 versus \$239.00).

VFR Tourists – Spending on the Trip

	Northern Ontario	Southern Ontario
Total Spending in Region	\$262,000,000	\$4,053,000,000
Average Per Trip	\$239.00	\$241.00
Average Per Party Per Night	\$68.00	\$88.00
Using Paid, Roofed Lodging in RTO13		
Average Per Trip	\$499.00	\$737.00
Average Per Party Per Night	\$180.00	\$248.00

Gas stations, restaurants, grocery stores and lodging businesses are the key beneficiaries of VFR tourism spending.

About one third of VFR tourism spending in Northern Ontario is for vehicle operation (\$81.9 million) and one fifth is for restaurant meals and beverages (\$58.6 million). Lesser but hardly insignificant amounts are spent to buy groceries (\$30.3 million) and to pay for roofed commercial lodging (\$26.3 million).

VFR tourists contribute to the economic wellbeing of Northern Ontario.⁴

These tourists contributed \$157.9 million toward Ontario's gross domestic product (GDP). Approximately 2,489 jobs and \$99.5 million in wages were generated throughout Ontario as a result of their spending in the North.

At \$76.2 million in taxes, all levels of government benefited from spending by these tourists. Of the \$76.2 million, approximately \$41.5 million were federal government taxes, a further \$34.3 million were provincial taxes and \$390,000 were municipal taxes.

More than 90% of the economic benefits generated in Ontario by Northern Ontario's VFR tourists were retained *within* the region.

SOME OBSERVATIONS

Out-migration and an aging population will have an impact on all of Northern Ontario's tourism markets including the VFR segment.

From 2006 to 2011 the population of *Ontario* as a whole grew by almost six per cent. In contrast, the population of *Northern Ontario* declined by about one per cent, primarily attributable to Northwest Ontario.⁵ As the resident population declines, so too may the VFR tourist populations since there will be fewer people for those living outside Northern Ontario to visit.

Furthermore, the North and especially the Northeast is projected to experience an increasingly aging population. In 2013, the share of seniors (65+ years) in this region was estimated to be about 19% but will increase to about 32% by 2041. The corresponding figures for Ontario as a whole are 15% in 2013 and 25% by 2041.

With demographic projections suggesting that **seniors** will represent a larger and larger share of the North's population, there will be increasing pressure to attract younger tourists to fuel outdoors and especially fishing and hunting tourism businesses. The VFR market – the children and grandchildren of Northern Ontario residents – could become an increasingly important source of these younger tourists for the region. They could help replenish the supply of all

⁴ Estimates of economic impact are based on MTCS's TREIM model. Figures include direct, indirect and induced impacts.

⁵ See Introduction for more details. Note that Ministry of Finance boundaries for Northeast and Northwest do not match RTO boundaries. Source: Ontario Ministry of Finance population analysis, <http://www.fin.gov.on.ca/en/economy/demographics/census/cenhi11-1.html>

tourists and especially those who pursue fishing and other outdoor activities in Northern Ontario.

Increasing the number of VFR tourists who *get out and do things* while visiting their friends and relatives is challenging.

With about one third of Northern Ontario's VFR overnight tourists engaging in *no* activities while on their trip the segment does not make as much of a contribution to the North's tourism infrastructure or economy as it might. Increasing participation in the many activities available to tourists in the region is going to have to overcome obstacles.

- Many VFR tourists may have visited their northern friends and families multiple times, perhaps mistakenly believing they have seen and done all there is to see and do in the destination;
- Their trips are brief, averaging three nights in Northern Ontario. Thus, they may not have time to engage in outdoor or cultural/entertainment activities;
- Unlike *pleasure* tourists, many VFR tourists are in Northern Ontario during shoulder and winter seasons. The realities of the North's climate during these seasons may be a disincentive to activity participation.
- Little marketing attention is paid to encouraging *hosts* to engage their guests in local activities.

Hosts can be an effective marketing channel for VFR tourists.

Efforts to equip hosts with information and incentives to invite guests or encourage them to stay longer in Northern Ontario would seem to make good economic sense. This local market is much easier to reach with promotional materials than are their geographically more widely dispersed guests. Providing Northern Ontario residents with the tools to encourage visitation by family and friends remains a seemingly cost-effective tool in the marketing toolbox for TNO and other marketing organizations in the North.

*Hosts act as key catalysts for this conversion from visitation to tourism, with their influence extending to other parts of the province beyond their own town or city. Moreover, the hosts themselves are quite commonly actively involved in the experience becoming tourists themselves and further boosting the economic impact of the visit.*⁶

⁶*Impact of VFR – Visiting Friends and Relatives, 2011, conducted by TNS using an internet panel of approximately 1,000 Ontario residents. The study was commissioned by OMTCS/OTMPC.*

The \$262.0 million VFR tourist spend in Northern Ontario is augmented by the money their hosts spend to make the visit memorable.

Unfortunately, there is no reliable estimate of how much economic activity *hosts* generate to provide hospitality to their guests. Nonetheless, common sense tells us that they buy extra food and beverages to serve at home, take their guests to restaurants and attractions, and fuel their vehicles to do sightseeing – all of which contribute to Northern Ontario’s tourism economy.

The propensity to travel in shoulder/winter seasons is a further benefit of VFR tourists.

Because they spread their trips to Northern Ontario more evenly over the calendar year than do pleasure travellers, VFR tourists provide some seasonal ballast for Northern Ontario’s tourism businesses.

VFR tourists offer additional economic and social benefits for tourism businesses and regional economies.

For example, because they tend to visit Northern Ontario multiple times, VFR tourists require few marketing dollars to attract and over a lifetime may make a more substantial contribution to the economy than the harder-to-attract one-time visitor. They are also a comparatively stable visitor base, less affected by economic fluctuations including currency exchange rates.⁷

Despite a lower rate of reliance on paid roofed lodging than the pleasure market, the very size of the VFR segment makes it a significant revenue source for the North’s lodging sector.

These tourists currently spend about 456,000 nights in paid accommodation in Northern Ontario and some experts believe this reliance will increase as travellers, and especially older travellers seek stress-free and independent experiences.⁸

As noted above, many VFR trips occur during *non-peak* seasons, often coinciding with major holidays in the autumn (e.g., Thanksgiving) or winter (e.g. Christmas). These tourists also travel for family birthdays, weddings, and other milestone events that occur randomly throughout the year. The timing of VFR tourists’ visits creates an opportunity for hotels, motels and other commercial lodging to fill rooms during traditionally low occupancy periods.

⁷ *The Positives of VFR Tourism*, Tom Griffin, University of Waterloo, January 2013, www.academia.edu. See full report for additional benefits cited in this paper.

⁸ *VFR Travel – The Forgotten Tourism Marketing Opportunity*. Elisa Backer, University of Ballarat, 2008.

There is a growing market for family reunions and other forms of intergenerational travel.

The increasing geographical dispersion of families is fuel for two major trends in tourism: family reunions and intergenerational travel. Each of these inter-related trends can contribute to the growth and vibrancy of VFR tourism for Northern Ontario.

An entire “industry” has grown up around organizing, promoting and marketing family reunions, particularly in the United States. Guides and planning supports for intergenerational or reunion trips are abundantly available. Many of these guides are prepared by destinations and made available to the public on the internet. Not only do they help reunion organizers design their event but they also function as marketing tools for the destination. TNO or individual destinations within Northern Ontario might consider developing this type of kit, possibly using those created by others as a template (see appended examples).

Reunions have the potential to increase utilization of the paid roofed lodging sector.

With many relatives coming to a Northern Ontario destination at the same time for a reunion, they are apt to require paid lodging because they cannot all be comfortably billeted with the local family. There are also opportunities for a resort or hotel to be used as the reunion venue for all attendees. These events are often themed to take advantage of the activities and attractions in the local area and/or have a pre-planned schedule of excursions to sightsee or participate in outdoor activities.

Salient factors in destination selection for reunion attendees are quite consistent with Northern Ontario’s tourism experiences and the strong Ontario base for its domestic visitors.

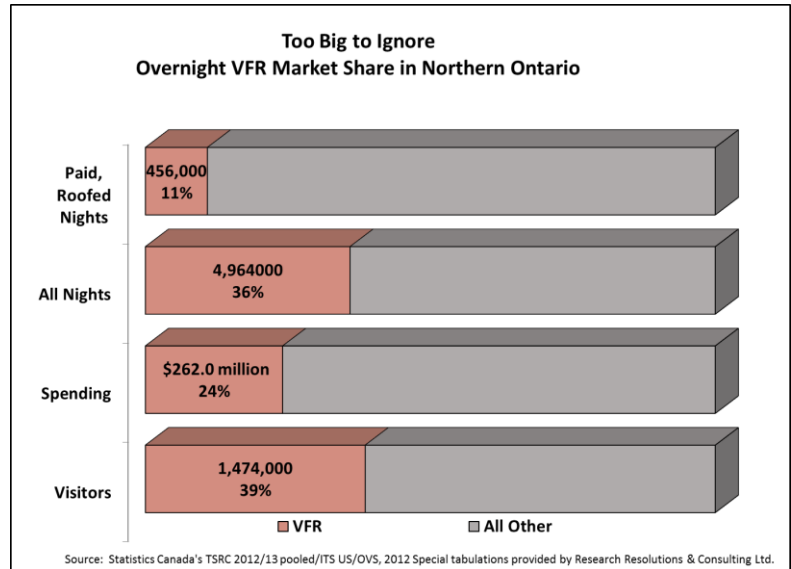
When developing intergenerational programs and marketing tools, the literature suggests that the focus should be on ease of access and/or proximity to home; re-connecting with familiar sites, attractions and experiences; and the variety of activities that can engage all ages.⁹

⁹Juyeon Yun, *An Investigation of the US Family Reunion Travel Market: Motivations and Activities*, Master’s Thesis, Purdue University, 2009.

In summary, at 1.5 million overnight tourists, \$262.0 million in spending, and 5.0 million nights in Northern Ontario, the VFR market is simply too big to ignore.

VFR tourists ought not to be viewed as a “substitute” for pleasure or business travellers in Northern Ontario – they will never generate the yield these other segments do. At the same time, the VFR market acts as a relatively stable source of touristic activity and spending that contributes to the maintenance of Northern Ontario’s tourism infrastructure season after season, year after year.

There are opportunities to increase the VFR market size, spending and utilization of paid roofed lodging. For example, DMOs and attractions can reach out to a readily accessible *resident market*, encouraging local hosts to *get out and do things* with their guests. They can also promote inter-generational tourism experiences including family reunions.



DETAILED FINDINGS

INTRODUCTION

Visiting friends and relatives (VFR) is one of the most common reasons people offer for travelling away from home. In fact, almost half of all overnight trips in Ontario over the course of a year were made to see friends and relatives. All too often, this large segment is ignored by destination marketing organizations (DMOs) principally because VFR tourists are thought to generate little economic value for tourism businesses and especially those in the accommodation sector.

While it is true that VFR tourists utilize commercial accommodation at an appreciably lower rate than do *pleasure or business* tourists, the sheer size of the segment generates considerable economic activity across a wide spectrum of tourism businesses, including paid roofed lodging.

Ignore VFR tourists at your peril

Two fifths (1.5 million) of Northern Ontario's 3.8 million overnight tourists are travelling to see friends and relatives

1-in-10 (456,000) of their nights in Northern Ontario are in paid, roofed lodging

They spent \$261.9 million in Northern Ontario in 2013.

In addition to the contribution VFR *tourists* make, their *hosts* also spend money in local and regional economies, taking their guests to restaurants, attractions and events, and buying the extra food and other supplies at local stores to care for them. Furthermore, visiting friends and relatives takes place throughout every season, providing customers for tourism businesses during the slower winter and shoulder seasons.

Because of their potential contribution to tourism in RTO13, VFR tourists were identified by Tourism Northern Ontario (TNO) as a market of interest. The organization commissioned Research Resolutions & Consulting Ltd. to

undertake a situation analysis of this market segment.¹⁰

The primary sources of touristic information used in this analysis are the Statistics Canada's Travel Survey of Residents of Canada (TSRC – 2012/2013 pooled) and International Travel Survey (ITS US/OVS 2012).

The studies capture the volume, value and characteristics of tourists across Canada. In this analysis, the focus is on those who meet the following criteria:

Overnight in Northern Ontario: spent at least one night in Northern Ontario on their trip;

Main reason for trip: name *visiting friends and relatives* as the main reason for the trip.

¹⁰ Judy Rogers, President of Research Resolutions & Consulting Ltd. prepared the report. She can be reached at Research Resolutions & Consulting Ltd., 16 Hepbourne Street, Toronto ON, M6H 1J9; 416 531-9973; rogers.judy@sympatico.ca.

Other studies and commentary associated with VFR tourists are referenced in this situation analysis to provide tourism planners and marketers with ideas about how best to capitalize on the potential of this large and diverse tourism market. These studies are listed in the appendix.

SETTING THE STAGE: DEMOGRAPHIC REALITIES

As family members move away from their birthplace to seek employment, education or to pursue personal relationships, they become highly dispersed over large geographic areas but in many cases, want to keep family ties alive. Thus, to maintain family traditions and relationships, many more family members have to travel to “go home” than ever before.

Northern Ontario is particularly impacted by out-migration and an aging population. According to census data, from 2006 to 2011 the population of *Ontario* as a whole grew by almost six per cent. In contrast, the population of *Northern Ontario* declined by about one per cent, primarily attributable to Northwest Ontario.¹¹

Table 1: Population Changes in Northern Ontario

	Population Change 2006 - 2011	
		%
Ontario		+5.7
Northern Ontario		-1.4
Northeast Ontario*		+0.0
Manitoulin		+3.3
Parry Sound		+3.0
Greater Sudbury		+1.6
Nipissing		+0.1
Algoma		-1.4
Cochrane		-1.7
Timiskaming		-1.9
Sudbury		-3.0
Northwest Ontario*		-1.4
Thunder Bay		-2.0
Rainy River		-5.5
Kenora		-10.6

**Regions defined by Ontario Ministry of Finance. North Central (RTO 13B) includes all of Algoma District and a portion of Cochrane District. Source: Ontario Ministry of Finance, 2011 CENSUS HIGHLIGHTS: Factsheet 1. <http://www.fin.gov.on.ca/en/economy/demographics/census/cenhi11-1.html>*

¹¹ . Note that Ministry of Finance boundaries for Northeast and Northwest do not match RTO boundaries. Ontario Ministry of Finance population analysis, <http://www.fin.gov.on.ca/en/economy/demographics/census/cenhi11-1.html>

Kenora District's population fell by about ten per cent and Rainy River District's fell by approximately five per cent over the five year period.¹² Although still experiencing population loss, Algoma District's population fell by only about one per cent. These declines were countered by population gains in Manitoulin, Parry Sound and, to a lesser extent, Greater Sudbury.

Long term projections also suggest a stable or declining population over the next few decades (2013 – 2041).¹³

The population of Northern Ontario is projected to be relatively stable over the projection horizon, with a slight decrease of 3.4 per cent, from 803,000 in 2013 to 776,000 by 2041. Within the North, the Northeast is projected to see a population decline of 23,000 or 4.2 per cent, from 564,000 to 540,000. The Northwest is projected to experience population decline of 4,000 people, or 1.7 per cent, from 240,000 to 236,000.

In the past, Northern Ontario's positive natural increase offset part of the losses it experienced through net migration. However, natural increase in the North as a whole is now negative and it is projected to remain so as the population ages.

Based on the Ministry of Finance's projections, the North and especially the Northeast will experience an increasingly aging population. In 2013, the share of seniors (65+ years) in this region was estimated to be about 19% but will increase to about 32% by 2041. The corresponding figures for Ontario as a whole are 15% in 2013 and 25% by 2041.

With demographic projections suggesting that seniors will represent a larger and larger share of the North's population, there will be increasing pressure to attract younger tourists to fuel outdoors and especially fishing and hunting tourism businesses. The VFR market – the children and grandchildren of Northern Ontario residents – could become an increasingly important source of these younger tourists for the region. They could help replenish the supply of all tourists and especially those who pursue fishing and other outdoor activities in Northern Ontario.

¹²The Ministry of Finance notes that Algoma, Cochrane, Nipissing and Kenora district census data should be interpreted with caution because of incomplete enumeration of some Indian reserves.

¹³ Ontario Ministry of Finance, *Ontario Population Projections, Fall 2014*.

VFR TRIPS IN CANADA

WHO IS A VFR TOURIST?

In the Statistics Canada studies that provide estimates of tourism volume and value, VFR tourists include Canadians, Americans and overseas visitors who took an overnight trip to locations in Canada in 2012/2013 for the primary purpose of visiting friends and relatives.¹⁴

MARKET SIZE AT THE CANADA LEVEL

Of the 126.6 million overnight tourists in Canada in 2013, about 58.6 million (46%) claim to have taken their trip to see friends and relatives (see Table 2).

Most tourism in Canada is driven by Canadians and this is especially true within the VFR market for obvious reasons: most Canadians have friends and relatives to visit *within* the country. The domestic market accounts for almost 9-in-10 of **all** overnight tourists in the country over the year (88%) and almost all overnight VFR tourists (92%). Because they are considerably less likely to have friends or relatives *living* in Canada than are Canadian residents, foreign tourists tend to be under-represented in the VFR segment relative to all overnight tourism in the country (USA – all 9%, VFR 5%; Overseas – all 3%, VFR 2%).

Table 2: Canada's VFR Tourists by Place of Residence

	All Tourists	VFR Tourists
Overnight Visitors	126.6 million	58.6 million
<u>Place of Residence</u>		
Canada	88%	92%
U.S.A.	9%	5%
Overseas	3%	2%

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions.

PROVINCIAL MARKET SHARES

Overnight tourists in virtually every region of Canada were travelling to see friends and relatives. Their large populations and the propensity of provincial residents to have friends and relatives in their *own* province contribute to the dominance of Ontario and Quebec as destinations for VFR tourists. Roughly commensurate with their respective populations, Ontario captures two fifths of this market and Quebec attracts one quarter (see Table 3).¹⁵

Because of the concentration of Ontario's population in Southern Ontario and the particularly high concentration of new immigrants in this portion of the province, it attracts a major share of the VFR

¹⁴ TSRC 2012/2013 Pooled/ITS 2012.

¹⁵ Share of Canada's 2014 population: Ontario = 39%; Quebec = 23%.

market (38%).¹⁶ At the national level, RTO13 attracts almost 1.5 million or 1-in-33 overnight VFR tourists – about on par with Manitoba (3%) and Saskatchewan (4%). British Columbia at 7.0 million and Alberta at 6.0 million VFR tourists are also noteworthy destinations for this market segment.

Table 3: Overnight VFR Tourists to . . . Province

	VFR Tourists in Canada	
Overnight Visitors	58,568,000	% of Canada's VFR Tourists
<i>Location(s) in Which Nights Spent</i>		
Ontario	23,389,000	40%
RTO13	1,474,000	3%
Southern Ontario	21,973,000	38%
Quebec	14,712,000	25%
Manitoba	1,684,000	3%
Saskatchewan	2,614,000	4%
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Atlantic	4,197,000	7%

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. Numbers/percentages add to more than total/100% because of duplication.

¹⁶ Northern Ontario trips are those with overnight visits to the region during 2013. "Other" (Southern) Ontario trips are those with overnight visits in Ontario but *not* in Northern Ontario (i.e., the residual of all overnight trips to Ontario).

ONTARIO'S VFR TOURISTS

Ninety per cent (90%) of Ontario's VFR tourists are Canadians and four fifths of them live in the province (see Table 4). By contrast, the United States is a relatively minor player in this market, at 1.6 million overnight VFR tourists over the year (7%). Overseas VFR tourists account for an even smaller proportion of Ontario's VFR market (633,000 or 3%).

Table 4: Ontario's VFR Tourists by Place of Residence

	Number	Per cent
Ontario's VFR Tourists (Total)	23,389,000	100%
Canada	21,143,000	90%
Ontario residents	19,180,000	82%
Other Canadians	1,963,000	8%
U.S.A.	1,613,000	7%
Overseas	633,000	3%

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions.

NORTHERN ONTARIO'S VFR TOURISTS

VOLUME OF VFR TOURISTS IN NORTHERN ONTARIO

Northern Ontario residents travelling in the region account for over one half million or two fifths of the 1.5 million overnight trips to see friends and relatives in the North. The region also attracts almost half of its overnight VFR tourists from Southern Ontario (689,000). Neighbouring provinces' residents also travel to Northern Ontario to see friends and relatives: 63,000 arrived from Manitoba and 43,000 came from Quebec.

There are comparatively few Americans travelling in the North to see friends and relatives (58,000) with appreciably more coming from Michigan (17,000) than any other state. About 1-in-100 of the region's overnight VFR tourists live overseas (13,000).

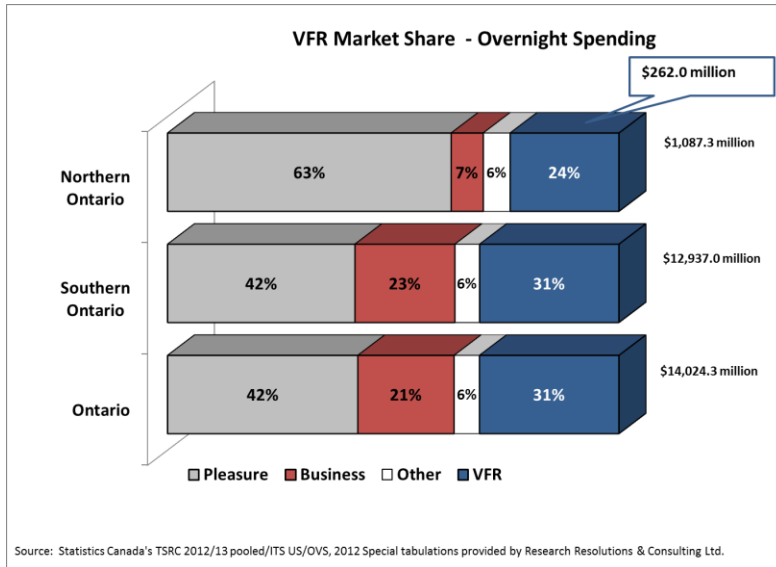
Table 5: Northern Ontario's VFR Tourists by Place of Residence

	Number	Per cent
RTO13's VFR Tourists	1,474,000	100%
Canada	1,403,000	95%
RTO13 Residents	554,000	38%
Southern Ontario Residents	689,000	47%
Other Canadians	160,000	11%
Manitoba	63,000	4%
Quebec	43,000	3%
U.S.A.	58,000	4%
Overseas	13,000	1%

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions.

SPENDING BY VFR TOURISTS IN NORTHERN ONTARIO

In 2013, Northern Ontario captured close to \$1.1 billion of all overnight tourist spending in Ontario (8%). In that same year, the region’s VFR tourists spent about \$262.0 million.



The \$262.0 million spent by VFR tourists in RTO13 represent one quarter of all overnight visitor spending in the region. While not as dominant as the overnight *pleasure* market for Northern Ontario (\$683.3 million), VFR tourists make a considerable contribution to the economic wellbeing of the region. In fact, they spend more than three times as much as does the overnight *business* market in the North at \$77.2 million.

Most of the segment’s spending is done by Canadians (\$244.8 million or 94%). Consistent with their market share, Americans account for about four per cent

of VFR spending (\$11.8 million) and overseas VFR tourists contribute a further \$5.4 million in spending to Northern Ontario (see Table 6).

Table 6: VFR Tourists Spending in Northern Ontario by Place of Residence

	Dollars	Per cent
Overnight Tourist Spending in RTO13	\$1,087,300,000	100%
VFR Tourists	\$262,000,000	24%
<u>Place of Residence</u>	\$	100%
Canada	\$244,800,000	94%
U.S.A.	\$11,800,000	4%
Overseas	\$5,400,000	2%

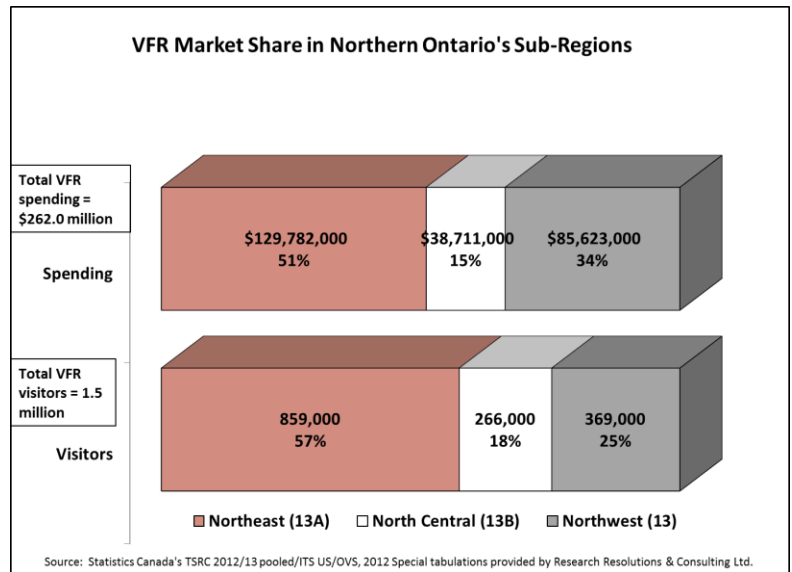
Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. Figures may not add to total due to rounding.

SUB-REGIONAL MARKET SHARES

There is an obvious relationship between the size of a location’s resident population and its attractiveness to VFR tourists: the more people who live in a place, the more people there are for tourist to visit. This relationship is clearly apparent in the VFR market share for each Northern Ontario sub-region.

Northeast Ontario (13A) attracts more than half of Northern Ontario’s overnight VFR tourists (859,000) and their spending (\$129.8 million) and the region accounts for about half of Northern Ontario’s population.

Similarly, almost one fifth of the North’s VFR visitors go to locations in North Central (13B) (266,000), generating about \$38.7 million in visitor spending (15%). Approximately 17% of Northern Ontario’s population reside in North Central.



The Northwest (13C) receives one quarter of VFR tourists (369,000) and about one third of the market segment’s spending in Northern Ontario (\$85.6 million). Correspondingly, close to one third of Northern Ontario residents live in the Northwest.

VFR TOURISTS' TRIP CHARACTERISTICS

AGE & GENDER

The North's VFR tourists are a near-microcosm of *all* overnight visitors to the region with respect to age, although those visiting friends or relatives are somewhat more likely to be women (53%) than is the region's overnight travelling public as a whole (43%) (see Table 7). The prominence of women among Northern Ontario's VFR tourists is equally characteristic of the segment in Southern Ontario.

Tourists of all ages are in Northern Ontario's VFR market. On average, they are in their mid-forties but close to two fifths are under 35 years, one third is between 35 and 54 years and over one quarter are at least 55 years of age. This age distribution is about two years younger, on average, than is Northern Ontario's total overnight visitor mix. In turn, the VFR market in Southern Ontario is younger still. In the southern portion of the province over one quarter of VFR tourists are under 25 years of age (25%) and more than two fifths are between the ages of 25 and 34 years.

Table 7: VFR Tourists' Gender & Age

<i>Location(s) in Which Nights Spent</i>	All Overnight Tourists	VFR Tourists	
	Northern Ontario	Northern Ontario	Southern Ontario
	3,820,000	1,474,000	21,973,000
	%	%	%
Gender of respondent			
Male	57%	47%	46%
Female	43%	53%	54%
Age of respondent			
Under 25	14%	19%	25%
25-34	16%	20%	22%
35-44	17%	17%	13%
45-54	19%	17%	14%
55-64	19%	16%	13%
65+	15%	13%	13%
Average Age (years)	45.3	43.2	41.2

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions.

SEASON OF VISIT

VFR tourists in RTO13 are appreciably more inclined to spread their visits to Northern Ontario throughout the year than are tourists in general or the segment that travels for pleasure purposes. In fact, they are twice as likely as pleasure tourists to be in the North between January and March (18% vs. 9%) and October to December (24% vs. 13%). The winter/shoulder concentration is at least partly explained by the major *family-oriented* holidays that occur during these months (Christmas, Easter, and Thanksgiving).

Regardless of the reasons for the timing of their visits, VFR tourists help spread touristic activity including spending at stores, restaurants, gas stations and, less commonly, lodging establishments throughout the year.

Table 8: Calendar Quarter of Visit

<i>Location(s) in Which Nights Spent</i>	Overnight Tourists in Northern Ontario		
	Total	VFR	Pleasure
	3,820,000	1,474,000	1,935,000
	%	%	%
1st Quarter (January - March)	14%	18%	9%
2nd Quarter (April - June)	25%	26%	25%
3rd Quarter (July - September)	42%	32%	53%
4th Quarter (October - December)	19%	24%	13%

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions.

LODGING NIGHTS

Nights on VFR trips: Over the course of a year, VFR tourists spent almost 5.0 million nights in Northern Ontario (4,964,000) (see Table 9). Over 9-in-10 of these nights (4.6 million) were spent by Canadians and one twentieth (240,000 or 5%) were spent by American VFR tourists in RTO13. Segment members from overseas spent about 118,000 in Northern Ontario (2%).

Compared to Northern Ontario as a whole, VFR tourist nights are appreciably more likely to be spent by *Canadians* (74% versus 93%) and much less likely to represent U.S. tourists in the region (24% versus 5%), no doubt because Canadians have familial ties in the North that are not shared by foreign tourists.

It is also worth noting that *Southern Ontario* attracts a much higher proportion and number of nights from overseas VFR visitors than does the North. This finding reflects the large number of immigrants who have recently settled in Southern Ontario and attract family members and friends from abroad.

On average, a typical VFR tourist spends about three nights in Northern Ontario (3.4) – somewhat longer than his or her counterpart in Southern Ontario (2.8 nights) but about on par with Northern Ontario’s overnight visitors as a whole (3.6). While they represent a small number of the nights spent in the North, VFR tourists from Overseas spend appreciably longer in the region (9.4 nights) than do Americans (4.1) or Canadians (3.3). The appreciably longer stays by overseas visitors in both the Northern and Southern portions of the province may reflect these tourists’ efforts to make the most of their sizeable investment in airfares to travel from their home country to Canada.

Table 9: VFR Tourists' Nights in Northern Ontario

<i>Location(s) in Which Nights Spent</i>	All Overnight Tourists	VFR Tourists	
	Northern Ontario	Northern Ontario	Southern Ontario
Total Person Nights	13,827,000	4,964,000	60,589,000
	#	#	#
Canadians	10,269,000	4,607,000	42,938,000
Americans	3,337,000	240,000	6,741,000
Overseas	220,000	118,000	10,911,000
	%	%	%
Canadians	74%	93%	71%
Americans	24%	5%	11%
Overseas	2%	2%	18%
Length of Stay in Location			
Total	3.6	3.4	2.8
Canadians	3.2	3.3	2.2
Americans	5.4	4.1	4.3
Overseas	7.6	9.4	17.3

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions.

Lodging Nights: Most of the nights spent by VFR tourists in Northern Ontario were in unpaid lodging (4.4 million nights, 89%) (see Table 10).¹⁷ Roofed commercial lodging accounts for almost one tenth of the VFR nights spent in the region (456,000). Most of these nights were spent in Northern Ontario's hotels and motels (377,000). Additionally, about 55,000 nights by VFR tourists were spent in the North's campgrounds and trailer facilities.

Not surprisingly, people visiting their friends and relatives are especially apt to stay with them. Hence, the proportions of nights in paid roofed lodging (30%) and campgrounds (9%) for *all* Northern Ontario tourists are appreciably higher than is the case for VFR tourists in the region.

Irrespective of lodging type, VFR tourists contributed almost 5.0 million (36%) of the 13.8 million person nights spent in Northern Ontario. They also accounted for almost one half million (456,000 or 11%) of the 4.2 million nights spent in paid roofed lodging.

Table 10: VFR Tourists' Lodging Nights

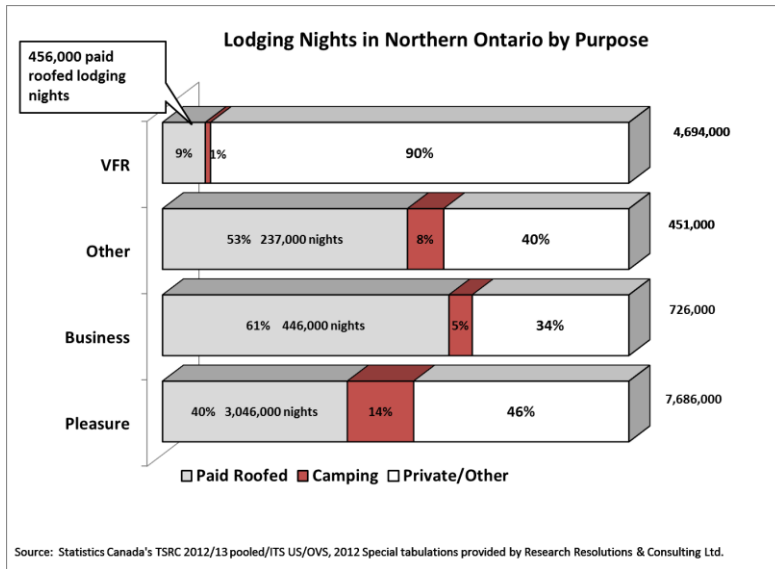
<i>Location(s) in Which Nights Spent</i>	All Overnight Tourists	VFR Tourists	
	Northern Ontario	Northern Ontario	Southern Ontario
Total Person Nights	13,827,000	4,964,000	60,589,000
	#	#	#
Paid, Roofed Lodging (All Types)	4,185,000	456,000	5,077,000
Hotel/Motel	1,796,000	377,000	4,148,000
Other Roofed Commercial ¹	2,388,000	78,000	929,000
Other Lodging			
Campground	1,220,000	55,000	455,000
Unpaid Lodging (All Types)	8,011,000	4,440,000	54,366,000
Paid, Roofed Lodging (All Types)	30%	9%	8%
Hotel/Motel	13%	8%	7%
Other Roofed Commercial ¹	17%	2%	2%
Other Lodging	*	*	*
Campground	9%	1%	1%
Unpaid Lodging (All Types)	58%	89%	90%

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. ¹Includes B&Bs, lodges, camps, outposts. *Less than 0.5%.

¹⁷ The questionnaires for Statistics Canada's foreign 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.

When VFR tourists are contrasted with Northern Ontario overnight tourists travelling for other reasons, it is clear that the VFR segment contributes about the same number of nights to the commercial lodging sector (456,000) as do business travellers (446,000) (see chart).

Conversely, the *pleasure* market makes a considerably greater contribution to commercial lodging operators and campgrounds in the North than does the VFR market.



ACTIVITIES ON THE TRIP

While on their trip, VFR tourists in Northern Ontario do more than *visit*. Three-in-ten undertake outdoor activities with the most prominent being boating (10%) and fishing (9%). About one sixth go to Northern Ontario's attractions and entertainment venues, including historic sites and sporting events as spectators.

At the same time, close to two fifths (37%) of VFR tourists do *not* engage in the many outdoor, cultural or entertainment opportunities offered throughout Northern Ontario. This level of disengagement is similar to that found in Southern Ontario but higher than the typical overnight visitor in the North (25%). Getting these tourists to *get out and do things* while visiting their friends and relatives is challenging for several reasons:

- Many of them may have visited their northern friends and families multiple times, perhaps mistakenly believing they have seen and done all there is to see and do in the destination;
- Their trips are brief, averaging three nights in Northern Ontario. Thus, they may not have time to engage in outdoor or cultural/entertainment activities;
- Unlike *pleasure* tourists, many VFR tourists are in Northern Ontario during shoulder and winter seasons. The realities of the North's climate during these seasons may be a disincentive to activity participation.
- Little marketing attention is paid to encouraging *hosts* to engage their guests in local activities.

Southern Ontario's VFR tourists exhibit a very similar activity profile to their northern neighbours' although they are even less likely than those visiting the North to engage in outdoor activities (North, 29%; South, 19%). In both parts of the province, these levels of outdoor activity are significantly lower than is the case among all overnight tourists in Northern Ontario (52%).

Table 11: VFR Tourists' Activities on Trip

<i>Location(s) in Which Nights Spent</i>	All Overnight Tourists	VFR Tourists	
	Northern Ontario	Northern Ontario	Southern Ontario
Overnight Person Visits	3,820,000	1,474,000	21,973,000
	#	#	#
Any outdoor activity	52%	29%	19%
Boating	22%	10%	4%
Fishing	25%	9%	2%
National, provincial or nature park	11%	5%	5%
Camping	16%	5%	2%
Snowmobiling*	2%	2%	**
Golfing	2%	1%	2%
Hunting	3%	1%	**
Any entertainment/cultural activity	17%	16%	17%
Historic site	7%	5%	4%
Sports event as a spectator	4%	5%	4%
Festival or fair	3%	4%	3%
Team sports (participant)*	3%	4%	2%
Museum or art gallery	4%	2%	4%
Theme or amusement park	1%	2%	1%
Aboriginal event*	1%	1%	**
Zoo or aquarium	1%	1%	2%
Casino	2%	1%	2%
None/no activities mentioned	25%	37%	39%

*Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. *Canadians only (activity not included in international survey questionnaires). **Less than 0.5%.*

SPENDING ON THE VFR TRIP

VFR tourists contributed \$1.00 out of every \$4.00 spent by all overnight tourists in Northern Ontario. In other words, of the \$1.1 billion spent by overnight tourists in the region, those who travelled in Northern Ontario to see friends and relatives spent \$262.0 million or 24%.

Proportionately, the contribution made by VFR tourists is somewhat higher in Southern Ontario (31%) than in the North (24%), likely reflecting the larger number of overseas VFR tourists in the southern portion of the province. These tourists tend to spend more nights on their trips than do American or Canadian VFR tourists.

In RTO13, each VFR tourist's trip brings \$239.00 on average, to the region for a trip of about 3.4 nights. This amount is the same as the per trip spending on the corresponding trip in Southern Ontario even though the trip to Southern Ontario is slightly shorter (2.8 nights, on average). The per night spending by Northern Ontario's VFR tourists averages about \$68.00. Possibly reflecting higher lodging costs in Southern Ontario, the per night cost for this region's VFR tourists averages \$88.00 per night.

Not surprisingly, if Northern Ontario's VFR tourists could be convinced to utilize the region's hotels, motels and other paid lodging, their yields would increase substantially. Instead of \$239.00, each VFR trip would yield twice this amount or about \$500.00 if paid roofed lodging were used.

Table 12: VFR Tourists' Spending

<i>Location(s) in Which Nights Spent</i>	All Overnight Tourists		VFR Tourists	
	Northern Ontario	Southern Ontario	Northern Ontario	Southern Ontario
All Overnight Tourists	\$1,087,000,000	\$12,937,000,000		
VFR Tourists' Spending	\$262,000,000	\$4,053,000,000	\$262,000,000	\$4,053,000,000
VFR Tourists' Share	24%	31%		
Average Per Trip	\$416.00	\$384.00	\$239.00	\$241.00
Average Per Party Per Night	\$119.00	\$138.00	\$68.00	\$88.00
Using Paid, Roofed Lodging in RTO13				
Average Per Trip	\$821.00	\$770.00	\$499.00	\$737.00
Average Per Party Per Night	\$259.00	\$292.00	\$180.00	\$248.00

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions.

SPENDING BY CATEGORY

At \$683.3 million, overnight *pleasure* tourists outspend their VFR counterparts by a wide margin. The pleasure market contributes almost two thirds of all overnight spending in Northern Ontario – more than twice the level of spending by VFR tourists.

Overnight VFR & Pleasure Tourists' Spending in Northern Ontario		
	VFR Tourists	Pleasure Tourists
Total	\$262,000,000	\$683,300,000
Average Per Trip	\$239.00	\$583.00
Average Per Party Per Night	\$68.00	\$160.00

The pleasure market’s comparatively high level of utilization of commercial lodging and propensity to shop on their northern trips contribute to this segment’s position as the mainstay of Northern Ontario’s tourism economy.

But to focus solely on the pleasure market would ignore the benefits to Northern Ontario’s economy of the VFR market’s \$262.0 million contribution to tourism businesses in the North – fully one quarter of all spending by Northern Ontario’s overnight tourists.

VFR tourists’ spending is concentrated on keeping their vehicles fuelled (\$81.9 million), eating in restaurants (\$58.6 million) buying groceries in the region’s stores (\$30.3 million) and in commercial plane, bus or boat fares (\$27.1 million) (see Table 13). These tourists also contribute to commercial lodging establishments (\$26.3 million) and to clothing and other retail establishments (\$23.1 million) in Northern Ontario.

Table 13a: VFR Tourists Spending by Category in Northern Ontario

	Total	VFR Tourists	Pleasure Tourists
Total Spending in RTO13	\$1,087.0 billion	\$262,000,000	\$683,300,000
	\$	\$	\$
Commercial fares	\$76,282,000	\$27,115,000	\$36,339,000
Local transport	\$6,464,000	\$2,398,000	\$2,646,000
Vehicle operation	\$212,763,000	\$81,945,000	\$110,246,000
Vehicle rental	\$17,075,000	\$2,874,000	\$4,661,000
Lodging	\$297,468,000	\$26,346,000	\$225,659,000
Restaurants/bars	\$190,789,000	\$58,606,000	\$104,727,000
Grocery stores	\$105,419,000	\$30,328,000	\$68,169,000
Recreation/entertainment	\$79,899,000	\$9,206,000	\$68,062,000
Clothing/footwear	\$79,361,000	\$20,810,000	\$44,224,000
Other retail	\$21,749,000	\$2,300,000	\$18,567,000

Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. *Less than 0.5%.

Table 13b: Per cent of VFR Tourists Spending by Category in Northern Ontario

	Total	VFR Tourists	Pleasure Tourists
Total Spending in RTO13	\$1,087.0 billion	\$262,000,000	\$683,300,000
	%	%	%
Commercial fares	7%	10%	5%
Local transport	1%	1%	*
Vehicle operation	20%	31%	16%
Vehicle rental	2%	1%	1%
Lodging	27%	10%	33%
Restaurants/bars	18%	22%	15%
Grocery stores	10%	12%	10%
Recreation/entertainment	7%	4%	10%
Clothing/footwear	7%	8%	6%
Other retail	2%	1%	3%

*Special Tabulations, TSRC 2012/2013 Pooled/ITS US/OVS 2012 prepared by Research Resolutions. *Less than 0.5%.*

ECONOMIC IMPACT OF VFR TOURISTS IN NORTHERN ONTARIO

INTRODUCTION

The money spent by VFR tourists in Northern Ontario ripples throughout the local and provincial economies. 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.¹⁸

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 RTO13 is smaller than the total amount of spending done by visitors to the area in the target market: many of the goods and services provided to serve tourists in RTO13 are produced outside the region.¹⁹

During 2013 VFR tourists spent about \$262.0 million on tourism goods and services in Northern Ontario.²⁰ Once the imports from other locations in Ontario, other parts of Canada, and other countries are taken into account, tourism spending by VFR tourists in RTO13 generated about \$91.1 million in direct economic activity (i.e. GDP), and an additional \$53.3 million in indirect and induced GDP for Northern Ontario's economy.

Table 14: VFR Tourist Contributions to GDP and Funds Retained in Northern Ontario

	Amount Retained in Northern Ontario (A)	Amount Retained in Other Ontario (B)	Total Contribution to Ontario's GDP (A + B)
Direct	\$91,100,000	0	\$91,100,000
Indirect	\$30,023,000	\$8,613,000	\$38,637,000
Induced	\$23,234,000	\$4,888,000	\$28,122,000
Total GDP	\$144,357,000	\$13,502,000	\$157,859,000

Source: TSRC 2012/2013 Pooled/ITS US/OVS 2012 *Special Tabulations prepared by Research Resolutions and special calculations of TREIM for RTO13 (MTCS)*. Figures are rounded to nearest 1,000.

¹⁸ The economic impact estimates provided in this section reflect visitor spending only, that is, spending by visitors in the VFR market in Northern Ontario. 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 Northern Ontario. MTCS's glossary of terms to be used in conjunction with outputs from TREIM is appended.

¹⁹ In some geographical areas, the amount of economic activity is on par with, or less than visitor spending. Northern Ontario is one of these regions. 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, a high proportion of the food prepared in restaurants in RTO13 is grown outside the region. Consequently, much of the economic activity associated with restaurant meals purchased by tourists takes place outside Northern Ontario. Similarly, materials required for building hotels, motels and other lodging establishments are created outside RTO13 and generate economic activity in communities where the materials are produced.

²⁰ Spending estimates are based on the 2013 reference year for all markets.

There was, therefore, about \$144.4 million in GDP retained in Northern Ontario. Other parts of Ontario benefited from about \$13.5 million in GDP (direct, indirect, and induced) from target market visitor spending in the region. When combined, the province-wide GDP contribution of VFR tourism in Northern Ontario reached \$157.9 million.

JOBS, WAGES, AND SALARIES

Approximately 1,724 direct jobs and an additional 600 indirect and induced jobs in Northern Ontario were generated as a result of VFR tourists' spending. These jobs include part- and full-time positions, on both annual and seasonal bases.²¹ Additional employment in the province was generated because of VFR tourists in Northern Ontario, bringing the total number of direct, indirect and induced jobs to about 2,490 across Northern Ontario and the entire province.

Over a year, RTO13 retained 93% of the 2,490 jobs created by VFR tourists in Northern Ontario.²² These jobs generated \$99.5 million in wages and salaries province-wide, with 91% of this amount (\$90.2 million direct, indirect, and induced) retained in Northern Ontario.

TAXES

All levels of government benefited from VFR tourism spending in Northern Ontario. This spending generated \$41.5 million in federal government taxes, a further \$34.3 million in provincial taxes and \$390,000 in municipal taxes based on incremental tourism revenue (direct, indirect, and induced) province-wide. RTO13 retained the following amounts from these taxes:

- \$23.0 million in direct federal taxes; and
- \$25.6 million in direct provincial taxes.

VFR SHARE OF TOTAL OVERNIGHT TOURISM ECONOMIC ACTIVITY IN NORTHERN ONTARIO

Northern Ontario's VFR tourists contributed approximately one fifth of *all* tourism economic activity across the region in 2013.

VFR Tourists' Share of Total Tourism Economic Activity in Northern Ontario

Gross Domestic Product	21%	Federal Taxes	22%
Wages	20%	Provincial Taxes	22%
Employment (Jobs)	21%	Municipal Taxes	20%

²¹ Note that estimates for tourism economic impact in Northern Ontario published in MTCS's products may differ from those provided herein because the inputs used for the TREIM model are somewhat different and the online TREIM model is based on different assumptions and/or data than the one used internally by MTCS.

²² 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 VFR Tourists in RTO13

	Economic Benefits Retained in Northern Ontario	Total Benefits Across Ontario	Proportion of Total Ontario Benefits Retained in Northern Ontario
Gross Domestic Product	\$144,357,000	\$157,859,000	91%
Direct	\$91,100,000	\$91,100,000	100%
Indirect/Induced	\$53,258,000	\$66,759,000	80%
Wages	\$90,200,000	\$99,500,000	91%
Direct	\$55,700,000	\$55,700,000	100%
Indirect/Induced	\$34,600,000	\$43,800,000	79%
Employment (Jobs)	2,323	2,489	93%
Direct	1,724	1,724	100%
Indirect/Induced	598	765	78%
Federal Taxes	\$38,800,000	\$41,500,000	93%
Direct	\$23,000,000	\$23,000,000	100%
Indirect/Induced	\$15,800,000	\$18,500,000	85%
Provincial Taxes	\$32,200,000	\$34,300,000	94%
Direct	\$25,600,000	\$25,600,000	100%
Indirect/Induced	\$6,600,000	\$8,700,000	76%
Municipal Taxes	\$356,000	\$390,000	91%
Direct	\$132,000	\$132,000	100%
Indirect/Induced	\$224,000	\$258,000	87%

Source: TSRC 2012/2013 Pooled/ITS US/OVS 2012 *Special Tabulations prepared by Research Resolutions and special calculations of TREIM for RTO13 (MTCS). Figures are rounded to nearest 1,000.*

MAKING THE MOST OF THE VFR MARKET

As demonstrated by the volume and spending of VFR tourists in Northern Ontario over a year, these tourists clearly provide many primary benefits to the tourism plant in the region. They also generate secondary benefits that are often overlooked. In the following pages, some of these secondary benefits are described along with opportunities to increase the value of VFR tourists in the North.

HOSTING: FROM VISIT TO TOURIST

For every travel party that visits Northern Ontario, a Northern Ontario resident household is contributing to tourism in the region. These *hosts* commonly provide room and board to their guests, take them out to eat at local restaurants, provide guidance about what to see and do in the region, go with them to museums, galleries, casinos, clubs, parks, lakes and the like. As such, these resident hosts often function as tour guides and/or tourism magnets, inviting family and friends to visit accompanying them on local outings.

According to a TNS study on hosting commissioned by OMTCS²³ local hosts are *ambassadors* and *catalysts* for transforming a *visit* to *tourism*.

*Visiting guests typically desire a tourism experience over and above the pleasure of spending time with their friends and relatives. Hosts act as key catalysts for this conversion from visitation to tourism, with their influence extending to other parts of the province beyond their own town or city. Moreover, the hosts themselves are quite commonly actively involved in the experience becoming tourists themselves and further boosting the economic impact of the visit.*²⁴

The study also highlights the potential role for DMOs in enhancing the tourism experience for guests by supporting local hosts. Specifically, they recommend the following marketing opportunities:

One might aspire to better equip hosts to become willing ambassadors capable of exciting their guests about [Northern] Ontario and directing them to a wide variety of potential experiences;

Such initiatives might certainly extend to product packaging and value-added offers. For instance, those assuming the role of host and ambassador could be provided with the opportunity to take advantage of host attraction packages and deals that assist them with stimulating the interest of friends and relatives.

Efforts to equip hosts with information and incentives to invite guests or encourage them to stay longer in Northern Ontario would seem to make good economic sense. With as many as half of Ontarians claiming to have hosted out-of-province guests during a five year period, this local market is much easier to reach with promotional materials than are their geographically more widely dispersed guests.

²³*Impact of VFR – Visiting Friends and Relatives, 2011, conducted by TNS using an internet panel of approximately 1,000 Ontario residents. The study was commissioned by OMTCS/OTMPC.*

²⁴*Impact of VFR – Visiting Friends and Relatives, 2011, conducted by TNS using an internet panel of approximately 1,000 Ontario residents. The study was commissioned by OMTCS/OTMPC.*

Note that the TNS study examines Ontarians who have hosted **out-of-province guests** and provides findings only at the provincial level. Northern Ontario does not attract out-of-province VFR tourists at the same rate as does the Southern Ontario (see Table 4). Nonetheless, providing Northern Ontario residents with the tools to encourage visitation by family and friends remains a seemingly cost-effective tool in the marketing toolbox for TNO and other marketing organizations in the North.

SERVICES & ACTIVITIES HOSTS PROVIDE TO GUESTS

As is evident from Table 16, hosts bring their guests to many local food service, hospitality and attraction businesses in the community. The more these residents know about what is available in their environs, the better able they would be to include local sites, events and attractions on their guests' itineraries.

Table 16: Activities Provided to Guests by Ontario Hosts²⁵

Provided meals at my home	84%
Entertained them at my home	76%
Took them out to restaurants/bars	66%
Took them sightseeing	63%
Took them shopping	62%
Took them to family entertainment venues (e.g. amusement parks, zoos)	29%
Took them to cultural venues (e.g. museums, galleries, theatre)	29%
Took them to major events (e.g. sports, exhibitions, festivals)	20%
Took them on day/overnight trips to other areas in Ontario	19%
Took them to adult entertainment venues (e.g. nightclubs, casinos, shows)	16%
Took them on organized tours	8%
Other	13%

Source: *Impact of VFR – Visiting Friends and Relatives, 2011, conducted by TNS*

Because guests in Northern Ontario tend to reside *within* the North or in other parts of Ontario, they are very likely to be repeat visitors. And repeat visitation is, in some respects, a double-edged sword. On the one hand, repeat VFR tourists require comparatively little marketing effort to entice a visit because their families and friends are the *hook* that keeps them returning to the North. On the other hand, familiarity with the location generated by repeat visits can reduce guests' interest in exploring sites and activities offered in the community (*been there, done that*). From a marketing perspective, an ongoing campaign that reminds hosts of *new* events and attractions or re-kindles interest in existing ones might be called for.

²⁵ Recall that the TNS study was Ontario-wide. As such, it included hosts in Toronto with its large number of recent immigrants. Many of these immigrants' family and friends come from abroad. They tend to be much less familiar with Ontario and stay longer than is the case for VFR tourists in Northern Ontario. For these reasons, the activities displayed in Table 16 are likely to be different than those one might find if the survey had been conducted in the North.

ADDITIONAL BENEFITS OF VFR TOURISM

A review of literature on VFR tourists suggests that the interaction among the guest, host and local community generates multiple economic and social benefits for tourism businesses and regional economies.²⁶

- VFR visitor spending is diversified, providing financial benefits to a broad base of local businesses with minimal economic leakage.
- A returning VFR visitor is likely to spend more in a destination **over a lifetime** than a one-time vacationer.
- VFR tourism demand is less volatile than other forms of tourism and less likely to be affected by economic downturns and health scares.
- VFR tourism is also less susceptible to seasonality, offering tourism businesses a stable source of demand in slow and difficult times.
- Efforts to increase VFR volume do not require the same investment in infrastructure as other forms of tourism, as it integrates with existing supply of private accommodation, residential transportation and activities.
- Residents who visit festivals, neighbourhoods, and attractions for the first time while hosting may well return after their guest has left.
- A more engaged resident base has positive implications for festivals and attractions, making them more appealing for all types of tourists.
- Engaging residents as hosts reaches a large number of visitors, encourages local consumption of tourism product, and improves word-of-mouth marketing opportunities.

²⁶ *The Positives of VFR Tourism*, Tom Griffin, University of Waterloo, January 2013, www.academia.edu

USING COMMERCIAL LODGING

As noted in this analysis, only about ten per cent of the nights Northern Ontario's VFR tourists spend in the region are in paid roofed lodging (456,000 nights in paid roofed lodging). By virtue of the size of the VFR segment, however, these are hardly insignificant revenue sources for the North's lodging sector. Not only are some VFR tourists already using paid accommodation but also some experts believe this reliance will increase (see below).

There is likely to be an increasing trend towards VFRs using commercial accommodation as people find themselves going away on trips less often and making the trip as stress-free and independent as possible while still enjoying social connections.²⁷

Many VFR trips occur during *non-peak* seasons, often coinciding with major holidays in the autumn (e.g., Thanksgiving) or winter (e.g. Christmas). These tourists also travel for family birthdays, weddings, and other milestone events that occur randomly throughout the year. The timing of VFR tourists' visits creates an opportunity for hotels, motels and other commercial lodging to fill rooms during traditionally low occupancy periods.

There is a growing market for family reunions and other forms of intergenerational travel. As discussed in the following section, these trends could offer substantive benefit to Northern Ontario's lodging sector and help address the aging of markets for signature outdoor activities such as hunting and fishing.²⁸

²⁷ *VFR Travel – The Forgotten Tourism Marketing Opportunity*. Elisa Backer, University of Ballarat, 2008.

²⁸ See *Overview of Tourism Opportunities for Northern Ontario (RTO13)*, page 10. Research Resolutions & Consulting Ltd., prepared for TNO, July 2014.

REUNIONS & INTERGENERATIONAL TRAVEL

The increasing geographical dispersion of families is fuel for two major trends in tourism: family reunions and intergenerational travel. Each of these inter-related trends can contribute to the growth and vibrancy of VFR tourism for Northern Ontario.

An entire “industry” has grown up around organizing, promoting and marketing family reunions, particularly in the United States. For example, the Family Travel Network is a U.S. based free online site.

Travel Family Network is devoted exclusively to family travel and planning great vacations with kids. Launched in 1995, our award-winning site has helped millions of families research and plan vacations across the country and around the world. The Family Travel Network is an online magazine and website providing objective family travel information, tips and resources to parents, grandparents, kids, travel professionals, and others.”²⁹

Guides and planning supports for intergenerational or reunion trips are also abundantly available. Many

of these guides are prepared by destinations and made available to the public on the internet. They not only help reunion organizers design their event but they also function as marketing tools for the destination.

Intergenerational travel

Intergenerational travel – groups that include three or more generations of the same family – is on the rise. The main motives behind these trips? To bring together relatives who live far apart, enjoy time together, and create family memories. (Trip Advisor)

Building bonds with grandchildren

In the past, grandparents often lived with their children, allowing them to play a key role in the lives of their grandchildren. Today's modern families are much more independent, making it more difficult for grandparents to bond with their grandchildren. Many grandparents looking for ways to draw their modern families closer together are discovering the rewards of taking grandchildren on vacation. (See footnote 19)

If TNO or individual destinations within Northern Ontario were to actively pursue the reunion and/or intergenerational VFR tourism markets, consideration might be given to developing this type of kit, possibly using those created by others as a template (see appended examples).

THE REUNION MARKET: PAID LODGING OPPORTUNITIES

In addition to the key benefits of VFR tourism in general (see page 36) reunions have the potential to increase utilization of the paid roofed lodging sector simply because too many relatives would come to a destination at the same time than could be billeted with the local family.

A resort or hotel as the reunion venue for all attendees is also quite widespread. These events are often themed to take advantage of the activities and attractions in the local area and/or have a pre-planned schedule of excursions to sightsee or participate in outdoor activities.

*One option for grandparents who want a meaningful holiday experience connecting with their grandchildren is an **Ontario***

***cottage resort vacation.** Some of these properties are family operated four-season cottage resorts located on the water. Cottage resort vacations provide a great choice for intergenerational family holidays because they offer families a great deal of flexibility. A*

²⁹ http://www.familytravelnetwork.com/about_ftn.asp

lakefront cottage resort offers all the activities and amenities of a resort with the comfort of a private cottage.

As an added bonus those waterfront cottage resort properties have activities that everyone will enjoy: fishing, boating, swimming, and making sandcastles on the beach. Some resort properties even have children's programs in place that will entertain the kids while grandparents play a round of golf or just take a break.³⁰

APPEALING TO GRANDTRIPPERS

On its website, TripAdvisor provides useful tips on how to appeal to *grandtrippers* or other intergenerational travel parties. These include the types of amenities that hotels, resorts and other properties might consider. Some examples are listed below and the full set of tips is appended to this report.

- **Physical characteristics:** Preference for moderately-priced, full-service properties with less than 300 rooms; adjoining rooms, multiple bathrooms, dining space for large families, and outdoor play space for kids with seating for adults to keep watch.
- **Mobility:** Elevators for multi-storey properties or a reserved ground-floor for “family groups”.
- **Packaging and pricing:** Publicize message that reunion/intergenerational groups are welcome: a brand name or tagline, such as “Three Generations For the Price of One” and/or offering packages at an all-inclusive rate.
- **Emulate the cruise model:** vacations which offer something for everyone.

SELECTING A DESTINATION

In order of importance, salient factors in destination selection identified in a study of reunion attendees are quite consistent with Northern Ontario’s tourism experiences and the strong Ontario base for its domestic visitors:

1. Closest to where most attendees live
2. A place with historical value to the family
3. Having a variety of activities
4. Having family oriented activities.³¹

When developing intergenerational programs and marketing tools, it might be prudent to focus on ease of access and/or proximity to home; re-connecting with familiar sites, attractions and experiences; and the variety of activities that can engage all ages.

³⁰ *Why Intergenerational Travel Is A Growing Trend.*

<http://www.streetdirectory.com/etoday/why-intergenerational-travel-is-a-growing-trend-wlueol.html>

³¹ Juyeon Yun, *An Investigation of the US Family Reunion Travel Market: Motivations and Activities*, Master’s Thesis, Purdue University, 2009.

APPENDICES

PRIMARY INFORMATION SOURCES

The primary sources of information used in this report include the following:

- Statistics Canada, 2012/13 (pooled) Travel Survey of Residents of Canada (TSRC);
- Statistics Canada, 2012 International Travel Survey – U.S. and Overseas (ITS US/OVS);
- *Impact of VFR – Visiting Friends and Relatives*, 2011, conducted by TNS using an internet panel of approximately 1,000 Ontario residents. The study was commissioned by OMTCS/OTMPC;
- *Why Intergenerational Travel Is A Growing Trend*.
<http://www.streetdirectory.com/etoday/why-intergenerational-travel-is-a-growing-trend-wlueol.html>;
- Juyeon Yun, *An Investigation of the US Family Reunion Travel Market: Motivations and Activities*, Master's Thesis, Purdue University, 2009;
- Ontario Ministry of Finance, Ontario Population Projections, Fall 2014;
- Tom Griffin, *The Positives of VFR Tourism*, University of Waterloo, January 2013, www.academia.edu
- *VFR Travel – The Forgotten Tourism Marketing Opportunity*. Elisa Backer, University of Ballarat, 2008.

MTCS GLOSSARY: ECONOMIC IMPACT TERMS³²

Gross domestic product (GDP): value of goods and services produced by labour and capital located within a country (or region), regardless of nationality of labour or ownership. This GDP is measured at market prices. Tourism GDP refers to the GDP generated in those businesses that directly produce or provide goods and services for travellers.

Direct impact: refers to the impact generated in businesses or sectors that produce or provide goods and services directly to travellers, e.g. accommodations, restaurants, recreation providers, travel agents, transportation, and retail enterprises. Direct impact on GDP, employment, and tax revenues is also called tourism GDP, tourism employment, and tourism tax revenues.

Indirect impact: refers to the impact resulting from the expansion of demand from businesses or sectors that directly produce or provide goods and services to travellers, to other businesses or sectors.

Induced impact: refers to the impact associated with the re-spending of labour income and/or profits earned in the industries that serve travellers directly and indirectly.

Employment: refers to number of jobs, including full-time, part-time, and seasonal employment, as well as both employed and self-employed.

Federal tax revenues: include personal income tax, corporate income tax, commodity tax (GST/HST, gas tax, excise tax, excise duty, air tax and trading profits) and payroll deduction that collected by the federal government.

Provincial tax revenues: include personal income tax, corporate income tax, commodity tax (PST/HST, gas tax, liquor gallonage tax, amusement tax and trading profits) and employer health tax that collected by Ontario provincial government.

Municipal tax revenues: include business and personal property taxes that collected by the municipalities. Collection, however, does not follow immediately the consumption or production of goods and services in a municipality by visitors (as is the case with HST or personal income taxes). Rather, these taxes show the percent of the total property taxes collected by a municipality that can be attributed to tourism because of tourism's contribution to the economic activity of the municipality and hence its tax base.

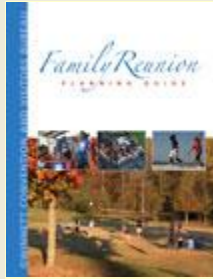
Industry: The industry follows Statistics Canada's 2007 North America Industry Classification System (NAICS) Input-Output small aggregation industry classification.

³²MCTS glossary, from website (http://www.mtr-treim.com/webtreim/data_out/NP1/EconomicImpact.pdf), July 2012.

EXAMPLES OF REUNION PLANNING KITS

REUNION PLANNING KITS

These materials are offered to reunions who are planning your reunion in that area.



Gwinnett (Georgia) Convention and Visitors Bureau's ABC's of Planning a Family Reunion - what to do 3, 6, 9 months out is a planning calendar, helpful hints and more. Also available are free assistance finding group rooms, park or banquet facilities and other planning assistance, welcome bags for reunion planners, and quarterly family reunion workshops for planning - all free of charge. [Request Gwinnett ABC's of Planning a Family Reunion](#)



The [Chicago Southland Family Reunion Planner](#) covers such topics as how to find the perfect site, how to prepare for your reunion, how the Chicago Southland CVB can assist with your reunion and other important information. [Ask for Chicago Southland](#)



A "How to" Planning Guide For Family Reunions and Gatherings in Louisville. This step-by-step planning guide is designed for planners who want to ensure that their family and friends, as well they, enjoy a fun-filled reunion in Louisville. [Request Louisville "How to" Guide](#)



Gorgeous Prince George's County, Maryland Family Reunion Guide includes planning tips and resources for your reunion in their area. Supplies are limited. [Request Prince George's](#)



Branson Reunion Planner provides wide range of information to make Branson/Lakes, Missouri, area a perfect reunion location.



Branson Reunion Planner Sales Kit is available to any/all planners. (Military, Family & Class Reunions)

[Request Branson's FREE 2010 Reunion Planner](#)



Pennsylvania Dutch Family Reunion Planning Guide

This guide is intended to help you throughout your reunion planning process including committee formation, managing logistics, communicating, fundraising to ensure a wonderful time.

[Request PA Dutch Planning guide](#)

TIPS FROM TRIP ADVISOR ON ATTRACTING INTERGENERATIONAL TOURISTS

Following is a copy of information found at <http://www.tripadvisor.com/TripAdvisorInsights/n1910/five-ways-intrigue-intergenerational-travelers>

Five Ways to Intrigue Intergenerational Travelers

More than 20% of active travelers are grandparents. Of these, 40% have taken a trip with a grandchild during the past year.³³ Intergenerational travel – groups that include three or more generations of the same family – is on the rise. The main motives behind these trips? To bring together relatives who live far apart, enjoy time together, and create family memories.

Increasingly, savvy hotels, resorts, and other accommodations are actively recruiting “grandtrippers,” knowing that one reservation can yield a double digit-sized group. How do you attract this growing market? Here are five suggestions.

Offer Ample Accommodations and Consider Configurations

Whether they’re “Boomers” (born between 1946 -1964), or “Matures” (born before 1946), the older generations typically prefer moderately-priced, full-service properties with less than 300 rooms.³⁴ In hotels, adjoining rooms are ideal for intergenerational groups, offering the right balance of privacy and interaction.

Increasingly however, extended families are seeking out alternative accommodations like rented condos and houses where they have more room to spread out, cook a meal together and relax. Common space with ample seating is key, as well as individual sleeping quarters. Other amenities high on the list of desirables: multiple bathrooms, dining space for large families, and outdoor play space for kids with seating for adults to keep watch.

A few suggestions on pricing: AARP discounts, and “children stay free” deals are great, but consider offering a specific multi-generational travel package with a distinct and inviting brand name or tagline, such as “Three Generations for the Price of One.” You send a stronger message that this type of business is welcome. Also, think about offering this package at an all-inclusive rate. Families will appreciate the convenience of paying for dining up front, avoiding the inevitable, and potentially uncomfortable, discussion of who pays the bill after each meal.

Be Mindful of Mobility

It’s reasonable to assume a percentage of the older guests in these families will have age-related mobility issues. At the bare minimum, the ADA Standards for Accessible design, available at ADA.gov, offer guidelines to creating accessible spaces. Obviously, elevators are imperative for multi-floor properties. If you don’t have one, designate your ground floor accommodations as the “family-friendly” zone. Make sure parking is available close by.

Additional courtesies and considerations will be appreciated above and beyond ADA compliances. Include information on the nearest medical facilities with the other guest materials. Think about where

³³ Source: MMGY Global 2013 Portrait of American travelers

³⁴ Source: MMGY Global 2012 Portrait of American travelers

family activities are taking place in relation to the guest rooms. If there is a lot of walking or uneven terrain involved, could you offer the use of golf carts?

Keep Everyone Engaged & Entertained

Cruises are often cited for having the ideal intergenerational travel formula: supervised kids' programs, dining options to suit varying levels of taste and sophistication, and entertainment designed for guests of all ages. Emulate this model, and you'll meet a growing demand for vacations which offer something for everyone.

While multi-generational travel allows grandparents to spend time with their grandchildren, they don't necessarily want to be de facto babysitters. They appreciate time to pursue their own interests. Ideally, children's activities should be offered, and supervised by staff in a separate setting, like a camp, to allow all adults their own time and space. Then, think about programming for adults, like guided nature walks, wine tastings, or tours of local museums. Don't forget weather-proof programming for rainy days.

Offer Meal Flexibility

Families appreciate varied dining options that meet their budgetary and dietary needs. The ability to store and cook food is ideal for a large family when eating out becomes costly over the course of a week, and when there are food sensitivities among the group.

Of course, dining out is a valued part of travel, so there should be on-site eateries which offer convenient hours of operation to accommodate early risers, children's menus and high chairs, and large tables to seat parties of ten or more.

Make it Easy to Make Memories

These groups place a high value on "togetherness" and the emotional aspects of travel – specifically, making memories through unique and meaningful shared experiences. Provide the setting or event for family fun, like nightly bonfires where they can make s'mores together, or scheduled meet-and-greets with your costumed mascot, where everyone can get in a group photo. Encourage family bonding by running contests which pit one family's team against another. These can be as simple as candy bingo games and sand castle-building matches, or as elaborate as multi-day "Olympic"-style competitions.

Inevitably, your guests will take photos and video of these activities, and share them with pride on Facebook, Instagram, and other social networks. The result is positive, credible exposure for your business. But the best return on investment is that these memories will stay with your guests, encouraging not only word-of-mouth referrals, but also repeat visitation.