ANGLERS IN NORTHERN ONTARIO (RTO13)

A SITUATION ANALYSIS

EXECUTIVE SUMMARY

PREPARED FOR

TOURISM NORTHERN ONTARIO

BY

Research Resolutions & Consulting Ltd.

Ontario

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INTRODUCTION

Northern Ontario offers some of the best fishing in North America and attracts tourists from across the continent to its lakes and rivers. It is a signature experience for the region and a core focus of Tourism Northern Ontario (TNO) and other marketing organizations throughout the North.

Because of anglers make a substantial contribution to tourism businesses and tourism revenue throughout the North, TNO commissioned Research Resolutions & Consulting Ltd.[1] to undertake a situation analysis of the angling market. This analysis updates and expands the scope of an earlier analysis.[2] The focus of the previous report was anglers who relied on fishing lodges, hotels, motels, commercial cottages and camps for overnight stays in Northern Ontario.

By broadening the analysis to include **all anglers on overnight trips in Northern Ontario**, the full size and tourism economic contribution of sport fishing becomes evident. For example, regardless of whether they camp, stay in a private or a commercial cottage, anglers on overnight trips in the North consume food and beverages purchased in stores and restaurants, fuel their cars and boats at gas stations and marinas, make retail purchases at area stores and pay admissions to local attractions and events.

The findings presented in this summary cover **all** overnight tourists in Northern Ontario who went fishing on their trip, irrespective of the type of lodging they used in the region. The information in the previous report was based on 2010 Statistics Canada data whereas this project relies on the most current available data sources (2012/2013):

- Statistics Canada's Travel Survey of Residents of Canada (TSRC – 2012/2013 pooled) and
- Statistics Canada's International Travel Survey (ITS US/OVS 2012).

These 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;
- **Activities on trip**: name *fishing* as an activity on the overnight trip.

Other studies and commentary associated with anglers are referenced in this situation analysis to provide tourism planners and marketers with ideas about how best to capitalize on the potential of this iconic tourism market in Northern Ontario. These studies are listed in the appendix.

[1] 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.

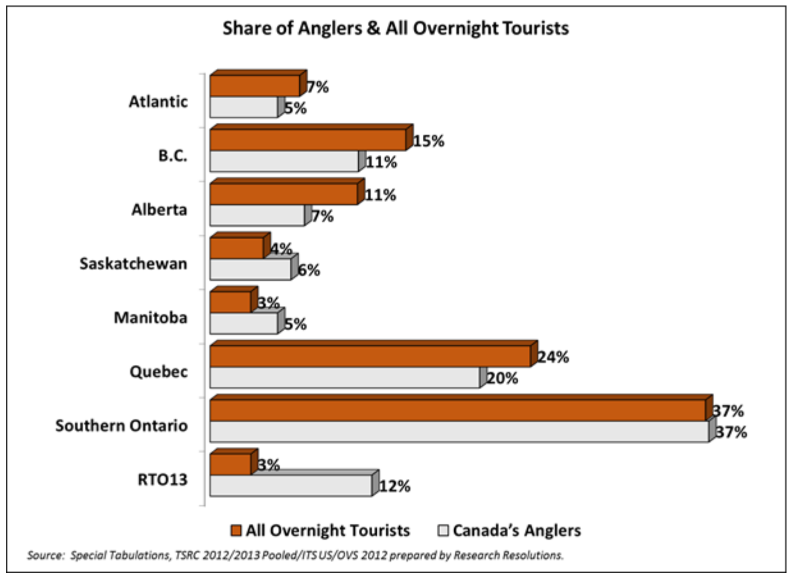
[2] *High Yield Anglers in RTO13: A Situation Analysis*, March 2013 prepared by Research Resolutions & Consulting Ltd.

EXECUTIVE SUMMARY

MARKET SHARE & ORIGIN

Northern Ontario attracts anglers at four times the rate it attracts all overnight tourists.[3]

Fishing is a major tourism activity for many parts of Canada but nowhere more so than in Northern Ontario. Over the course of a year, Canada attracted 8.1 million overnight tourists from Canada, U.S. and overseas countries who went fishing on their trip. About 1.0 million of these tourists went to Northern Ontario (12%) even though the region captures only about three per cent of *all* overnight tourists across the country.



Within the province, Northern Ontario also attracts anglers at three times the rate that it attracts overnight tourist as a whole.

Ontario's North accounts for 1-in-12 of all overnight tourists in the province (8%) but attracts one quarter of all anglers on overnight trips in Ontario (25%). The region captures an even larger share of anglers in Ontario who rely on paid, roofed lodging during their trip (*high yield*), accounting for 50% of these overnight tourists.

There are more Canadians than Americans fishing in Northern Ontario but the high yield market is dominated by Americans.

Like tourists in Canada generally, most anglers in Northern Ontario are Canadians. Of the 970,000 overnight tourists who went fishing in Northern Ontario, 587,000 or 6-in-10 are Canadians. Among the North's 389,000 *high yield* anglers, however, Americans outpace Canadians at 2-to-1. Two thirds of Northern Ontario anglers who rely on paid roofed lodging are Americans (262,000) compared to one third who are Canadians (126,000).

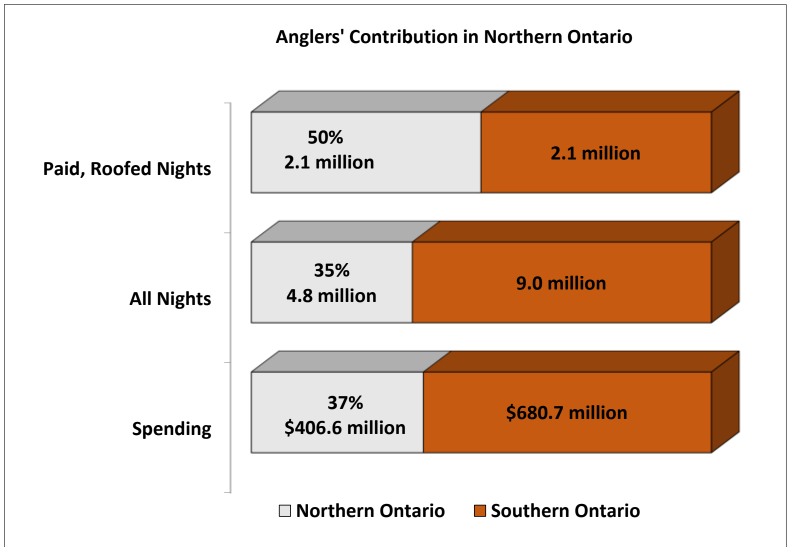
On the surface, it would seem that efforts should be made to convince Canadian anglers to use paid roofed lodging instead of campgrounds or private homes/cottages for their accommodation to increase their contribution to revenues in the North. Given the reality that

[3] All figures in the summary and report are based on Statistics Canada microdata which contain anonymised data collected in the Travel Survey of Residents of Canada 2012/2013 (pooled) and/or the International Travel Survey 2012. All computations on these microdata were prepared by Research Resolutions and Consulting Ltd. on behalf of Tourism Northern Ontario and the responsibility for the use and interpretation of these data is entirely that of the author(s).

many of these Canadians have private cottages, friends or relatives who billet them and a propensity to camp, efforts to change their lodging choice will likely be very challenging.

Anglers account for more than one third of all overnight tourism spending and nights in Northern Ontario and one half of all nights spent in the region's paid, roofed lodging.

Clearly, anglers are a mainstay of tourism's economic contribution to Northern Ontario. They account for 37% of the $1.0 billion spent on touristic goods and services and about the same proportion of the 13.8 million nights spent in the region, irrespective of the type of lodging used. Most notably, however, anglers represent one half of the 4.2 million **paid roofed lodging nights** in the North over the year.



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

Most Canadian anglers in Northern Ontario live nearby.

Canadians who fish in Northern Ontario are about equally divided between those who live in the North (27%) and in other parts of Ontario (23%). A further ten per cent reside in neighbouring Manitoba. Not too surprisingly, most Northern Ontario residents do *not* rely on paid roofed lodging for their fishing trips, choosing instead to camp, stay with friends or in their private cottages.

Northern Ontario Anglers by Place of Residence

	Total		Paid Roofed Lodging		No Paid Roofed Lodging	
	#	%	#	%	#	%
RTO13's Anglers	970,000	100%	389,000	100%	582,000	100%
Canada	**587,000**	**61%**	**126,000**	**32%**	**461,000**	**79%**
RTO13 Residents	258,000	27%	16,000	4%	241,000	41%
Southern Ontario	220,000	23%	94,000	24%	127,000	22%
Toronto CMA	58,000	6%	28,000	7%	30,000	5%
Manitoba	94,000	10%	13,000	3%	82,000	14%
U.S.A.	**381,000**	**39%**	**262,000**	**68%**	**119,000**	**20%**
Minnesota	117,000	12%	68,000	18%	49,000	8%
Wisconsin	50,000	5%	28,000	7%	23,000	4%
Michigan	34,000	4%	23,000	6%	11,000	2%
Illinois	31,000	3%	26,000	7%	6,000	1%
Other states	148,000	15%	118,000	30%	30,000	5%
Overseas	**3,000**	*	*	*	*	*

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

American anglers also tend to live nearby.

They are concentrated in adjacent states including Minnesota, Wisconsin, Michigan and Illinois. These markets are especially important to the high yield angler segment, representing almost two fifths of all Northern Ontario anglers who utilize commercial roofed lodging on their trips.

LENGTH OF TRIP & LODGING

Americans spend more nights on their fishing trips in Northern Ontario than do Canadians.

On average, a Canadian angler spends about four nights on the Northern Ontario fishing trip whereas an American spends almost seven nights. Thus, at 2.5 million of approximately 4.8 million nights spent in Northern Ontario by anglers, the American market contributes over half (53%). Its dominance, is however, especially evident in utilization of commercial lodging facilities (see below). [4]

Commercial cottages are very popular among Northern Ontario's American anglers.

Approximately two million nights were spent by anglers in Northern Ontario's commercial cottages, fishing lodges/camps, hotels and motels over the year. Of these, three quarters are spent by Americans (1.6 million, 75%). Clearly, commercial cottages are Americans' lodging of choice – they spent 1.4 million nights in these properties in Northern Ontario.

Of the half million nights spent by anglers in Northern Ontario's **campgrounds**, somewhat more were spent by Canadians (324,000) than by Americans (231,000).

SPENDING IN NORTHERN ONTARIO

At $406.6 million, anglers in Northern Ontario contributed two fifths of the $1.1 billion spent by *all* overnight tourists in the North.

This $406.6 million represents over one third of all angler spending in the province over a year. Of this amount, $278.8 million was spent by those using paid roofed lodging and $127.8 million was spent by anglers staying in campgrounds or private lodging.

American anglers account for almost two thirds of *all* spending by those who fish in the North ($258.0 million, 64%) and three quarters of the $278.8 million spent by those who rely on roofed commercial lodging while on their fishing trip ($217.1 million, 78%).

[4] 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.

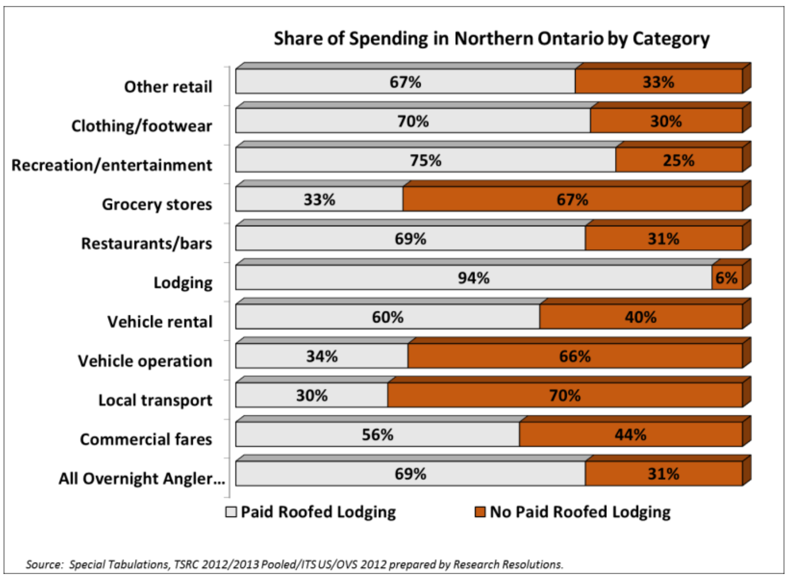
Northern Ontario Anglers' Spending by Place of Residence

	Total	Any Paid Roofed Nights	No Paid Roofed Nights
Total	$406.6 million	$278.8 million	$127.8 million
Canada	36%	22%	66%
Ontario residents	30%	19%	55%
Other Canadians	6%	3%	11%
U.S.A.	64%	78%	32%
Overseas	1%	0%	2%

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

Every sector of the tourism economy benefits from anglers in Northern Ontario but the share of spending by category differs somewhat between those who do and do not use paid roofed lodging.

For example, two thirds of the $61.5 million on vehicle operation are made by anglers who do **not** use paid roofed lodging even though total spending for this group represents only one third of all spending by overnight anglers. Similarly, grocery stores benefit more from these anglers (67%) than such stores do from anglers relying on paid roofed lodging (33%).



Conversely, Northern Ontario's restaurants are twice as likely to get patronage from people staying in hotels, lodges, resorts and the like (69%) than those who are camping or in private homes where they have cooking facilities (31%).

Differences in length of stay and lodging choices result in different yields for American and Canadian anglers in Northern Ontario.

When compared to the corresponding Canadians, the importance of American anglers is amply evident: at $258.0 million, American anglers bring 76% *more* spending to Northern Ontario than do their Canadian counterparts ($146.4 million).

The differences are especially dramatic within the segment of the market that relies on paid, roofed lodging: Americans in the segment generate 253% *more* tourism revenue for Northern Ontario ($217.1 million) than do Canadians ($61.5 million).

$127.8 million in tourist spending is hardly *chump change.*

Clearly the high yield angler on an overnight trip in Northern Ontario brings more revenue to the region ($278.8 million) than does the angler who camps, stays in a private cottage or with friends/relatives ($127.8 million). At the same time, many tourism businesses throughout Northern Ontario would suffer without the $127.8 million in revenue these *other* anglers bring them. Promotional campaigns and services that take these *other anglers* into account will help insure that the millions they spend continue to benefit Northern Ontario.

Visitor Spending in Northern Ontario – Americans & Canadians

	Americans	Canadians	% Difference in Favour of Americans
Visitor Spending – All Anglers	$258,000,000	$146,400,000	76%
Paid Roofed Lodging	$217,100,000	$61,500,000	253%
No Paid Roofed Lodging	$40,900,000	$84,900,000	-52%

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

ECONOMIC IMPACT

Anglers in Northern Ontario make a substantial contribution to the economic wellbeing of the North and the province as a whole.[5]

Northern Ontario anglers contributed $294.9 million toward Ontario's gross domestic product (GDP). Across the province, approximately 4,745 jobs and $189.2 million in wages were generated as a result of their spending in the North.

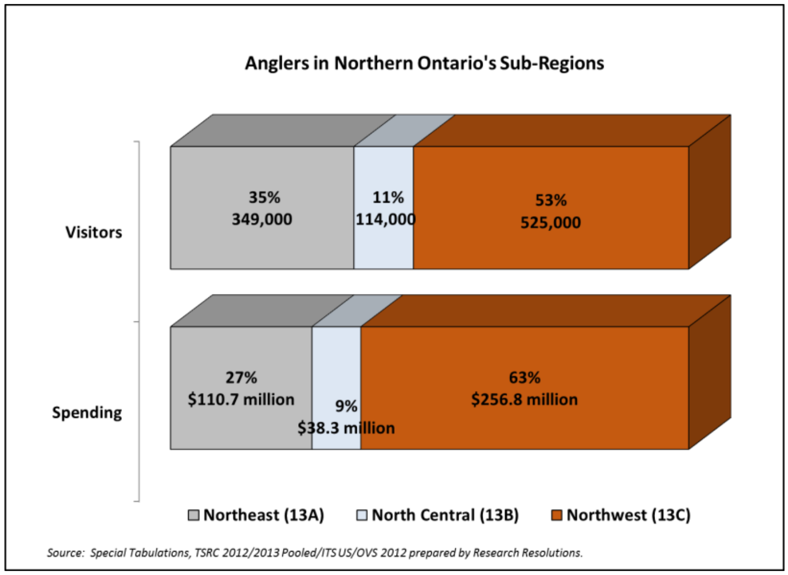
At $136.1 million in taxes province-wide, all levels of government benefited from spending by Northern Ontario anglers. Of the $136.1 million, approximately $74.1 million were federal government taxes, a further $61.2 million were provincial taxes and $775,000 were municipal taxes.

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

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

ANGLERS IN NORTHERN ONTARIO'S SUB-REGIONS

Fishing contributes to tourism activity in each Northern Ontario sub-region but is most prominent in Northwest Ontario.



Northwest Ontario (13C) is a destination for about one third of *all* overnight tourists in Northern Ontario but is substantially more popular among anglers. This sub-region attracts the largest share of anglers, at about one half million (53%).

The attractiveness of Northwest Ontario for anglers is driven, at least in part by its common border with key U.S.A. markets including Minnesota and Wisconsin.

In contrast, Northeast Ontario (13A) captures about half of *all* overnight tourists to the North but only about one third of Northern Ontario's anglers (349,000, 35%). Similarly, North Central (13B) is a destination for a larger share of *all* overnight tourists in Northern Ontario (18%) than of anglers on overnight trips in the region (114,000, 11%).

The spending pattern across the three sub-regions closely resembles the volume of tourists each captures. With its particularly high concentration of anglers, Northwest Ontario attracts about $256.8 million in tourism spending from these tourists, or almost two thirds of all spending by overnight anglers in the North (63%).

Northeast Ontario captures about $110.7 million or over one quarter of the anglers' spending throughout Northern Ontario. About one tenth of Northern Ontario's angler spending takes place in North Central ($38.3 million).

SOME DEMOGRAPHICS WORTH WATCHING

Two key demographic characteristics of Northern Ontario's anglers are worthy of special attention: they tend to be older and they do not bring children or teenagers on their trips.

The domestic angling market is somewhat younger than the corresponding American market, averaging 45 years and 52 years, respectively. In both countries, the segment relying on paid roofed lodging is somewhat older than anglers as a whole (Canadians, 48 years; Americans, 54 years). Furthermore, most Canadians (78%) and even more Americans (90%) are travelling in relatively small groups that do **not** include children or teenagers.

Taken together, these characteristics suggest an aging market with a low replacement prognosis since studies show that more than four fifths of "current" anglers went fishing while children and many attribute their participation in the sport to exposure as children. As discussed in the following section (*Observations*), efforts at recruitment and retention are likely to be critical to the well-being of sport fishing in Northern Ontario.

OBSERVATIONS[6]

As noted in our previous report on High Yield Anglers, Canadian and American anglers are important to the health of Northern Ontario's tourism industry.

The Canadian segment, almost exclusively comprised of Ontario residents, makes a substantial contribution to the health of gas stations, restaurants, retail and recreational enterprises even if comparatively few of these anglers rely on paid roofed lodging for their Northern Ontario visit. Keeping the general *tourism plant* healthy not only enhances anglers' experiences but also contributes to the ability of the region to meet the needs of *other* tourists.

Studies in the U.S. and Canada support findings of a declining fishing market.[7]

From a high of almost 50.0 million Americans doing fresh water fishing primarily near home and, less commonly, on overnight trips in 2007, the market fell to 37.8 million by 2013. Fisheries and Oceans Canada also reports a decline in sport fishing among Canadians. Explanations for the decline in both countries include increased urbanization, increased immigration, the lower take-up rate of fishing among immigrant groups, and aging of the population.

The sustainability of fishing operators in Northern Ontario is strongly tied to the health of the U.S.A. market – one that is aging and shrinking.

The aging pattern among anglers in Northern Ontario is evident across North America, leading to concerns about an ever-shrinking market – unless proactive steps are taken to bring new people into the sport.

Examples of such proactive steps include *license free family fishing programs* promoted by a consortium of Canadian governments, associations and fishing gear manufacturers. Such programs are designed to give Ontario youngsters fishing experience. Programs such as this

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[6] The observations offered are those of the author and are provided to generate discussion among Northern Ontario Tourism's staff and tourism operators throughout the region.

[7] *Survey of Recreational Fishing in Canada 2010*, Department of Fisheries and Oceans Canada; *Exploring Recent Increases in Hunting and Fishing Participation*, American Sportfishing Association, Responsive Management, the Oregon Department of Fish and Wildlife, and Southwick Associates, 2013

acknowledge the importance of providing fishing experiences to children so they have a better chance of being anglers as adults and could contribute to the health of the market. [8]

Getting urbanites to fish poses a tall challenge but as more and more North Americans live in big cities, it is a challenge that can't be ignored.

Various factors militate *against* fishing by urbanites. These are the very factors that affinity groups, marketing organizations and governments need to address to counter the relentless urbanization of North America: access, cultural history/traditions of new immigrants and the decline of face-to-face social camaraderie that was traditionally fostered among neighbours, friends and family that has characterized sport fishing in the past).

For urban recruitment, a province-wide *access* program may be necessary.

Northern Ontario certainly cannot assume full responsibility for recruitment and retention of anglers. Instead, province-wide programs and specifically those that encourage fishing in the ponds, lakes and rivers that run through major cities are likely to prove critical to keeping the Ontario angling market robust.

In other words, many urbanites that have not fished or have not done so in a long time might be tempted by the sport if they could start by fishing *close to home*. Thus, the development of urban fishing programs could be an important source of anglers for more distant destinations including Northern Ontario.

Growing ethnic and cultural diversity in Canada and the U.S.A. pose a challenge for market growth.

Most anglers in Ontario are multi-generational Canadians. Similarly, U.S.A. studies show that fishing is much less common among the growing Hispanic population than it is among Caucasian and multi-generational Americans. As immigrant populations increase in the province and the non-white/Hispanic populations in the U.S. continue to grow, the market with a cultural history of fishing will represent a smaller share of the potential Canadian and U.S. markets.

New immigrants on both sides of the border tend to concentrate in major urban areas. They do not necessarily have a family tradition of fishing or spending time in wilderness areas such as those offered in Northern Ontario. Again, outreach programs in these communities may entice them to the sport and to fishing destinations in Northern Ontario.

[8] Sponsored by Ontario Federation of Anglers and Hunters, Province of Ontario, Canadian Sportfishing Industry Association, Canadian National Sportfishing Foundation, Fisheries and Oceans Canada, Lucky Strike, Shimano and Ontario Out of Doors.

The social camaraderie that commonly characterizes fishing trips among friends and/or families is more difficult to foster in large urban centres.

Social media may be the new way to connect anglers in urban areas so they can trade *fish stories* and build virtual communities. Eventually such electronic community-building could lead fishing trips to destinations in Northern Ontario among anglers who have met online. Northern Ontario Tourism Organization (NOTO) would seem to be a logical choice to create and maintain these types of social networks among anglers.

Information sharing and inter-regional partnerships focussed on retention and recruitment might prove useful.

Since all fishing destinations in North America are facing similar challenges, TNO might consider partnering with affinity groups and other marketing organizations to learn *what works best* to retain and/or grow the fresh water sport fishing market. Readers are encouraged to review some examples provided in the final chapter of the full report.

Marketing and appropriate messages can help reach potential and lapsed anglers.

As important as recreational fishing is to many destinations throughout Canada, it seems odd that so little research in Canada provides guidance on marketing and messaging tools. Looking to the USA, however, there are studies that help identify the efficacy of various efforts to promote the sport and the optimal messaging to attract anglers.

- U.S state agency personnel that manage hunting and fishing participation and opportunities cite **marketing efforts** as the most efficacious in increasing resident and non-resident fresh water anglers.

- **Youth recruitment/retention programs** and, to a lesser extent, those targeting adults were commonly mentioned for having an impact on the resident market though were not seen as effective in attracting the out-of-state market.

Some Recruitment/Retention Ideas

Recruitment

• Develop and support after school sporting clubs for youth age 8 to 18.

• Develop and support "I'm an angler/hunter" marketing campaign that targets adults from ages 18 to 44.

• Develop and support "Learn to hunt/fish" workshops and events for adults age 18-44.

• Develop and support family-oriented outdoor skills sampler events.

Retention

• Create and support a web-based clearinghouse of hunting, fishing and outdoor skills information, targeted at adults age 18-44.

• Create and support a reverse mentoring campaign targeted at maintaining the participation of adults age 45 and older.

• Create and legislatively enact a new family license that incorporates hunting, fishing, state park admittance and other privileges.

Commissioner's Council on Hunting and Angling Recruitment and Retention, 2013 (Minnesota)

- The ***best thing about fishing*** for men is catching fish whereas for women, it is enjoying the sounds and smells of nature and spending time with family and friends;

- The ***worst thing about fishing*** for men and women is **not** catching any fish and for women only, baiting the hook/taking fish off hooks;
- The most commonly cited ***motivations for first time anglers*** to engage in the sport are the excitement and adventure of the experience and spending time with the family.

Readers are encouraged to explore more findings from these studies, described in the final chapter of the full report.

***Rowing the boat* is not going to sustain the angling market for Northern Ontario.**

As documented in this analysis, many factors threaten the North's angling market. Aging, urbanization and immigration will exert downward pressure on the market – unless steps are taken to retain and recruit new anglers. Because these factors are continent-wide, the steps to address them should include a wide array of marketing and natural resource professionals, outfitters, affinity organizations and equipment manufacturers throughout Ontario and nearby states in the U.S.A. By acting in concert, such organizations can secure a long legacy for angling in the North. The sport is, after all, a signature Northern Ontario activity and a major economic driver.