

NWT Tourism – 2013/14 Marketing Plan

MARKETING PLAN 2012-13

NORTHWEST TERRITORIES

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Organization Overview

Northwest Territories Tourism (NWT Tourism) is a not-for-profit destination marketing organization (DMO) that has been contracted to deliver marketing programs on behalf of the Government of the Northwest Territories (GNWT). Our mission is to increase the number of visitors and visitor spending in the NWT. NWT Tourism was established in 1996 when it assumed responsibility for tourism marketing from the Department of Industry Tourism and Investment (ITI). The current organization is the latest in a line of tourism industry organizations that trace back over 50 years. A voluntary Board of 12 Directors made up of six elected tourism operators and six appointed aboriginal government officials governs NWT. The board meets on a regular basis to guide the organization's marketing activities and to advocate on behalf of the tourism industry.

The organization is headed by an executive director who oversees a staff of eight, including a marketing director, communications coordinator, marketing partnerships coordinator, marketing coordinator, two call centre staff, a membership services coordinator, an administrative assistant and a finance manager.

NWT Tourism uses a variety of innovative marketing strategies to help build awareness of the NWT and to provide the opportunity for our industry operators to market their tourism products and services. NWT Tourism participates in a wide range of marketing activities including print and web advertising, social media, consumer and trade shows, familiarization tours and a variety of experiential marketing campaigns. Marketing efforts have supported key sectors which include sport hunting, sport fishing, Aurora, outdoor adventure, touring, non-consumptive experiential tourism and business travel.

NWT Tourism works closely with each of the regional tourism offices to ensure that regions are well represented in our marketing activities. Past activities such as familiarization (FAM) tours and our most recent Globe and Mail advertising campaign have been successful in generating awareness, interest and bookings in all of the regions of the NWT. NWT Tourism is working to enhance our communication with the regions and to build on our marketing successes.

NWT Tourism also recognizes that Visitor Information Centres play a key role in the success of our marketing initiatives. Being the main point of contact for many of the tourists that arrive in the NWT, the local visitor information centres have the capacity and proven ability to drive business directly to our tourism operators.

As part of the process for developing their annual marketing plan, NWT Tourism meets several times with the Tourism Marketing Advisory Committee (TMAC) to seek general guidance and feedback on the overall strategy of the marketing plan. TMAC is a special committee that was established by the Minister of Industry Tourism and Investment (ITI). The committee is made up of 12 individuals who represent broad tourism sector and regional interests, and bring to the table experience and a background in marketing. Two co-chairs, one appointed from outside government, and the other from ITI, oversee the group discussion and coordinate feedback to NWT Tourism. This process has been in place for several years now and has proven to be highly effective.

In 2011 the Minister of ITI established an Aboriginal Tourism Champions Advisory Council. The purpose of this council is to define Aboriginal Tourism, champion Aboriginal Tourism development in the communities and to develop product standards and certification of Aboriginal Tourism products. The committee is made up of two co-chairs and seven members that represent a broad range of industry sectors as well as the regional and Aboriginal cultural diversity of the Northwest Territories. The chair of the Board of Directors for NWT Tourism has been appointed as one of the co-chairs of the committee, with the intention of keeping abreast of the activities of the council and to provide key information/insights to NWT Tourism.

NWT Tourism also works closely with a number of other government agencies and private sector partners as a means of leveraging funding and expanding our marketing reach. In addition to the GNWT, key partners include CanNor, the Canadian Tourism Commission (CTC), the Tourism Industry Association of Canada (TIAC), Canada's North Pan-Territorial Committee and other provincial/territorial destination marketing organizations (DMO). NWT Tourism has also worked closely with various traditional and non-traditional partners on a number of innovative marketing initiatives. The following flow chart outlines the interactions between NWT Tourism and our industry counterparts.

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Introduction

NWT Tourism marketing initiatives focus on target geographic and demographic markets where there is the highest potential for return on investment (ROI), with the intent to increase both the number of visitors and visitor spending. As a result of a number of very successful marketing campaigns (Globe and Mail, Arctic Air and Canada's Northern House) general awareness of the NWT has increased significantly, particularly in the domestic market. Building on these successes the strategic direction of NWT Tourism is to develop comprehensive marketing campaigns that will create a desire and sense of urgency to travel to the NWT. The primary messages of these campaigns will include the ease of travel into the NWT and the diverse activities and experiences that are available. While the NWT is unable to compete on price point compared to other destinations with similar products, the focus will be on quality authentic experiences. The goal will be to position the NWT as an exotic destination with a number of experiences that would be worthy of "the bucket list".

In line with the current marketing plan, our main focus will continue to be the North American market (with most of the marketing activities focused on the domestic market). With the recent addition of Germany and Japan market representatives (General Sales Agents) we have seen some excellent results in both of these markets and are looking to expand our marketing efforts in these key overseas markets. China and Australia are also on our radar as both of these markets are showing increased visitation to Canada and could be very lucrative markets for the NWT. However, in order to expand into these markets additional marketing funds would be needed.

Two years ago NWT Tourism made a switch in the marketing plan from a sector based plan to a more integrated marketing approach. The plan was built around 5 key iconic attractions:

- i) Aurora Borealis (and winter products)
- ii) Lakes and Rivers
- iii) Parks and Wilderness
- iv) Culture and People
- v) Northern Realities (Ice Roads, Float Planes, Midnight Sun, etc.).

These icons were chosen as they offer a strong connection to the local tourism products and to the regions of the Northwest Territories and resonated well with our target markets. The new approach allows us to combine smaller sector budgets into one larger amount to target specific demographic and geographic markets that are more likely to visit the Northwest Territories. This new approach was first implemented in February/March of 2011 in a cooperative marketing campaign in the Globe and Mail. The campaign was very successful in building general awareness and generating both enquiries and bookings. NWT Tourism plans to build on the initial success of the integrated campaign and continue to use the key icons as the main focus of all of our advertising campaigns.

Tourism Industry Overview

In Canada

The Canadian tourism industry experienced another period of modest growth. The domestic market continues to gain in prominence with approximately 80% of Canadian tourism revenues coming from the domestic market. Accommodations, transportation and food and beverage experienced the largest growth in this market.

Foreign tourism spending remained relatively flat with a total of \$15.1 billion in export revenues in 2011. International overnight trips to Canada from our core markets (not including the USA) experienced a slight decrease from 2.49 million in 2010 to 2.47 in 2011. The United Kingdom continues to be the largest of these markets with over 650,000 overnight trips to Canada, followed by France (410,000), Germany (300,000), China (220,000) and Australia (205,000). While Japan is slightly lower at (200,000) the numbers have been increasing this year and the market looks to be rebounding nicely from the devastating earthquake/tsunami that occurred there last year.

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The Canadian Tourism Commission (CTC) is facing the challenge of remaining competitive in an international marketplace. In 2013 the CTC budget will drop from \$72 million to \$61 million (with a further reduction to \$58 million in 2014). This reduction in budget has resulted in marketing activity reductions in a number of markets, most notably the elimination of all remaining US activity with the exception of the MC&IT program and Canada Media Marketplace. With these budget cuts CTC will be looking to Provincial/Territorial marketing organizations (PMOs) to increase their marketing spend in their international marketing programs. Canada is being outspent by our competitors at a time when visitation to Canada is dropping. Since 1996 Canada's market share in our key markets has dropped from 25% to 13% and Canada is no longer one of the top ten tourism destinations in the world. Canada has now dropped from 7th to 18th as a destination for international visits.

In the Northwest Territories

Tourism continues to play an important role in the economy of the NWT. The industry currently contributes approximately \$99.5 million to the NWT economy. A number of unforeseen occurrences such as a global economic recession, the current state of the NWT sport hunting sector, federal passport and visa requirements, and the earthquake and tsunami in Japan in March of 2011 have had an adverse effect on the number of visitors and visitor spending in the NWT in recent years.

In 2011/12 the total number of visitors to the NWT was 64,380. This was a 1% decrease from the previous year. 40,080 were travelling for leisure and 24,300 were travelling on business. These travellers spent a total of \$99.5 million which is a slight increase from the previous year. The split between leisure and business travel spending was similar with overall leisure travel revenues totaling \$51 million with business travel slightly lower at \$48.5 million.

In line with the other provinces and territories of Canada, domestic travel makes up the largest segment of travellers to the NWT. Approximately 80% percent of the visitors to the NWT are from Canada, with international travellers making up the remainder of the market.

Opportunities and Threats

World events, the economy, natural disasters, pandemics, currency values, visa/passport issues, air access, climate change and competition from other tourism destinations are just some of the many factors that are beyond our control. These can impact NWT tourism negatively or positively. Listed below are a number of opportunities and threats that can have immediate or long term impacts on our tourism industry. Based on our ability to utilize our marketing efforts to have an impact of the opportunity or threat a list of the top opportunities and threats has been established. This is followed by an additional list of opportunities and threats that we will continue to monitor on an ongoing basis.

Opportunities

Short Term Opportunities (listed in order of priority)

1. ***Global interest in the NWT is being generated via TV programs such as Ice Road Truckers, Ice Pilots NWT and Arctic Air, as well as the recent exposure of the Royal Visits and the most recent Yellowknife Mars phenomenon.***

NWTT is taking advantage of this through having a significant media buy on the Arctic Air, incorporating all of these media draws into our print, web and social media campaigns and hosting media FAMs (i.e. ET Canada media FAM for the launch of the new season of Ice Pilots NWT) to further leverage all of this media attention we are receiving.

2. ***The RV turn around station pilot project and the possibility of direct flights by Edelweiss Air to Yellowknife could open up more opportunities to package to the German and Swiss markets***

NWTT is working closely with Fraserway RV rentals and our key trade accounts over in Germany and Switzerland to promote the RV pilot project. Support includes FAM tour support for Fraserway RV so they can see firsthand the infrastructure available in the NWT, and marketing support for the tour operators who are selling this new product. Meetings with the Department of Transportation (DOT), NWTT and Edelweiss Air are ongoing to determine the best course of action to establish a direct flight between Zurich and Yellowknife

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- 3. *Development of the new/market-ready products through the Product Diversification Program and the CTC Signature Experience Collection (four are located in the NWT) has increased product offerings to the travel trade and provided more opportunities to promote the NWT to our key international markets.***

Working in partnership with ITI, NWT Tourism is providing Export Ready training to our local tourism operators in an effort to get more of our local operators to a point when they can be marketed internationally. NWT Tourism is also actively promoting the CTC Signature Experience collection and all other export ready products through trade shows, sales calls and new product updates.

- 4. *Aurora/Solar Maximum has increased awareness and interest in our Aurora viewing products from our Asia-Pacific (Japan, China, and Korea) and our domestic market.***

NWT Tourism has made Aurora front and centre in our marketing promotions, particularly in the Asia-Pacific market. All Aurora promotions have focused on the excellent opportunities to view Aurora in the NWT during Aurora Max and have included more scientific information in the Japanese market as to what sets the NWT apart from other Aurora viewing destinations. More efforts are being made to promote the Aurora to a domestic market through Aurora packages.

- 5. *The completion of the Mackenzie River bridge, ongoing improvements to our highway system and an increased interest in the Deh Cho Travel Connection and the Dempster Highway could increase rubber tire traffic***

NWT Tourism will communicate the completion of the Deh Cho Bridge and the improved highway conditions in our print, web and social media campaigns.

Other Short Term Opportunities

- The announcement of the new National Park, Naats'ihch'oh, is also drawing new attention to the NWT
- Our German, Japan and North American market representatives are providing a greater presence in these markets and are creating new marketing programs with our key trade partners
- To capitalize of the \$400 million Brand USA messaging by offering Canada / the NWT as an add-on to vacations to the USA.
- As the fascination with the north grows there are more opportunities for partnerships with a variety of stakeholders including Parks Canada and the cruise ship industry.

Long Term Opportunities

1. The establishment of an NWT conference centre has potential for significant growth of the business travel market
2. The enhancement of the infrastructure of the Yellowknife Airport (runway length, customs support, etc.) would allow for long-range aircraft from international markets
3. Industrial projects such as a new diamond mine, a major hydro project or the Sahtu energy boom are all opportunities to increase the number of business travellers to the NWT
4. Increased size of our target market, as more boomers become empty nesters and have the time and funds to travel
5. Vast tracts of pristine wilderness such as Nahanni National Park, the rivers of the Sahtu and the Mackenzie Delta at a time when wilderness is diminishing in other parts of the world
6. The potential development of the Mackenzie Valley Highway has the opportunity to significantly increase road traffic into the NWT.

Threats

Short Term Threats (listed in order of priority)

- ***Limited air capacity into the NWT is causing many tour companies and consumers to choose other destinations other than the NWT (i.e. Whitehorse for Aurora viewing)***

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NWT Tourism is looking at ways to increase visitation by working through cooperative marketing initiatives with airlines that are introducing new air routes/connections such as the interline agreement between Japan Airlines (JAL) and WestJet. The CTC is supporting tour companies that are utilizing overseas flights into the USA with connections into Canada.

- ***The perception that Aurora viewing will not be very good following the Aurora/Solar Max years has the potential to result in significant decreases in the Aurora market, particularly out of Japan.***

NWT Tourism is working with the CTC to get the message out that Aurora viewing will still be exceptional after Aurora Max has run its course. Seminars, education, training and marketing for Japanese tour wholesalers and their clients will be required to get this message across.

- ***Brand USA's \$400 million campaign has the potential to lure Canada's domestic tourist away from the NWT and to the USA instead.***

It is no secret that Brand USA sees Canada as one of its most viable markets and will soon start an aggressive marketing campaign in Canada. In order for the NWT not to be lost in all of this messaging it is essential that we expand our domestic advertising presence with campaigns such as Arctic Air and the Globe and Mail.

- ***Ongoing global recession and strong Canadian dollar could reduce travel by middle income people.***

NWT Tourism will need to focus our marketing efforts on media buys (print, web, digital and social media) that target higher income consumers. Further research through Environics would help to ensure we are targeting the right audience.

- ***The common misperception that as a wilderness destination the NWT lacks the services and amenities of other tourism destinations.***

While our pristine wilderness is a real draw for many of our potential clients the messaging from NWT Tourism also needs to include the services and amenities that are available to our guests.

Other Short Term Threats

- Increased competition in the Aurora sector (Alaska, Finland and Norway are main competition. Whitehorse and Fort McMurray are using aggressive marketing campaigns to gain market share.)
- The deteriorating condition of the Liard Highway and the highway between Behchoko to Yellowknife highway continue to have a negative impact on the road touring market
- Rising fuel costs (vehicle, aircraft, etc.) are increasing the cost of travel to and within the NWT
- The cutbacks at Parks Canada may have a negative impact on visitation to the parks
- The anthrax outbreak among bison
- The establishment of the new National Park (Naats'ihch'oh) will eliminate hunting opportunities in that area
- Increased competition for our type of products from locations that can often offer products at a lower price

Long Term Threats

- The budget cutbacks at the CTC will negatively affect all provincial/territorial DMOs
- Rising air costs for flights into the lodges as the smaller planes such as the C-185s have been discontinued
- Aging infrastructure, undercapitalized operations
- The ban on Caribou hunting will continue beyond 2017

Product Supply and Demand Review

Sport Hunting

Supply – There are over two dozen sport hunting operators in the Northwest Territories that offer hunts for bison, polar bear, muskoxen, sheep, caribou, moose, grizzly bears and a range of other animals and game birds.

The supply side of sport hunting has experienced a number of setbacks in recent years resulting in declines in the number of sport hunting visitors and revenues. The listing of the polar bear under the Endangered Species Act in the US has significantly decreased the number of polar bear hunters and the suspension of Barrenground caribou hunts due to steep population declines in the Bathurst Herd has eliminated a large segment of our sport hunting activity. The expansion of Nahanni National Park Reserve will also impact some mountain hunting outfitters over the next decade. Some of our hunting operators are looking at adding new types of hunts such as bison and wolf in an attempt to diversify their product.

Demand – Demand for available hunts continues to be strong (sheep, mountain caribou, muskoxen). Demand for caribou and polar bear hunts are now being filled by other jurisdictions, and the challenge will be to regain market share if and when the restrictions are lifted.

Key Competition – With the current hunting ban of Barrenground caribou, the NWT sport hunting sector is losing market share to Nunavut and Alaska. Both jurisdictions have capitalized by advertising their ability to accommodate the needs of hunters who were previously visiting the NWT.

Demographic Profile

- The age group is 40 to 65, and is predominantly male
- Non-resident Canadian and US accounted for 95% of the market
- The largest domestic markets are Alberta, British Columbia and Ontario
- High income groups with the majority of household incomes over \$100,000
- Hunters spend on average more than \$13,000 per trip, plan 19 months in advance, are influenced by word of mouth (56%) and by sports shows (22%)
- For hunters, outfitter reputation is the primary reason for choosing the NWT
- 60% belong to hunting or gun-related associations or organizations

Visitation Analysis

Sport hunting numbers increased slightly over the past year. The number of sport hunters increased from 440 in 2010/11 to 480 in 2011/12. Visitor spending also increased slightly from \$4.2 million to \$4.6 million over the same period.

Sport Fishing

Supply – There are more than 50 fishing lodges and outfitters in the Northwest Territories. Fishing visitors and income has dropped substantially over the past ten years due to structural changes in the market, and most recently the global recession. Overall occupancy at NWT lodges is likely well below 50% as some lodges are no longer marketing their product.

Demand – The demand for overnight fishing packages has declined significantly. Those looking for traditional fishing packages are indicating a preference for shorter two or three day trips. This has resulted in a significant decline in angler numbers. The demand for day trip packages continues to remain high, particularly among business travellers and the visiting friends and relatives market. Fly fishing and women's fishing clubs continue to grow in popularity.

Key Competition – As indicated in the most recent research from ITI, our main Canadian competitor destinations are Manitoba, Saskatchewan and Northern Ontario. Manitoba boasts 152 sport fishing lodges. There are 118 in Saskatchewan and well over 200 in Northern Ontario. Many of these lodges are accessible by road and are a short drive away from major populated areas of Canada and the United States. Alaska is our main American competitor.

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Demographic Profile

- Canadian anglers are mostly from Alberta, Ontario, British Columbia and Saskatchewan
- American anglers are mostly from Minnesota, Illinois and California
- 90% of anglers are men, with 2/3 repeat visitors
- The majority are between the ages of 41 and 70
- Incomes of anglers are slightly higher than \$90,000

Visitation Analysis

Sport fishing continues to decline. The number of sport fishing visitors decreased from 5,000 in 2010/11 to 4,700 in 2011/12. Over this same period visitor spending increased from \$11.8 million to \$12.9 million. This increase is the result of more fishing packages being booked.

Aurora

Supply – There are over 20 operators offering Aurora viewing as part of their product offerings. About seven of these operators offer Aurora as their main product, while the balance add Aurora viewing to a menu of other winter products. Most of the Aurora operators are located in Yellowknife, with several providing additional language services in Japanese, Korean and Chinese. A new operator out of Hay River will also be offering Aurora viewing packages this winter and Hay River and a few operators out of Fort Simpson offer Fall Aurora viewing packages and Inuvik offers Aurora viewing as part of their winter packages. All Aurora facilities and services are operating below capacity. The cancellation of the direct flight between Vancouver and Yellowknife has resulted in a significant reduction in air capacity. However, a direct flight from Tokyo to Calgary beginning in the winter of 2012 should help alleviate some of the problem. Japan Airlines (JAL) has also formed a partnership with WestJet which could also increase the number of available seats into Yellowknife.

Demand – Aurora visitors comprise the largest portion of overseas visitors to the territory. The majority of these visitors are from Japan, with a small number from Korea and China. The Aurora sector has experienced significant declines in recent years, but the past two years has seen a rebound. The catastrophic earthquake and tsunami in Japan in March 2010 caused a disruption in travel out of the country, but travel is now beginning to return to previous levels as the government of Japan is encouraging its citizens to take extended vacations. With destinations in northern Europe offering luxury winter packages at a significantly reduced rate compared to Canadian destinations, it is difficult to foresee any short term increases in the market. However, we are confident that the market will rebound over the long term.

Over the past few years NWT Tourism has tried to increase our market share by promoting to markets in southern Canada and the United States. Marketing efforts are in the early stages, but have generated a lot of interest. Of all the enquiries NWT Tourism fields, Aurora is always the most popular of the sectors. With some of the Aurora operators now offering packages for the domestic market, we are experiencing moderate growth in this market.

Key Competition – In recent years the key competition in the Aurora sector has been Alaska. The direct charter flights between Tokyo and Fairbanks have eroded a significant portion of the NWT market share over the last few years. Although the number of charters to Fairbanks was beginning to be reduced, they are expected to increase again this winter. Other direct competitors in the Aurora sector are Finland and Norway. These northern European destinations are offering luxury packages at significantly reduced rates and are significantly less expensive than our current prices. It is expected that this discounting is simply an effort to get market share, and that these discounted prices cannot be maintained over an extended period of time. Lastly, other Canadian destinations such as Whitehorse and Fort McMurray are stepping up their marketing efforts to establish a greater presence in the Aurora market. While these destinations currently lack the Aurora viewing infrastructure compared to what is found in the NWT, we will need to keep an eye on these competitors to ensure that our Aurora product is the leader in the industry and is top of mind with the consumer.

Demographic Profile

- Most Aurora visitors are from Japan
- 2/3 (67%) of visitors are women. Approximately half of the visitors of both genders are under the age of 40. They stay, on average, 3.6 nights
- One fifth are professionals (mostly male), one fifth are at home or retired. The other large groups are clerical staff (mostly

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female) and civil servants

- 72% found out about Yellowknife from Japanese tour operator brochures. The second largest source of information is friends and family
- They come to view the Aurora with dogsledding as their second most popular activity

Visitation Analysis

The Aurora market continues to show signs of growth. The number of Aurora visitors has increased from 6,800 in 2010/11 to 7,400 in 2011/12. Visitor spending increased by \$800,000 over this same period.

Outdoor Adventure

Supply – The NWT has dozens of Outdoor Adventure operators. Only about ten offer fully guided paddling or hiking experiences, while most offer assistance to unguided travellers or combine outdoor activities such as paddling, hiking and bird watching with other activities such as fishing and wilderness lodge experiences. Most operations are centred on better-known rivers (Nahanni, Thelon, Mountain, and Keele).

Outdoor adventure offerings for day trips and products in or near communities are more limited. Canoeing, kayaking and rafting are well established in the NWT, but this sector has room for growth outside the Nahanni. A new Canoeing/Wilderness Adventure Centre opened in Norman Wells last summer and has opened up more paddling options, particularly in the Sahtu region. Other activities such as wildlife viewing and hiking can be developed in the NWT.

Demand - The Outdoor Adventure sector is growing on a global scale, especially the demand for high-end adventure and guided trips. As the world continues to adopt the green philosophy, there is an increasing importance in purchasing experiences that are environmentally friendly utilizing minimal impact activities.

Key Competition – The Yukon is our primary competitor for a number of outdoor adventure activities. These include canoeing, kayaking, hiking and wildlife viewing. British Columbia is noted as being a major competitor for hiking, wildlife viewing and soft adventure products, while Ontario and the eastern United States are key competitors in for canoeing, kayaking and rafting.

Demographic Profile

- Income in this group varies from the student or new graduate level to the high income professional looking for a wilderness challenge
- On average, they spend an estimated \$1,544 per person and stay for approximately 14 nights
- Just over 50% of this segment are Canadian, 21% are American, and 27% are from other countries
- Just over 50% arrive by air and the rest drive
- Over 50% of visitors in this segment are repeat visitors
- 67% went wilderness camping, 59% stayed in commercial lodging
- They spend under 12 months planning their trip and are influenced by word of mouth (40%), Internet (29%) and the Explorers' Guide (16%)

Visitation Analysis

The outdoor adventure market experienced mixed results this past year. The number of visitors from this sector to the NWT increased from 1,900 to 2,300. However, visitor spending decreased from \$6.5 million to \$6.2 million over the same period. The total spend for guided outdoor adventure was \$3.2 million, with an average spend of \$5,000 (not including airfare to get to the NWT). The total spend for unguided outdoor adventure was \$2.56 million, and an average spend of \$2,600 (not including airfare to the NWT).

General Touring

Supply – Because of our physical distance from major markets, the Northwest Territories is a long haul destination. For general touring by road, we offer the Deh Cho Travel Connection - a circular driving route that includes destinations in Northern Alberta/BC and the southern part of the NWT - and the Dempster Highway which is Canada's most northerly public highway. We also have a number of roads that end in communities (Yellowknife, Fort Smith, Fort Resolution, and Wrigley) but offer interesting scenery and road access to specific destinations. NWT roads are being improved gradually and our territorial and national parks are seen as some of the best in all of Canada. There are a total of 34 territorial and 5 national parks in the NWT, most of which attract many visitors each year. The direct flight between Frankfurt and Whitehorse and the RV rental stations in the Yukon are a major driver for

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German visitation to the Inuvik region. The change of the rental car station in Whitehorse and thus increased prices is causing some issues with German and Swiss tour operators. FTI and a few more operators are not willing to continue selling rental cars in Whitehorse under the new conditions. This would have an impact on German visitation numbers to Inuvik.

Competition among airlines has resulted in reduced airfares into the NWT and recent talks between Edelweiss and the GNWT may result in direct air access between Zurich and Yellowknife. This has the potential to bring many more tourists in from the German and Swiss markets, but the lack of an RV satellite depot will be a deterrent to building packages around the direct flight for the German-speaking tour operators.

Demand – For the general touring market, our focus is on those travellers who have the time and money to take long haul vacations (long haul is defined as a trip of seven or more nights). The primary domestic markets for touring include Alberta and British Columbia. The visiting friends and relatives market is also a key component of the touring market. The general touring market has increased over the past decade, although there was a small dip in the past two recessionary years.

The NWT has also seen growth in the number of German-speaking visitors. The Inuvik region has the highest number of German-speaking visitors in the NWT, primarily because of its position on the Dempster Highway. Germans are also showing an interest in the Deh Cho route. The German market has a strong interest in wilderness, parks and Aboriginal based products.

Key Competition – Again the Yukon is our primary competitor for the touring market. The direct air access from Germany, along with the road touring infrastructure (RV rentals, more paved highways and a variety of circular driving routes), and the direct link between BC and Alaska position the Yukon to capitalize on this market. BC and Northern Alberta are also key competitors for the touring sector.

Demographic Profile

- Mainly in the 55 plus age group with average to high incomes
- Many are retired empty nesters, and most travel by road (88%)
- A fairly even division between male and female
- Canadians comprise 72%, US 17%, other 11%
- Those travelling by air spend on average \$4,720 per party of 2.58 and those by road spend on average \$3,615
- They are generally motivated by nature and culture, concerned about safety and hygiene, value independent travel, want soft outdoor adventure experiences, and 85% are FIT, 15% book packages

Visitation Analysis

The general touring market showed a slight increase in the overall number of visitors, but the visiting friends and relatives (VFR) market showed a sizable reduction, dropping from 13,400 visitors in 2010/11 to 11,800 in 2011/12. The combined visitor spending of the VFR and general tourism market for 2011/12 was \$18.1 million, which was a 10% increase over the previous year.

Business Travel

Supply – Business travel makes up a significant part of the total number of NWT visitors. There are two forms of business travel. These include Meetings, Conventions and Incentive Travel (MC&IT) and the independent business traveller. There are four communities in the NWT that are capable of hosting small to mid-size conferences. These are Yellowknife, Inuvik, Hay River and Norman Wells. Each of these communities has excellent meeting facilities, guest services and a variety of tourism products. Operators have added more experiential day trips or full day add-ons to adapt to the shorter stays of business travellers. These range from sightseeing tours to boat cruises and Aurora viewing to fishing trips. Other communities such as Fort Smith and Fort Simpson have expressed an interest in the meetings and convention market and are looking at developing the infrastructure (hotels, restaurants, meeting space, etc.) that is needed to attract this market.

Demand – Business travel continues to generate significant revenue for the airline, accommodation, arts and crafts, and restaurant and retail industries. For the past several years, NWT Tourism has invested more in the business sector, and has begun to actively promote the NWT as a meeting and convention destination. There is an increased appetite, particularly by many southern Canadians, to experience the North. This has resulted in increased conference bookings. The return on investment is not usually immediately apparent as the majority of conferences are booked two to three years in advance.

Key Competition – Whitehorse is the main competitor among Northern destinations. Reduced air cost, accommodation packages and

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a convention centre are all key selling points to the meeting and convention market. The larger centres in southern Canada secure most of the meetings and conventions as they have the infrastructure to support larger meetings and conventions.

Demographic Profile

- 60 % were between the ages of 40 and 59
- 76% were male and 23% were female
- Party size is usually 1 – 2 people and they usually travel by air
- 69% spent 1 to 3 days in the NWT, 9.5% spent 4 – 7 days
- 44% of travellers participated in a tourism activity
- Majority are university educated in professional, managerial or trades-based occupations
- Average annual income of \$70,000+
- Majority of business travellers are from Alberta, Ontario and British Columbia

Visitation Analysis

The number of business travellers to the NWT declined slightly from 24,800 in 2010/11 to 24,300 in 2011/12. Visitor revenues for 2011/12 totaled \$48.5 million, which was a \$1 million decrease from the previous year.

Aboriginal Tourism

Supply – A number of market-ready Aboriginal tourism products exist in the NWT but there is a great potential for expansion. The department of Industry, Tourism and Investment (ITI) is supporting the development of this sector. A newly formed Aboriginal Tourism Champions Advisory Council has been established to help define Aboriginal tourism and to begin to look at ways of establishing the industry. Aboriginal Tourism is a sector that has good potential for growth.

Demand – Throughout the world there is an increasing demand for authentic Aboriginal tourism products, primarily from travellers from France, Germany and the United Kingdom. Aboriginal tourism experiences can be highly motivating, but serve more as a value added than as a stimulus for choosing to visit a particular destination. Typically visitors would include a full or half-day activity in their current travel plans.

Key Competition – Of all the destinations in Canada, BC has the most established Aboriginal Tourism sector. They offer a vast array of aboriginal products, and have a great deal of experience working in the national and international markets. Alberta and Saskatchewan also have a number of iconic attractions that are well known in the marketplace.

Demographic Profile

- Age range 50 +, interested in soft adventure (hiking, walks, nature observation, indoor activities)
- Below 50, interested in adventure activities (dogsledding, snowshoeing)
- More likely to be married without children
- Higher level of education

Diamond Tourism

Supply – The NWT is the only place in the world, outside of Africa and Russia, where visitors can purchase diamonds that are mined, cut and polished locally. In 2007, NWT mines produced over 16.5 million carats, with an estimated value of over \$1.4 billion, approximately 14% of the world's production. Government Certified Canadian Diamonds™ have a GNWT certificate of origin and authenticity. These diamonds can be purchased in jewellery stores in many of our NWT communities and are often used as prizes for a variety of conferences and promotional campaigns.

Currently visitors can purchase Canadian Diamonds, travel the ice road towards the diamond mines with an outfitter and visit the diamond displays at the Northern Frontier Visitors Centre, Rio Tinto DDMI office and the Prince of Wales Northern Heritage Centre. In addition, there is the Deh Cho Travel Connection (DCTC) Diamonds in the Rough Passport Program. It was recently announced that a Diamond Tourism Centre is expected to be operational by the end of 2012. This will undoubtedly provide additional opportunities for tourists to experience this product. Visitors would receive the total diamond experience: learn about the 5 Cs (certification, carat, clarity, colour and cut), observe the cutting and polishing process, and have an opportunity to purchase the product.

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NWT Tourism – 2013/14 Marketing Plan

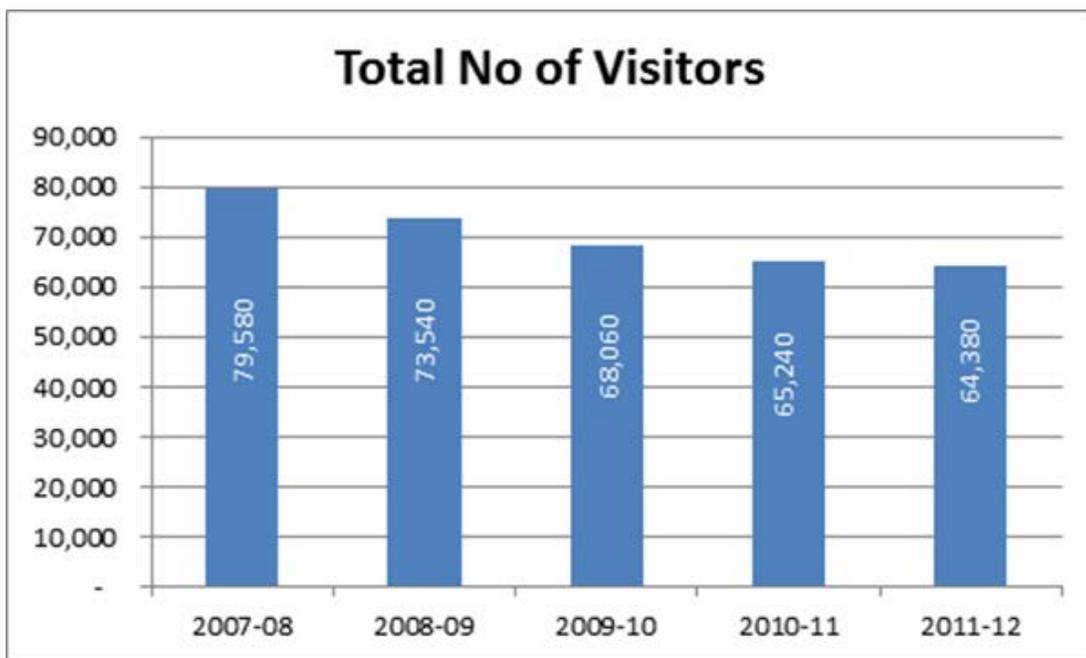
Diamond Tourism activities, including learning about and purchasing Canadian Diamonds, can easily be related to and included in all key sector promotions, especially business travel, sport hunting, fishing and touring. As this product has the potential to increase visitor spending, we must promote this program whenever possible.

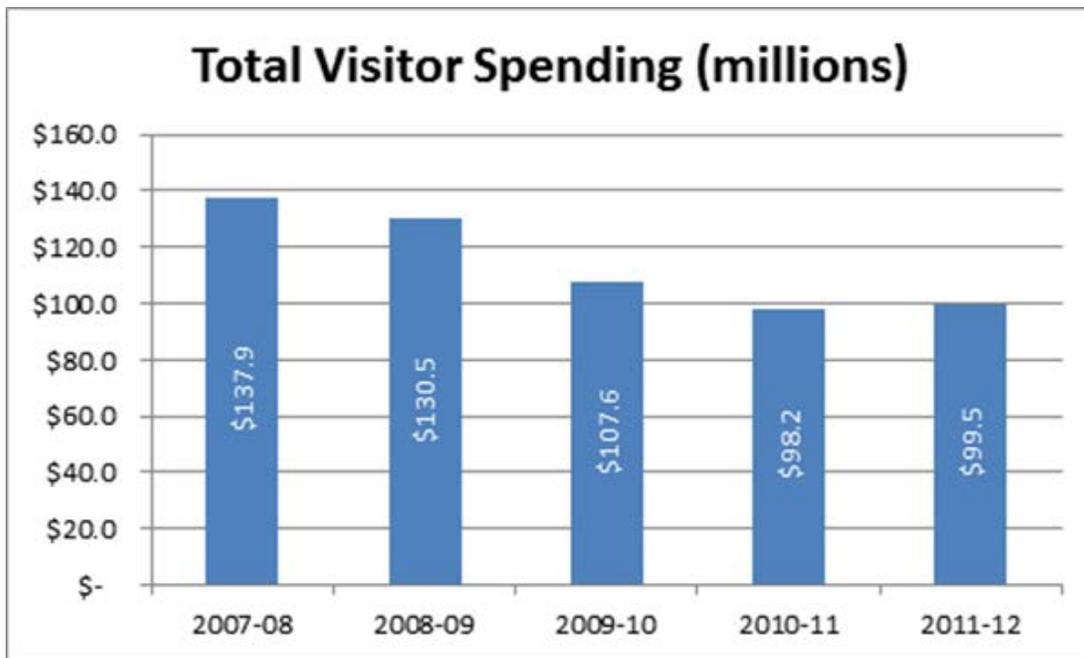
Demand – Diamond tourism continues to have the potential to increase visitor spending, and is something that can be and is promoted in conjunction with other products such as fishing, hunting, touring and Aurora viewing.

Key Competition – South Africa has a well-established diamond tourism product and includes interactive displays and special effects (i.e. a simulated underground mine explosion). Belgium also has an exceptional diamond tourism product as guests can visit the cutting and polishing factories and purchase diamonds at a reduced cost.

Demographic Profile

- Higher level of education with disposable income
- Honeymoon and anniversary travellers looking for exotic vacation experiences
- Value add to tourists already visiting the destination (hunters, Japanese Aurora visitors, etc.)





NWT Tourism Marketing Plan 2013/14

Northwest Territories Tourism (NWT Tourism) has prepared a comprehensive marketing plan that will guide our marketing activities for the upcoming fiscal year. This plan is based on the following:

- The most recent research from the Canadian Tourism Commission and the Government of the NWT's Industry Tourism and Investment (ITI) department
- Feedback from our local industry partners
- Key advice from the NWT Tourism Marketing Advisory Committee (TMAC)

The 2013/14 Marketing Plan will follow the same integrated marketing approach that was introduced in the 2012/13 plan. The plan will continue to build on the existing Spectacular brand that was developed approximately six years ago. The Northwest Territories brand promises world class natural wonders in a place that will enlighten your mind and refresh you physically and spiritually. According to research, the key brand image is the Aurora. The Northwest Territories offers the best Aurora viewing in the world. Building on the success of past campaigns that have increased interest and awareness in the NWT, marketing initiatives will be designed to inform potential visitors of the ease of access to the NWT and the authentic experiences that await.

Visually, the Spectacular brand is a unified look that consists of iconic images, colour schemes, uniform fonts (text), a logo and a website domain that were developed with the intent of generating awareness and interest in our key target markets. Before developing the Spectacular brand extensive research was done in some of the key markets in Canada and the United States to determine what our brand should look like so that it had a significant impact in our target markets. All marketing materials will utilize the key iconic attractions as a tool for building awareness and interest in the NWT with the overall intention of driving the consumer to the spectacularnwt.com website and our Explorers' guide, with the end goal of driving traffic to our local tourism operators so they can make the final sale.

In the market driven, integrated approach, all marketing campaigns carry a consistent brand image and messaging and all of the various components (print, web and social media) work in unison. The content and approach of the integrated, market driven program will be centred on five key NWT brand icons, each representing travel products and regions of the Northwest Territories. The brand icons, or visualizations of the NWT products that will be marketed, build on existing awareness of NWT products or experiences. These icons are:

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1. Aurora

This icon will represent our key Aurora products as well as a range of related products such as dogsledding, snowmobiling, snowshoeing, kite skiing, ice fishing and any other products that are part of an Aurora or winter experience. It will also market the regions or communities most involved with this product, such as Yellowknife, Hay River and Inuvik.

Branding Vision: To be positioned as the world's #1 Aurora viewing destination.

2. Parks and Wilderness

This icon will focus on our best-known parks, but will portray all five national parks, territorial parks, heritage parks, wilderness driving experiences and wildlife viewing and bird watching activities. Since we have parks and wilderness across the territory, it will include all of the regions. The visual icon will be Nahanni National Park Reserve, the salt plains in Wood Buffalo National Park Reserve, or the colourful Barrenlands.

Branding Vision: To position our world class parks and wilderness as an obvious reason to visit the Northwest Territories.

3. Lakes and Rivers

Lakes and Rivers will encompass fishing, paddling, cruising and sightseeing. Visualizations could include big lakes, the Mackenzie River Delta, some of our spectacular waterfalls, sandy beaches, roaring rapids and the trophy fishing catch to name a few. This icon covers all regions of the NWT.

Branding Vision: To be known as one of the top destinations in the world for paddling, rafting and fishing.

4. Culture and People

This icon will cover festivals, events, Aboriginal arts and crafts, other cultural products and the people of the Northwest Territories in general, including some of our better-known characters. The Great Northern Arts Festival, Folk on the Rocks, Open Sky Festival and winter carnivals and traditional activities are some of the visualizations of this icon.

Branding Vision: To integrate the warmth and cultural diversity of our people into all of our marketing efforts.

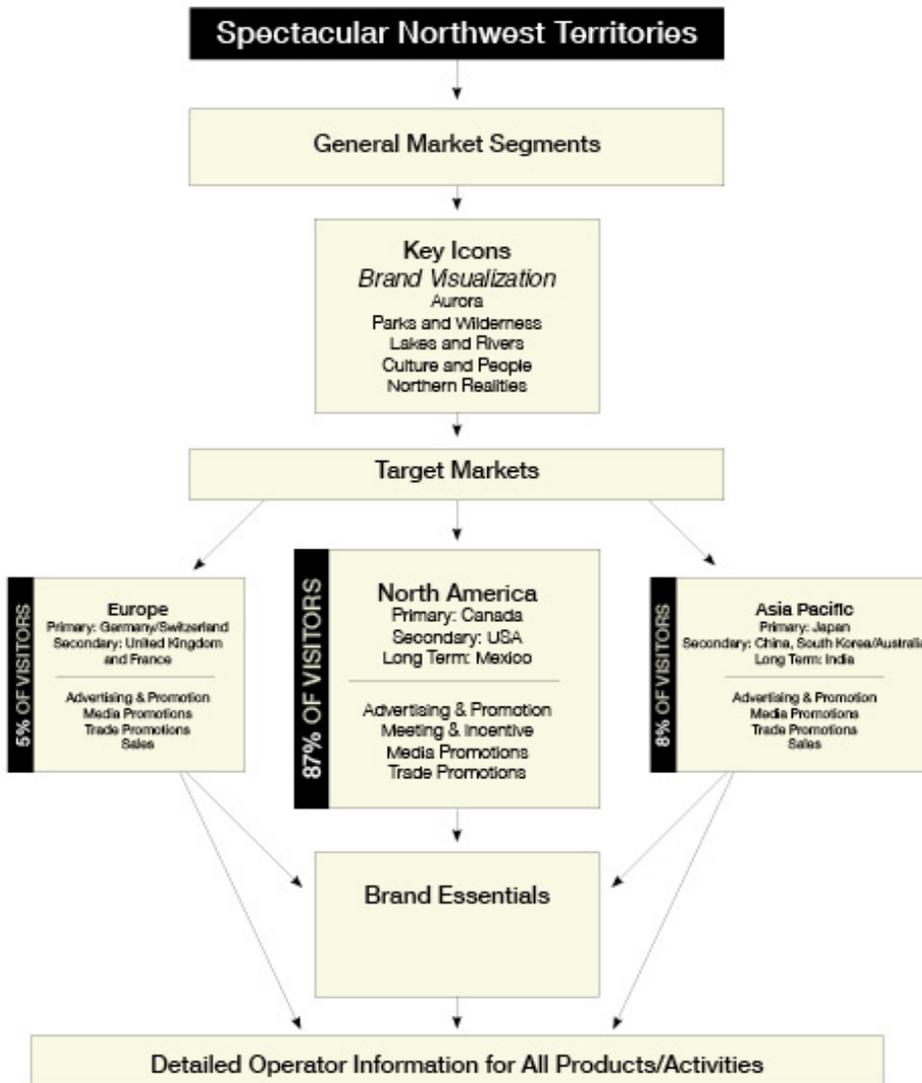
5. Northern Realities

This icon will represent many northern realities that we tend to take for granted, but that are of great interest to visitors. This will include things such as ice roads, midnight sun, -40°C, bush planes and dipping your toe in the Arctic Ocean.

Branding Vision: To add elements of excitement and adventure to the Northern package, and to take advantage of publicity that a number of these products already have (e.g. Ice Road Truckers, Ice Pilots NWT, Arctic Air).

The intention of this strategy is to use the key icons as the driving force to address key market perceptions that are based on past research. Secondly, this strategy allows NWT Tourism the opportunity to take advantage of more opportunities through flexibility in spending.

In order to ensure that these key icons are resonating well with our target markets, NWT Tourism has been in discussion with the research department at ITI about conducting a market perceptions study of these icons. NWT Tourism and ITI plan to carry out this study over the course of the next year.



Goals and Objectives

The overall goal is to generate long-term economic growth in the Northwest Territories through increased visitor numbers and spending. In order to accomplish this NWT Tourism will be utilizing marketing campaigns that dispel myths about the high costs, inconvenient travel and the lack of experiences that are available in the NWT. While NWT is unable to compete on price point against a number of destinations with similar product we will focus on the value of the experience that is offered here in the NWT.

Although the marketing plan is produced on an annual basis, long term goals for the tourism industry are always taken into consideration. Using the guidance and insight of the GNWT publication “*Tourism 2015: New Directions for a Spectacular Future*” NWT Tourism will work closely with ITI to assess our marketing efforts to ensure we are doing our best to help achieve the overall goals of the plan.

We recognize that many issues such as current economic conditions, the earthquake and tsunami in Japan in March of 2011, volatile currency rates and a variety of passport/visa issues and air capacity can have a sizable negative impact on tourism in the NWT and are beyond our control. Yet by working in partnership with ITI and our other industry partners we can look at adjusting our marketing strategy over the long term to ensure we are achieving the best possible results given the unforeseen circumstances the tourism industry may experience.

Performance Measures

In order to assess whether NWT Tourism has achieved the goals and objectives that have been set out in the marketing plan, a series of performance measures has been established. A complete list of performance measures can be found beginning on page 43 of the document. All performance measures will be assessed at the end of each quarter and will be reported to ITI, TMAC and the NWT Tourism Board of Directors.

Who are we marketing to?

In 2006, as part of the NWT Tourism branding project, NWT Tourism worked with Environomics Analytics to determine market segment targets. This information was developed from an analysis of literature requests, fishing license purchases and operator data.

Now over six years old this research is out of date. NWT Tourism and ITI are now looking to conduct additional research to update our key target markets. Until the new research has been conducted our marketing efforts will focus on key characteristics/criteria including household income, travel motivators, interest in the outdoors, and individuals who are willing to forgo some of the luxuries (but not quality) in exchange for an authentic experience. Our main objective is to target the people who have a keen interest in the products we have to offer and have the economic means and time to afford the trip.

Geographic Markets

Geographic markets for Northwest Territories Tourism are selected using a number of criteria. These include:

1. Strong match between the specific products a geographic market is looking for and our ability to deliver those products.
2. Match between our known and preferred demographics (age, income, education, etc.) and numbers within these demographics who are the active, long haul travellers in a particular geographic market.
3. Current visitation statistics to Canada, to the NWT, and to competing destinations by each geographic market.
4. Travel trends in the specific market.
5. Comparisons of cost, quality and accessibility to competing markets.
6. Uniqueness of our product: hard to find elsewhere, our offerings are among the best in the world (Aurora viewing, paddling, etc.)

Based on this, Northwest Territories Tourism has categorized its geographic markets as follows:

NWT Tourism – 2013/14 Marketing Plan

Primary Markets

Ongoing, active marketing is in these markets. The majority of marketing dollars are spent here.

- North America (Canada, with special emphasis on Ontario, British Columbia, Alberta and Saskatchewan),
- Asia Pacific (Japan, China)
- Europe (Germany/Switzerland)

Secondary Markets

Active exploration and testing in these markets is being completed to determine the strength and potential of these markets. They will likely be five years or more away from becoming active markets. Marketing will be done in conjunction with the Canadian Tourism Commission (CTC).

- North America (United States)
- Asia Pacific (*China, *Australia, South Korea)
- Europe (United Kingdom, France)

Long Term Markets

Long term markets show signs of future strength and may merit small test programs. They will likely be ten years or more away from becoming active markets. The CTC is currently doing some initial sales calls and a small amount of marketing in these areas. NWT Tourism will follow the progress of these markets.

- North America (Mexico)
- Asia Pacific (India)
- Other (Brazil)

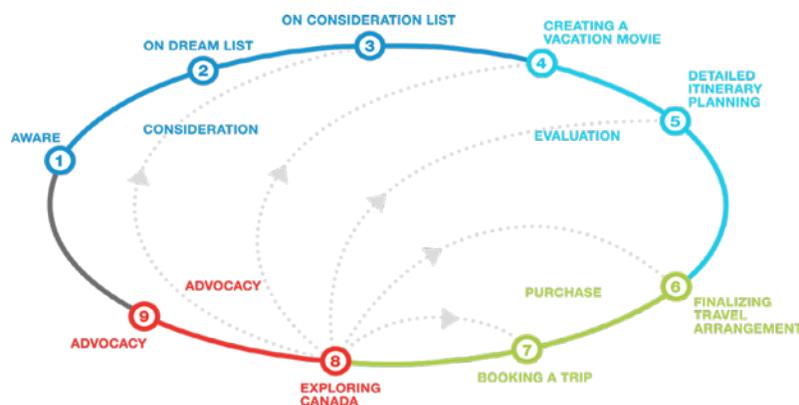
All of the above markets are being closely and actively examined by the Canadian Tourism Commission, and new developments in each country are published in quarterly reports which are available on the CTC website at the link below.

www.corporate.canada.travel/en/ca/markets_products/quarterly_reports/index.html

Brief outlines of the NWT's primary, emerging and long term markets are included in Appendix A of this plan. These profiles include the research data used to select these markets. All research was obtained from studies and reports prepared from the Canadian Tourism Commission and from the insight of our overseas marketing representatives.

Path to Purchase Model

In an effort to influence travellers to visit Canada, the CTC adopted a path-to-purchase model. This model outlines each stage of the consumer's decision making process. The path-to-purchase model is an effective measuring stick that identifies progress and blockages to building destination awareness, consideration, evaluation, planning and ultimately booking a trip to Canada. CTC research has shown that although 44% of international travellers are considering a visit to Canada less than 1.5 % actually book a trip. Many long-haul travellers do not lock down their detailed itineraries until late in the buying process so influencing travellers at the purchasing stage is just as important as capturing their interest in the early stages of the cycle.



Canadian Tourism Commission – Path-to-Purchase Model

For all emerging markets where the Canada Brand leads, the CTC is taking a leading role in the first three to four stages of the path-to-purchase model and then PMO/DMO will step into the marketing process on the fourth to fifth stages. And lastly the local tourism operators (often working in partnership with tour wholesalers) would speak directly to the sixth, seventh and eighth stages of the process. In core markets (especially the domestic market) where the Provincial/Territorial brand has greater recognition the PMO/DMO would take a more active role in the initial stages of the path-to-purchase model and our local tourism operators would be more involved in communication with their potential customers much earlier in the process.

To move people along the path-to-purchase journey, and to influence travel bookings, social media plays an important role by encouraging past visitors to Canada to advocate for the destination by sharing their travel stories, recommending various travel experiences and answering specific questions on Canada.

Core Marketing Program

The core marketing program is the most significant component of the NWT Tourism marketing plan and by far the largest funding source. As per the funding agreement with ITI, the core marketing budget has been set at \$2,405,545 for the 2013/14 marketing plan.

The core marketing program is broken down into three main geographic regions (North America, Europe and Asia-Pacific). Four main marketing channels will be used as a means of reaching our target audiences. These include consumer, media, travel trade and MC&IT. Each of these marketing channels will employ a variety of marketing activities including print and web advertising, events, trade shows (consumer, media and trade), familiarization (FAM) tours and sales calls. Social media will play a significant part in each of these channels and will be used to encourage dialogue between past visitors (consumer, media, trade) and new visitors to the NWT.



North America

The North American marketing campaign will consist of a number of key activities including brand essentials, advertising and promotion, meeting and incentive travel, media promotions, trade promotions and support activities. As domestic travel makes up the largest portion of NWT visitors, Canada will be the main focus of the plan. A few smaller initiatives will also take place in several key locations in the United States.

Brand Essentials

Brand essentials are the key pieces that will tie the entire marketing plan together and provide the transition between the advertising of our key icons to promoting all of the NWT Tourism products. For example, a person could be attracted to the Northwest Territories via the lakes and rivers icon, but could search out paddling and fishing on the website or in our travel guide. The brand essentials will include the Explorers' Guide, the Sportsmen's Guide, the NWT Tourism website and the e-NWT newsletter. Each of these promotional tools will feature key information on all of the tourism sectors as well as highlight the various regions of the NWT.

Goal:

- To increase consumer awareness and interest in the NWT within our key markets in Canada (Ontario, British Columbia, Alberta and Saskatchewan), and the United States (California, Minnesota and Illinois) and to build on the momentum of the Spectacular NWT brand.

Objectives:

- To produce and distribute 30,000 copies of our Explorers' Guide (plus 5,000 downloads)
- To produce and distribute 10,000 copies of the NWT Sportsmen's Guide
- To develop/maintain a vibrant and user friendly website that resonates well with our key target markets
- To increase the number of subscribers to our e-NWT newsletter by 10%

NWT EXPLORERS' GUIDE

The Explorers' Guide has always played a key role in the promotion of the NWT. In past years 50,000 guides have been produced and distributed through individual orders, as well as bulk shipments to a variety of visitor information centres. In recent years the number of requests for print copies of the guide has reduced significantly as more consumers are opting for the downloadable version from our website. Therefore to save on both printing and shipping costs the number of hard copies of the guide will be reduced from 50,000 copies to 30,000.

With the exception of sport hunting, the guide will feature key information on each of our leisure sectors including sport fishing, Aurora, outdoor adventure, touring and Aboriginal tourism. Building on the Spectacular brand, the Explorers' Guide will once again focus on stunning imagery followed by key travel information. A PDF version of the guide will also be available for download on the NWT Tourism website.

TOTAL BUDGET \$120,000

NWT SPORTSMEN'S GUIDE

The NWT Sportsmen's Guide will be a stand-alone piece that will feature information on the fishing and hunting opportunities that are available in the NWT. The guide will include key information on the hunting and fishing sectors, maps, specific information about the various species and provide a list of operators who offer fishing packages and/or guided hunts.

TOTAL BUDGET \$10,000

NWTT WEBSITE

Since its launch in November 2008, the NWT Tourism website continues to build momentum and unique visits, and length of stay on the site continues to grow. The website is the main anchor of the marketing plan as it has the ability to provide key information on all of the tourism products and services in the NWT and to drive the consumer directly to the websites of our tourism operators. The spectacularnwt.com website receives over 400,000 unique visits each year. This past year there were over 50,000 jump-offs from the NWT Tourism website to our local operator websites.

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In order for any website to be effective, it must be updated and maintained on a regular basis. Only a few years ago, a website was expected to have a life span of at least two years. With changing technology and changing ways that people use the web, a website should be changed, refreshed and updated as frequently as possible. Today travel websites are no longer made up of layers of information that go deep into the site. Rather, they are much shallower and are changed regularly. The more successful sites offer different and interesting packages or experiences each time you go back and are geared more to getting the person to make a travel decision, rather than just ordering a travel guide.

The NWT Tourism website, which is now over five years old, used an approach and technology that is now out of date. With the insertion of new marketing dollars NWT Tourism is looking at a complete rebuild of our website. The new site will be built around a new concept, using new technology. The intent of the site is to engage visitors and be marketing based rather than information based. This past year NWT Tourism added a basic itinerary building function to the website and will be looking to expand upon this project by adding more trip itineraries and opportunities for past visitors to share their experiences.

Funds will be used for developing a new, attention-getting, site and for ongoing updating, changes, and redesigns to ensure the site is kept fresh, interesting and a relevant resource for our target markets. Funding will also be used to ensure the website is optimized for mobile devices and is aligned with our integrated advertising campaigns.

As part of the website contract, the firm currently developing the website will be responsible for ongoing maintenance. This will include bandwidth management, hosting, and ensuring all main content is current. NWT Tourism manages the majority of the content updates to the site including events and local operator listings.

TOTAL BUDGET \$300,000

E-NEWS PROMOTIONS

E-marketing campaigns have proven to be an excellent form of advertising that have resulted in a significant number of enquiries and visits to our NWTT website. This method of marketing is highly desirable as the results are trackable and we have the ability to reach a large target audience at a relatively inexpensive rate. This venue also provides our industry partners the opportunity to promote the various sectors and regions within the NWT. The email campaign will have eight editions per year with editorial features and packages to correspond with our seasonal tourism products.

TOTAL BUDGET \$15,000

Advertising and Promotion

Goal:

- To generate increased traffic to our Explorers' Guide, website and social media sites with the end goal of linking the consumer to the products and services of our local tourism operators.
- To create a sense of urgency to travel to the NWT and to position the NWT as an exotic place where people can have an authentic northern experience.
- To dispel the myth that travel to the NWT is difficult.

Objectives:

- To target an audience of over 10 million impressions through our promotional campaigns
- To increase enquiries to our Call Centre (web, e-mail, phone) by 10%
- To increase the number of unique visitors to the spectacularnwt.com website by 15% over the course of the year
- To increase the number of followers on our Twitter accounts by 20%,
- To increase the number of likes on our Facebook page by 20%
- To increase the number of cooperative marketing activities that are available to our local tourism operators
- To increase the number of jump offs from the NWT Tourism website to the websites of our local tourism operators by 10%

INTEGRATED MARKETING CAMPAIGN

The aim of the integrated marketing campaign is simply to bring a number of elements together in one campaign to deliver greater results and improve return on investment. An integrated marketing campaign aims to present a consistent message via the complementary use of various

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media and through all of our marketing channels (consumer, media, travel trade and MC&IT). It focuses on identifying consumer insights then developing a strategy with the right marketing tactics (online and offline) to produce more interesting and impactful campaigns that will have a higher response rate and generate more leads.

This integrated campaign will address the tourism product mix in the Northwest Territories while delivering a strong, simple message using multiple media sources. These will include online sources such as websites (main, mobile, landing pages), QR codes, social media, (Facebook, YouTube, Twitter, blogs, e-newsletters) and offline media such as print advertising, travel guides, posters, billboards and more.

The integrated campaign will have a central theme so the ads a consumer might see in print will be reinforced online, or in any other media encountered. The campaign theme which could be diversity or uniqueness or natural wonders will in turn support the brand – Spectacular Northwest Territories. For example, Newfoundland Tourism themed a campaign on “authentic” and all television, print and online ads featured authentic and folksy representations of Newfoundland.

The overall intent will be firstly to make the Northwest Territories top of mind, and secondly to encourage potential visitors to be aware of the great travel products we offer in the Northwest Territories. These ad campaigns will also include information on the ease of travel to the NWT and the authentic experiences that are available.

An integrated marketing campaign allows us to go from the mass media to more specialized (niche) media, which are centred in specific target audiences. It also allows NWT Tourism to improve agency accountability. The integrated campaign will use a number of tactics including print advertising, interactive promotion including web and social media (Facebook, Twitter, Pinterest and You Tube) and other promotional tactics which range from decals on trucks to special promotions in target markets.

Print Advertising

Print advertising will focus primarily on daily newspapers and, to a lesser extent, magazines. The Globe and Mail has been utilized in NWT Tourism’s marketing promotions for a number of years now and has proven highly effective particularly when it comes to increasing general destination awareness. It has also generated bookings for a number of our local tourism operators. With a national readership of over 1 million (Saturday edition) in our key target markets, our advertising campaigns have resulted in increased enquiries, website visits and bookings. Magazine advertising will focus on niche publications, such as Fly Fisherman, Astronomy or Milepost, that target specific interest groups. Whenever possible all print material will feature cooperative advertising with our local tourism operators.

Web Advertising

Web advertising is another main component of the integrated marketing campaign. Our research indicates that the 47-65 year-old market (our primary market) are avid internet users and are involved in a range of social media. According to an E-marketer study, younger boomers aged 47 to 55 spent 39.3 hours online in the month of March, 2011 and older boomers aged 56-65 spent 36.5 hours. Much of this time was spent buying things, including travel. We also know that boomers online value experiences more than “stuff”. The reach and tactics of the digital campaign will be determined by the creative strategy for the entire campaign. Specifically the digital advertising plan will aim to build a community of people interested in various types of NWT travel experiences, develop interactions between NWT Tourism operators and potential or previous visitors, provide an ongoing supply of current information about the NWT as a preferred travel destination and track responses/sales to determine ROI for the funds expended.

Television Advertising

The reality programs Ice Road Truckers and Ice Pilots NWT and the CBC hit drama series Arctic Air have played a significant role in building awareness and increasing the number of visitors to the NWT. For the past two years NWT Tourism has been the exclusive partner sponsor for Arctic Air which has included two 30-second commercial spots and logo placement and official sponsor recognition during the show as well as countless mentions throughout CBC’s programming schedule. This past year the commercial also aired several times during the national news and during NHL hockey games providing us with additional exposure. The CBC has confirmed they will be picking up Arctic Air for a third season and NWT Tourism will be looking to negotiate the title sponsorship for the show again this year.

Social Media

As social media continues to grow in popularity NWT Tourism must increase our presence in this market if we are to stay competitive. Until recently, NWT Tourism had a minimal presence in social media with several Twitter accounts, a newly established Facebook account and a number of YouTube clips. Working under the guidance of Think Social Media, NWT Tourism has seen a significant increase in our social media campaigns, with our Facebook account growing from approximately 3,000 followers to over 20,000 in the past few months. To build on this social media phenomenon it is important that we continue to reach out to our target audiences

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through a number of innovative social media campaigns that include a series of creative short videos that can then be seeded to a range of websites and blogs worldwide. This seeding is handled by companies that specialize in this type of placement and can guarantee 100,000 unique, qualified visits to the NWT Tourism website in just a few weeks.

A major component of social media marketing is the constant updating and refreshing of material on the spectacularnwt.com website and creating innovative landing pages that will capture the attention of the consumer. These specialized landing pages would also be used as a way to track the effectiveness of our marketing campaigns. Other social media programs including blogs, Linked In, and new digital media programs/websites that no doubt will be established will constantly be assessed to determine the fit for our marketing goals and objectives. The idea is to build communities of people interested in the Northwest Territories and its tourism and related products. All of this would enable NWT Tourism to maintain a fresh look and to remain current and relevant to our key target markets.

Special Events

Special events are a great way to build general destination awareness and to increase the number of visitors to and visitor spending in the NWT. The events held at Northern House during the Olympics were a prime example of this as NWT Tourism received a large number of information requests that could be directly linked to the event. Many travellers to the NWT indicated that they were inspired to travel north as a result of visiting Northern House.

This year NWT Tourism participated in the Canada Day event at Canada Place. Located in downtown Vancouver, next to the cruise ship terminal, Canada Place was an excellent venue that attracted over 200,000 people to the event, of which approximately 35,000 visited the NWT pavilion. NWT Tourism also participated in NWT Days in Ottawa in January, which also proved to be highly successful.

NWT Tourism also has the opportunity to host other smaller scale events such as an exclusive NWT event in Vancouver, Edmonton, Toronto or Calgary. These events would put the NWT and our local operators front and centre with our key target audience. Unlike the current consumer shows NWT Tourism attends, we would have a specific list of people who attended the event and would be able to follow up with them at a later date to determine the rate of conversion.

Sector/Activity Specific Marketing

Although our marketing is focused on an integrated advertising approach, there are times where it is appropriate to market a specific activity or sector. For example, NWT Tourism has taken out advertising in the Milepost to promote to the touring market, Canoe Routes to promote to the outdoor adventure sector, Sky News to the Aurora market and a variety of fishing publications to the sport fishing sector. NWT Tourism recognizes that the Sport Fishing sector has been in decline and therefore fishing will be top of mind when we are considering special marketing campaigns. NWTT will also be undertaking research of the fishing sector followed by a branding exercise to guide the marketing approach.

Overview of the Integrated Advertising Campaign

The integrated advertising strategy will focus on four main components. These include:

- 1) Creating a team between agency and organization
- 2) Creating excitement in traditional media to drive traffic to our social media channels
- 3) Utilizing our community and creating partnerships
- 4) Giving a fulfilling call to action to reward our audience.

Creating a Team – The first step in the digital media strategy is to develop the capacity to carry out the program. While social media is a cost effective way to extend marketing reach it can be both time consuming and overwhelming. This past year NWT Tourism has done the majority of social media promotions in-house. As part of this process NWT Tourism has enlisted the services of Think! Social Media (TSM) to conduct a training seminar on social media and to provide ongoing coaching sessions in which TSM audits our social media activities and provides suggestions on how NWT Tourism can be more effective in the process. Our current agency of record manages all programming responsibilities (e.g. setting up contests) while NWT tourism is responsible for posting all content and responding to all comments that are posted on the site.

Creating Excitement – The current media plans that have been developed with CBC (*Arctic Air*) and the Globe and Mail both have unprecedented online content components. These initiatives will have a common call-to-action that will drive traffic to the NWTT social media channels and the spectacularnwt.com website, with the overall goal of connecting consumers with our local tourism operators. The broad reach of these awareness initiatives in Canada's largest media properties will allow the campaign to reach the greatest number of Canadians

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and draw them into a more personal one-to-one conversation.

Creating a Community – A community consists of various levels of government, individuals, private businesses (local tourism operators) and non-government organizations. This community needs to work together in order to achieve maximum success. ITI's involvement in social media (NWT Parks, NWT Arts, NWT Film Commission, Come Make Your Mark, etc.) needs to work in unison with NWTT's social media efforts. Similarly all non-government organizations (NWTAC/LGANT) and our local tourism operators all need to be aligned. There are buy-in and partnership opportunities in every campaign that will be explored in order to maximize the size of the community that is talking and promoting the NWT as a great place to live and visit.

Rewarding our Fans – While contests and prizes may be a part of this approach, the main approach here is to provide people that engage with our social media outlets a rewarding experience. When they visit our website, do they easily find what they are looking for? When they enquire online do they get a timely response? When they engage in social media, do they get a personality to respond to them? These activities differentiate a brand from a business.

A few examples of what NWTT is currently doing to implement this strategic direction include:

- Social media training at the NWTT Conference and AGM
- Building on the success of the previous "My Spectacular NWT" campaign
- Yellowknife Mars infographics and photo contest
- Online poll of Globe and Mail readers to determine their travel barriers
- Ongoing website search engine optimization
- Ongoing pay per click advertising
- Ongoing social media training from TSM for NWTT staff

The budget will be allocated as 25% print (\$150,000), 17% web (\$100,000) and 58% promotional (\$355,000).

*the higher percentage of promotional is primarily related to the cost of the Arctic Air buy in.

TOTAL BUDGET \$605,000

CONSUMER SHOW PROGRAM

The consumer show program is an excellent venue to meet face to face with potential visitors and to provide destination awareness of the NWT. Although consumer shows have become less popular with consumers over the years, certain shows such as Quartzsite RV Show have proven effective in marketing the NWT's parks and campgrounds, and adventure shows such as the Toronto and Calgary Outdoor Shows have brought a number of good results to our industry partners. These shows are particularly effective when the local operators attend and are able to sell their product directly to the consumer. The consumer show program also provides an excellent opportunity for cooperative marketing, as NWT Tourism often allocates additional booth space for NWTT members at a number of the shows that we attend each year. The consumer show program is broken down into the following components, Sportsman Shows, RV Shows and Outdoor Adventure Shows.

Consumer shows will be assessed on three key criteria: feedback from participating operators (booking, enquiries, and overall perception of show), marketing exposure at the show (sponsorship opportunities, show attendance, materials handed out at show) and actual enquiries fielded by NWT Tourism.

The proposed shows for 2013/14 include the Sacramento and Denver Sportsmen's Show, the Edmonton Boat and Sportsmen's Show, the Vancouver, Calgary and Toronto Outdoor Adventure Shows and the Quartzite and Abbotsford RV shows. In an effort to reduce costs NWT Tourism will be looking to partner the costs of the Quartzite, Abbotsford, Sacramento and Denver shows and to have the participating region/town (i.e. Town of Inuvik) cover their own costs to travel to the show.

TOTAL BUDGET \$75,000

**through the cooperative marketing program, NWT Tourism plans to bring in an additional \$20,000 - \$25,000 from operator buy in to expand the program and have a greater presence in the market.*

Business Travel

The Business Sector brings in a substantial amount of revenue to the NWT. Marketing efforts will focus on attracting small to midsize meetings and conferences to the NWT and on the business traveller who is already in the NWT. This year we will also target and reach out to incentive

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travel buyers and position the NWT as an ideal destination for a corporate reward/incentive.

Goals:

- To increase business travel revenues by attracting new meetings and conventions to the NWT and to encourage the business traveller who is already in the NWT to partake in some of our tourism activities.

Objectives:

- To promote the NWT as a meeting and convention destination at two MC&IT specific trade shows
- To promote ease of access to the NWT and the authentic northern experiences that are available to conference delegates.
- To communicate to meeting and convention planners through special e-news promotions and sales calls
- To host two MC&IT trade /media FAMs that highlight the various meeting destinations throughout the NWT
- To attract 5 new meetings/conventions to the NWT
- To expand our advertising promotions that are used to target the NWT business traveller

NWT MEETING AND CONVENTION PLANNER

Having been produced for several years now, the NWT Meeting Planner has proven to be an effective tool for attracting new conventions to the NWT. This planner features key information that meeting planners are looking for including meeting and accommodation facilities, transportation and other amenities. The meeting planner will focus on the main centres that can host conferences including Yellowknife, Inuvik, Hay River and Norman Wells. Additional information will be provided on a number of communities and lodges that have smaller meeting venues and unique attractions that could provide the perfect venue for smaller meetings. 1000 meeting planners will be produced in total, and will be distributed at various Meeting and Incentive Travel Shows.

TOTAL BUDGET \$15,000

MC&IT SHOWS

As part of our strategy to attract meetings and conventions, NWT Tourism has begun attending several meeting and convention shows each year. For the past three years, a special delegation including representatives from Hay River, Inuvik and Yellowknife have joined NWT Tourism to attend the Canadian Society of Association Executives (CSAE) conference and trade show. Each year the show alternates between the larger communities of Canada, with the most recent show held in Ottawa. At each show, NWT Tourism and our partners are able to generate a number of key leads and usually several conferences are booked. In addition to CSAE, NWTT is looking at attending Tête-à-Tête as this show is a great opportunity to meet face to face with various government agencies that are looking for destinations to host their conferences.

This year NWT Tourism also plans to attend a number of MC&IT Shows in Canada and the United States: show such as Incentive Canada and Incentive Works. The primary areas of focus in Canada would be Toronto, Vancouver, Calgary and the primary cities in the United States would include Chicago and Minneapolis as both cities have shown keen interest in the NWT, particularly our fishing product.

TOTAL BUDGET \$25,000

FAM (FAMILIARIZATION) TOURS

As NWT Tourism expands our marketing efforts into the Meetings and Convention market, it is important that we offer our key trade and media partners the opportunity to experience our products. We have already been working with several Incentive Travel promoters who are keen to add NWT fishing, outdoor adventure and Aurora to the package offerings to their clients. We would like to expand our focus this year to include one or two FAM tours to host several meeting planners so that they can see the excellent meeting facilities and the unique add on travel experiences that are available throughout the NWT.

TOTAL BUDGET \$20,000

ADVERTISING AND PROMOTION

As NWT Tourism hopes to attract more meeting and conferences to the NWT it will be important to utilize more marketing dollars to advertise and thus increase interest and awareness in our target markets. For the past year the advertising budget for business travel was \$12,500. As a result we were limited to several ad placements, which primarily consisted of a full page ad in the CSAE directory and a few smaller print ads. With the increased funding we are now able to expand our advertising efforts to include ads in specific niche publications, web ads and industry newsletters that target the business traveller and attract more meetings and conferences to the NWT. This would have an additional spin off through pre and post conference tours. A small portion of this budget would also be

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allocated to some higher-end promotional items that could be used for sales calls and trade shows.

TOTAL BUDGET \$62,500

PROJECT COORDINATION

As NWT Tourism works towards building a viable MC&IT market, it is essential that we continue to utilize the services of a dedicated sales agent who has a solid database of key meeting and conference planners and is well versed in the MC&IT market. The MC&IT sales manager will attend a number of MC&IT shows and promotional events and make sales calls to conference planners and incentive houses on behalf of NWT Tourism. The sales manager will also provide NWT Tourism with regular reports and will monitor all MC&IT marketing and sales activities to ensure we are receiving the best possible return on investment.

TOTAL BUDGET \$30,000

SALES CALLS

As part of their role the Sales Manager for MC&IT will make a number of sales calls on behalf NWT Tourism. This will include follow up from trade shows and providing training seminars to meeting planners and incentive houses whenever the opportunity presents itself. The main focus of the sales calls will be our primary markets in Canada (Toronto, Edmonton, Calgary and Vancouver). In order to get the best results while working within our budget the sales manager for MC&IT will arrange any sales calls that require travel to coincide with trade shows they will be attending.

TOTAL BUDGET \$15,000

Media Promotions

Media promotions are an excellent way to increase awareness of and interest in the NWT and to acquire significant print, web, social media and television/video exposure that we would not be able to afford to purchase through our advertising dollars. Media promotions include shows and events, FAM tours and support activities.

Goal:

- To increase interest and awareness in the NWT through extensive media coverage.
- To showcase our authentic northern experiences and to promote the ease of travel to the NWT

Objectives:

- To generate over \$ 2 million worth of media coverage
- To meet with 25 – 30 journalists at Go Media Marketplace
- To host 6 to 8 Media FAM tours that feature the various regions of the NWT
- To increase participation (and support) for our Media FAM program by our local tourism operators through enhanced communication and in-kind support
- To acquire 500 new high resolution images that can be used in NWT promotional collateral and can also be used by the Media to promote our destination

MEDIA SHOWS AND EVENTS

GO MEDIA

Go Media is an annual international marketplace held in various locations throughout Canada. The 2013 event will be held in Charlottetown. Go Media brings together 100 or more tourism industry media representatives and a similar number of travel media from Canada, Asia Pacific, Europe and Latin America. It is an international showcase event that affords industry members an exclusive opportunity to meet with travel media who may be interested in exploring story lines and production potential.

MEDIA MARKETPLACE

Similar to Go Media, Media Marketplace is an annual international marketplace that takes place in the United States. The show alternates between New York City and Los Angeles/San Francisco and attracts a significant number of key travel writers throughout the United States. The 2013/14 event will take place in San Francisco in April of 2014. Registration for the show will take place in the latter months of this fiscal year.

TOTAL BUDGET (both shows) \$14,000

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TOURISM WEEK

Special events such as Tourism Week play an important role in increasing awareness of NWT Tourism and the value of tourism in the territorial economy. This past year, NWT Tourism did a special promotion that encouraged residents of the NWT to send digital postcards to their family and friends. Those that participated were entered into a draw for several prizes. A special landing page housed the contest along with key information of the value of tourism. In addition, NWT Tourism worked in partnership with the Northern Frontier Visitor Association to host a special Tourism Week Golf Tournament. The event was a success and NWT Tourism plans to continue with this campaign again in the coming year. Other communities such as Hay River have indicated that they would like to host the tournament next year.

TOTAL BUDGET \$4,500

MEDIA FAMS

Bringing up key media to experience the NWT is an excellent way to gain valuable media exposure. This past year, NWT Tourism hosted over 30 travel writers on a number of media FAMS that have covered the various sectors and regions of the NWT. The media exposure generated from these FAMS is in excess of \$1 million, and provides an excellent return on investment. Whenever possible NWT tries to ensure that each of the regions benefits from the FAM tours that come to the NWT, but the final decision on the areas of the NWT that are visited and the stories that are written is completely up to the journalists that are seeking to come here. NWT Tourism will consider all media opportunities (print, web, broadcast and social media) to determine what opportunities have the potential for creating the best return on our investment. NWT Tourism closely monitors all media coverage and often chooses to work with past journalists who have been here previously and have a great track record of getting great media exposure of the NWT.

TOTAL BUDGET \$60,000

RESOURCES AND SUPPORT ACTIVITIES

To assist travel media, NWT Tourism has created a number of resources and support systems. These include media monitoring, photography/video contracts, the ongoing maintenance of an online photo/video library and the development of collateral materials that assist us to communicate our messages to our target audiences.

Media Monitoring

Media Monitoring is done through a software company called MediaMiser. This program provides NWT Tourism with valuable competitive information about media interest, story trends, message penetration, and evaluation for travel media relations. It will allow NWT Tourism to effectively track and report media coverage. This program will help to establish solid benchmarks and will be an effective measure of our return on investment for our strategic communications activities.

TOTAL BUDGET \$15,000

Photography Contracts

Throughout the year we are often contacted by travel writers who are looking for images to support the feature articles they are writing about the NWT. Although we have a lot of great photography and videos (to a lesser extent), much of what we have in stock is outdated. In order to keep our brand and the marketing of our key icons fresh and vibrant it is important to keep adding new photos and videos to our collection. NWT Tourism plans to purchase a number of photographs and video on an annual basis so that we can continue to have a photo/video library that is extensive and up to date.

TOTAL BUDGET \$23,500

NWT Photo Website

The Online Photo/Video Library for NWT Tourism is available to members of the travel media and the travel trade who are actively promoting tourism to the Northwest Territories. The gallery contains high-resolution images and video clips of the Northwest Territories. These images are offered for the sole purpose of promoting tourism to the Northwest Territories. It is important to refresh these images on a regular basis to ensure that they are current and that our most positive images are available for this use. It is also important to update this site to ensure that it serves the audience who uses it as effectively as possible.

TOTAL BUDGET \$9,000

Collateral Materials

Collateral material will include flat sheets for new product updates, and industry newsletter and member communications. The flat sheets will be developed as a hand out to the media for the various media shows and events that we attend. They will include new product updates and other interesting features about the NWT that will entice travel writers to write feature articles on the territory. The industry newsletter and other communications will be used as a way to keep our local tourism operators and other industry partners

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abreast of all of the opportunities they have to get involved in the marketing initiatives that NWT Tourism participates in.

TOTAL BUDGET \$3,000

Trade Promotions

The travel trade plays a key role in promoting NWT Tourism products, especially to overseas and niche markets. Over the past two years NWT Tourism has taken a more strategic approach to working with the travel trade and has moved from merely promoting the destination to selling the destination. This approach has included developing a NWT Tour Planner that features export ready packages, sample itineraries, community profiles and airline information. In addition to this, NWTT has also developed a travel trade website and sends out e-blasts to the travel trade on new products that are being developed.

With the new tourism products that are being developed through ITI's Product Diversification Program, coupled with our NWTT travel trade promotions, interest in the NWT is at an all-time high. A number of key tour wholesalers and receptive tour operators are now carrying NWT Tourism products as part of their tariffs. Unfortunately, many of our local tourism operators are not operating at the level required to do business in the international marketplace. To help move things forward NWT Tourism has been working in partnership with ITI to develop and deliver an Export Ready program that teaches our local tourism operators how to meet the criteria for working with the travel trade (net pricing, contracts, marketing materials and prompt response times to all enquiries).

In our efforts to maintain the integrity of the travel trade program it is essential that NWT Tourism only promotes those operators that are export ready. Therefore NWTT will work in close partnership with ITI's regional tourism staff to ensure that each operator who would like to be involved in the travel trade program meets all of the criteria before we promote them at trade shows and sales calls or include them in our travel trade FAM tour program. For the last several years NWT Tourism has worked in close partnership with ITI to provide export ready training to our NWT Tourism operators. This has resulted in an increase in the number of tourism operators who participate in the Travel Trade Program. It is our intent to continue to work in partnership with ITI to provide ongoing export ready education and training.

Goal:

- To increase the number of NWT export ready products that are being promoted and sold by the travel trade

Objectives:

- To meet with 70 – 80 tour operators/wholesalers at Rendez-vous Canada and showcase our export ready products
- To host two Trade FAMs for key wholesalers/receptive tour operators
- To increase participation (and support) of our Trade FAM program by our local tourism operators through market-ready training and in-kind support
- To expand/enhance our Travel Trade promotional collateral (Tour Planner, operator flat sheets, trade website, sample itineraries and special trade website)
- To establish a database of key travel trade accounts and to communicate with the travel trade on a regular basis through new product updates and sales calls
- To increase the number of NWT Tourism operators who are involved in the Travel Trade program
- To promote all export ready packages to the travel trade

TRADE SHOWS

Rendez-vous Canada (RVC) is Canada's premier annual international tourism industry marketplace. The primary objectives of this trade show are to ensure that international buyers have the opportunity to meet with export-ready suppliers of Canadian tourism products and services and to increase awareness in international target markets that Canada is a first-class travel destination.

Business is conducted between Canada's internationally competitive tourism industry sellers, in cooperation with Destination Marketing Organizations (DMOs), and international Buyers (foreign tour operators, wholesalers and packagers). Participation in the event is by invitation only. Typically NWT Tourism meets between 70 and 80 buyers during the event. RVC 2013 will take place in Ottawa.

TOTAL BUDGET \$18,000

SPECIAL TRADE PROMOTION

With additional funds for an expanded marketing budget, NWT Tourism will be able to attract the attention of the travel trade through a

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special hospitality night that would occur on the “free night” during Rendez-vous Canada (RVC). NWT Tourism would invite a select group of key tour operators from North America and our key overseas markets. The hospitality night would provide NWT Tourism and our local market-ready tourism operators with an opportunity to showcase our products and to forge some solid working relationships with the travel trade. In all likelihood, this would result in more tour operators actively selling NWT tourism products. Other travel destinations and hotel associations have hosted hospitality nights in the past and have found it to be very successful.

BUDGET \$15,000

TRADE FAMS

Trade FAMS are an excellent way for NWT Tourism to showcase export ready products to the travel trade and to enable our local tour operators to sell their products on the international wholesale market. While NWTT will make the effort to send FAM tours to each of the regions of the NWT all NWT trade FAMS will only include local tourism operators with export ready products. Therefore Trade FAMS will concentrate more on regions that have operators that meet the required criteria. This year the main focus for the trade FAM program will be to invite the key receptive tour operators including Jonview, Discover Holidays and JAC as this will benefit their entire client base both domestically and internationally. These three receptive tour operators are the largest receptive in North American and bring in over 90 percent of the international business to Canada. NWT Tourism is also looking to host FAM tours for smaller receptive tour operators who focus more on niche products so that we can also introduce them to our export ready products that would be of interest to their clients.

TOTAL BUDGET \$20,000

RESOURCES/SUPPORT ACTIVITIES

Resources and support activities play an important role in assisting the travel trade to carry NWT market-ready products. This includes promotional resources like product information flat sheets, tour planners, new product updates and sample itineraries. All of these collateral pieces help to keep the NWT top of mind with the Travel Trade. Building off the success of the Product Diversification Program, NWT Tourism and our dedicated sales team will use these innovative tools to showcase all of our export ready products. NWT Tourism will also provide cooperative marketing opportunities such as feature package flat sheet brochures that can be used at various travel trade events and functions.

Resource and support activities will also include cooperative marketing support for our key travel trade accounts. For a number of years, NWT Tourism has been providing cooperative support activities to a number of our overseas tour operators, particularly in the German-speaking market. Initially this consisted of providing funding support to the tour operators to carry NWT product in their guidebook/tariff. After analyzing the situation we felt that it was not the best return on investment as the tour operator had little invested and most lacked the motivation to sell the NWT. Learning from this, NWT Tourism has moved away from this format, and instead we are only providing funding for cooperative marketing initiatives where the tour operator is making a substantial investment in the marketing of the NWT product as well. This has proven to be highly effective and we are now seeing a noticeable rise in trade bookings.

To date we have not provided this same opportunity to the travel trade working out of North America. Our first order of business would be to approach the key receptive tour operators including Jonview, Discover Holidays, JAC, H.I.S. and JTB (Vancouver office) to discuss ideas they have for potential cooperative advertising initiatives that promote NWT Tourism packages. The NWT Tourism sales manager for North America would coordinate all cooperative marketing initiatives with the travel trade and ensure that detailed reports are submitted after the promotions so that NWT Tourism can assess the return on investment.

TOTAL BUDGET \$52,000

PROJECT COORDINATION

As the majority of our local operators offer niche products, it is important that they work closely with the travel trade to help generate sales of their product. To help facilitate this, a dedicated North American sales agent has been set in place. The sales manager attends a number of trade shows and events on our behalf and makes numerous sales calls to tour operators and travel agencies in key locations in Canada (Toronto, Vancouver and Calgary) and in the United States. By working with the receptive tour companies such as Jonview, Entrée Canada and Discovery Holidays, NWT product is now being picked up by several of the key receptive tour operators that are located in North America. As most overseas tour operators buy through a receptive operator, it is important that our sales agent ensures that the receptive tour companies are carrying NWT export ready products. The sales manager will also provide NWT Tourism with regular reports and will monitor all travel trade marketing and sales activities to ensure we are receiving the best possible return on investment.

TOTAL BUDGET \$30,000

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SALES CALLS

As part of their role the Sales Manager for North America (Trade Programs) will make a number of sales calls on behalf of NWT Tourism. This will include follow up from trade shows and providing training seminars to tour wholesalers, receptive tour operators and travel agents whenever the opportunity presents itself. The main focus of the sales calls will be our primary markets in Canada (Toronto, Edmonton, Calgary and Vancouver).

TOTAL BUDGET \$10,000

Project Coordination

Goals:

- To assess the effectiveness of our marketing campaigns to ensure that they are helping to achieve the overall goals of the marketing plan and are meeting the needs of our industry partners

Objectives:

- To develop a list of performance measures
- To set a baseline/target for all performance measures
- To review all performance measures at the end of each quarter and report findings to TMAC and ITI
- To increase the number of NWT Tourism members by 10%

*NWT membership numbers will be used as an indicator as to whether local industry operators are seeing a value in the programs we provide and are benefiting from our marketing efforts. (Note: NWT has reached recorded high membership for 2012/2013.)

AGENCY OF RECORD

In an effort to coordinate advertising campaigns, NWT Tourism requires the services of an agency of record. The agency of record (AOR) plays a vital role in the selection of ad purchases and helps to significantly reduce the cost of ad placements through strategic negotiations with various media representatives. Along with the media buys, the AOR coordinates the development of campaigns and the production of all ad materials to ensure a consistent image and message.

TOTAL BUDGET \$40,000

RESEARCH

Working in conjunction with ITI, NWT Tourism will undertake a series of performance measurement projects that will analyze the effectiveness of our advertising campaigns and will help determine the future direction of NWT Tourism promotions. As there has been a significant shift in our Call Centre enquiries from phone to web based, NWT Tourism is looking at repurposing our annual conversion study to capture our key statistical data. A web based conversion study would allow us more flexibility in the questions we ask and the ability to collect key research data over an extended period of time.

With an expanded marketing budget, it is also important that these new marketing initiatives are evaluated to ensure they are achieving the desired results. While NWT Tourism will be able to set up a number of measures such as enquiries, website visits, tour operator bookings and media coverage, it will be important to utilize more formal research to determine the success of our marketing initiatives. Working in partnership with the research department at ITI, a number of research activities would be set in place that would help us achieve this goal. Some of the key research activities we would like to accomplish this year include market segmentation and a brand recognition study of our key icons that we are using in-market.

TOTAL BUDGET \$82,000

PARTNERSHIP TRAVEL

Throughout the year, NWT Tourism participates in several meetings related to the overall tourism agenda, but that do not necessarily tie into one particular marketing initiative. This would include things such as the Deh Cho Travel Connection spring and fall meetings, the CTC Advisory Committee working group, ITI initiatives and meetings with our local tourism operators that occur from time to time.

TOTAL BUDGET \$12,545

SUMMARY OF NORTH AMERICA BUDGET

Brand Essentials	2012/13	2013/14
Explorers' Guide	\$ 125,000	\$ 120,000
NWT Sportsmen's Guide	\$ 10,000	\$ 10,000
NWTT Website	\$ 100,000	\$ 300,000
E-News Promotions	\$ 15,000	\$ 15,000
	\$ 250,000	\$ 445,000
Advertising and Promotion		
Integrated Marketing Campaign	\$ 450,000	\$ 605,000
Consumer Show Program	\$ 75,000	\$ 75,000
	\$ 525,000	\$ 680,000
Business Travel		
NWTT Meeting Planner	\$ 15,000	\$ 15,000
MC&IT Shows	\$ 25,000	\$ 25,000
FAM Tours	\$ 25,000	\$ 20,000
Advertising and Promotions	\$ 12,500	\$ 62,500
Project Coordination	\$ 30,000	\$ 30,000
Sales Calls	\$ 10,000	\$ 15,000
	\$ 117,500	\$ 167,500
Media Promotions		
Media Shows	\$ 12,000	\$ 14,000
Tourism Week	\$ 6,000	\$ 4,500
Media FAMs	\$ 40,000	\$ 60,000
Media Monitoring	\$ 15,000	\$ 15,000
Photography Contracts	\$ 5,000	\$ 23,500
NWT Photo Website	\$ 7,000	\$ 9,000
Collateral (Flat Sheets, Newsletter/Communications)	\$ 3,000	\$ 3,000
	\$ 88,000	\$ 129,000
Trade Promotions		
Trade Shows (Rendezvous Canada)	\$ 20,000	\$ 18,000
Trade Show – Sponsorships	\$ 0	\$ 15,000
Trade FAMs	\$ 13,000	\$ 20,000
Resource/Support Activities	\$ 22,000	\$ 52,000
Project Coordination	\$ 30,000	\$ 30,000
Sales Calls	\$ 10,000	\$ 10,000
	\$ 95,000	\$ 145,000
Project Coordination		
*Support Activities	\$ 80,000	\$ 40,000
Research	\$ 32,000	\$ 82,000
Partnership Travel	\$ 12,545	\$ 12,545
	\$ 124,545	\$ 134,545

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Total North America	\$ 1,200,545	\$ 1,701,045

* Support fees have been significantly reduced as this budget will only cover activities that do not fit into a particular marketing project such as status meetings and the graphic design of our annual marketing plan. All other projects will be allocated to each individual marketing initiative

Europe

The European marketing campaign will focus primarily on Germany, with some focus on Switzerland based on current relationships with the Swiss travel trade. Marketing efforts in the United Kingdom and France will be limited to meetings with several tour operators at RVC and perhaps a few smaller projects based on the fit between the trade and our market-ready operators.

Promotions in Germany will include advertising, sales calls and the expansion of the German-language website spectacularnwt.de.

Advertising and Promotion

Goal:

To increase consumer awareness and enquiries in our German-speaking markets and to create a sense of urgency to travel to the NWT for an authentic northern experience

Objectives:

- To generate enquiries to our NWT info line that is located in Germany
- To increase the number of unique visitors to the spectacularnwt.de website by 25% over the course of the year
- To target an audience of over 2.5 million impressions through our promotional campaigns
- To increase the number of cooperative marketing activities that are available to our local tourism operators

For the past three years the advertising budget for German budget has been approximately \$50,000. Although this is not a large amount, we have been able to undertake a number of key advertising activities. These have included developing a basic German-language website, placing a few smaller print and web ads, developing a social media site on Facebook and supporting several German tour operators in cooperative marketing initiatives.

NWT Tourism is extremely pleased with our return on investment to date, especially with the cooperative marketing campaigns. This past year the our German-language website received over 30,000 unique visits, our German Facebook page has over 20,000 followers and our key travel trade accounts and airline partners have reported significant increases in bookings. With the increased marketing budget we are now able to undertake a number of key initiatives that will help to grow the market further.

Media buys for the upcoming year will include print, web and social media ads, as well as a number of cooperative marketing initiatives with the travel trade. Success will be measured by the number of visits to our website, the number of tour wholesalers that feature NWT market-ready product and the number of packages sold. Given the potential of the direct flight between Zurich and Yellowknife and the RV turn-around station in Yellowknife, several of the cooperative marketing initiatives with the travel trade will focus on promotions that include the direct flight and/or the RV rental.

Print Advertising

Print advertising will focus on niche publications that have a dedicated readership of avid Canadian travellers. NWT Tourism has had advertising in Kanada, Kanada 360 and Amerika Journal for the past two years and has received a significant number of enquiries. As a result we plan to continue advertising in these publications. Our German Market Representative has done an excellent job in negotiating additional editorial content as part of our advertising buy, adding further value to our investment in this market.

In support of our marketing efforts in German-speaking Europe, NWT Tourism will develop a German-language brochure. This brochure will feature information on our key iconic products and detailed information on each of the regions of the NWT. The brochure will be distributed at trade shows and sales calls and will also be used as a fulfillment piece.

Web /Social Media Advertising

Web advertising will primarily consist of Facebook ads and the ongoing maintenance of our German-language website. This past year we ran two Facebook ad campaigns which resulted in the number of followers increasing from 5,000 to over 20,000 this past year. The primary focus

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of the web/social media campaign will be the touring and outdoor adventure sectors.

Cooperative Advertising (Travel Trade)

As the majority of Germans who take trips book through a tour wholesaler or travel agent (over 80%), NWT Tourism will establish a number of cooperative marketing initiatives with our key trade accounts. Activities will include print, web and social media campaigns that have performed well in the past as well as innovative campaigns that show potential to bring in new bookings to the NWT. For example, this past year NWTT and ITI Tourism and Parks partnered with CANUSA on a special campground voucher promotion for NWT parks that resulted in over 100 new bookings to the NWT.

Consumer shows continue to be a great way to promote the NWT to the German marketplace, particularly the fly-drive market. Several of the key tour wholesalers provide opportunities for DMOs to participate with them at these shows. NWT has taken advantage of this opportunity and has seen a significant increase in enquiries. As a result we plan to continue to be active in the consumer show circuit.

This past year NWT Tourism has been working closely with the tour wholesalers CANUSA and Fraserway RV rentals to establish one-way RV trips in and out of the NWT. This would be supported by a satellite RV rental office in Yellowknife. This pilot project is set to get off the ground this year with 10 one-way trips anticipated being sold. Although these numbers are small NWT Tourism sees the potential for this market to experience some significant growth and is looking to support CANUSA and Fraserway by contributing to their efforts to market this new product.

All marketing proposals we receive will be reviewed by our German Market Representative to ensure a suitable fit and all tour wholesalers will be required to provide detailed reports to NWT Tourism so that we can assess our ROI. Germany will be the primary focus of our marketing efforts, but NWT Tourism will also work with key accounts in Switzerland, Austria and the Netherlands.

CURRENT BUDGET \$134,000

Trade Promotions

Trade promotions will consist of Trade Shows and Trade FAMs.

Goal:

To increase the number of NWT market-ready products that are promoted and sold by the travel trade.

Objectives:

- To meet with 25 – 30 tour operators at ITB and Rendezvous Canada and promote the NWT as a world class tourism destination
- To host one Trade FAM for key wholesalers/receptive tour operators
- To increase participation (and support) for our Trade FAM program by our local tourism operators through market-ready training and in-kind support
- To increase the database of key travel trade accounts and to communicate with the travel trade on a regular basis through new product updates and sales calls
- To promote all market-ready packages to the travel trade that are appropriate for the German/Swiss market

Trade Shows

Each year we attend the travel show ITB, A 5-day event held each spring in Berlin, Germany. With over 10,000 exhibitors taking part in the event, ITB is the largest trade show in the world. ITB is open to both the travel trade and the general public. ITB receives over 160,000 visitors each year, with over 95,000 of these from the travel trade.

As is the case with all of the other trade shows, members of the Travel Trade can book an appointment with any of the exhibitors. With the flexible format, the general public can access the information as they would at any consumer show. On average NWT Tourism meets with 20 – 30 tour operators at this event.

TOTAL BUDGET \$17,000

Trade FAMs

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NWT Tourism will host one Trade FAM from the German speaking market. As mentioned in the North American section of the marketing plan this year the focus will be on the receptive tour operators that sell to German and Swiss tour wholesalers. NWT Tourism will work with our market-ready products to determine which operators are interested in working with the travel trade for Germany.

TOTAL BUDGET \$10,000

Media Promotions

Media promotions will consist of Media FAMs, press releases and attendance at several CTC media meetings and events. Press releases and meetings will fall under the project coordination sales budget.

Goal:

To generate over \$250,000 worth of media coverage within our key European geographic markets

Objectives:

- To host one media FAM from German-speaking Europe
- To increase participation (and support) for our Media FAM program by our local tourism operators through enhanced communication and in-kind support
- To write a minimum of six press releases on new activities/products that are being developed in the NWT
- To attend a minimum of two CTC meetings/ promotions to stay up to date on media trends in German-speaking Europe.

Media FAMs

Media FAMs will feature touring and outdoor adventure. NWT Tourism will work closely with Denkzauber and the CTC to determine which media will be chosen for these FAMs. Preference will be given to media that match our geographic and demographic markets, and whenever possible they will be encouraged to experience several products when they are in our region. NWTT also considers past media FAMs and will be looking to send FAMs to regions that have not received a FAM from Germany in the past few years. This year we have been presented with an exceptional opportunity to host a TV crew from ARD. The film crew has a solid reputation for producing quality travel documentaries that are featured on one of the larger television stations in Germany. The intent is to send this film crew to all regions of the NWT so that they can highlight all of our key iconic products (summer/fall). The CTC anticipates that this FAM tour will result in a minimum of \$1 million in media coverage for the NWT.

TOTAL BUDGET \$20,000

Sales and Project Coordination

Goal:

To coordinate innovative marketing programs that meet the needs of our key German-speaking trade accounts and our local tourism operators.

Objectives:

- To work closely with our key trade and media partners and to establish partnership opportunities with NWT Tourism
- To maintain a close working relationship with the CTC office in Germany
- To provide a quarterly report that outlines key insights into the German-speaking market and to report on all current and upcoming marketing activities

As previously mentioned, NWT Tourism has contracted Denkzauber to coordinate our German marketing campaign. This contract includes project coordination, the ongoing development of the NWT German-language website, development and placement of all promotional ads and attendance at a number of consumer shows and promotional events on behalf of NWT Tourism.

Denkzauber will work closely with German tour wholesalers to ensure that NWT is top of mind and that they are aware of any new market-ready products as they are developed. Denkzauber will also ensure that NWT Tourism is provided with monthly activity reports to assess our ROI in the German market. With the increased marketing budget Denkzauber will be required to take on additional work to carry out the many new projects that NWT Tourism plans to carry out in this market.

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TOTAL BUDGET \$70,000

SUMMARY OF EUROPEAN BUDGET

	2012/13	2013/14
Advertising and Promotion	\$ 50,000	\$ 134,000
Trade Shows	\$ 16,000	\$ 17,000
Trade FAMs	\$ 15,000	\$ 10,000
Media FAMs	\$ 10,000	\$ 20,000
Project Coordination/Support Activities	\$ 60,000	\$ 70,000
	\$ 151,000	\$ 251,000

Asia-Pacific

The Asia-Pacific marketing campaign will consist of two main campaigns. The first is the “General/Main” campaign which will primarily focus on the Japanese market, and the second, “New Market Stimulus” campaign, will solely focus on China. Both campaigns will include a number of key activities including advertising and promotion, trade shows, trade and media FAMs, with only the main campaign also including project coordination/sales. Japan will be the primary focus of the general Asia Pacific marketing campaign, with a few smaller projects taking place with South Korea. With our increase in funding, China has also become a priority and a number of key advertising campaigns will take place in this market. Promotions with Australia and India will be limited to meetings with several tour operators at Showcase and RVC and perhaps a few smaller projects based on the fit between the trade and our market-ready operators.

Advertising and Promotion

Goal:

To increase the interest and bookings in Japan and our other Asia-Pacific markets (Japan and China will be the main focus)

Objectives:

- To generate enquiries to our NWT info line that has been set up in Japan
- To increase the number of visitors to the [spectacularnwt.jp](#) website
- To target an audience of over 3 million impressions through our promotional campaigns
- To increase our current Aurora market, look for ways to expand our promotions to include other products and destinations within the NWT, and to increase the length of stay of our visitors.
- To increase the number of cooperative marketing activities that are available to our local tourism operators
- To establish a baseline for all marketing activities in China

Advertising and Promotion

MARKETING CAMPAIGN (JAPAN)

For the past three years, NWT has participated in a number of smaller advertising campaigns in the Japanese market. These have included promotional events, development of an Aurora newsletter, cooperative marketing initiatives and special events.

Our primary marketing initiative was an Aurora Week promotion in Tokyo. The event was held in partnership with Air Canada Japan and the CTC. This event included a special trade and media night, consumer seminars, a photo exhibit and a variety of print and web promotions leading up to the event. Several tour operators from the NWT participated in this event and were able to showcase their products to consumers and tour wholesalers. Now several years old, the event is getting a bit tired and repetitive and there has also been concern that the high cost of this event has left little funding for other marketing initiatives to take place throughout the year. Both Air Canada and the CTC have indicated that they would like to pursue different marketing opportunities with us and therefore, NWTT is

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looking to take a different approach for Aurora promotions this coming year.

With Aurora Max set to pass its peak this fall there is concern we could experience a decline in the Japanese market in the next few years. To offset this, the CTC is looking to launch an Aurora campaign that will educate the Japanese people that Aurora viewing in Canada (NWT) will continue to be excellent even after Aurora Max. As NWT Tourism agrees this is an area of concern we see a great deal of value in participating alongside the CTC in this campaign. NWT Tourism will be meeting with the CTC at RVC this coming May to discuss the finer details of this marketing campaign.

Other promotional activities include the development of the Aurora Press newsletter, web and social media advertising, maintenance of our Japanese-language website and sales calls.

TOTAL BUDGET \$100,000

MARKETING CAMPAIGN (CHINA)

In the past few years Canada has seen significant growth in the number of Chinese visitors to Canada. With Canada receiving approved destination status from the Chinese government the CTC has been able to actively market directly to the Chinese consumer. As a result, many of the larger tourism destinations across Canada (Toronto, Vancouver and Banff/Calgary) have had a large number of Chinese visitors. NWT has also been having good success in this market, with the majority of visitors coming to view the Aurora. These good results can in no small way be attributed to the fact that one of our local inbound tourism companies is originally from China and speaks both Mandarin and Cantonese and as a result they have made good inroads into the Chinese market. For the first year the primary NWT destination was Yellowknife, but this market is already beginning to expand its scope to the other regions of the NWT.

As NWT Tourism is new to the Chinese market we will work very closely with the CTC China office on all of our advertising campaigns. Advertising and promotion will consist of three main activities including a CTC cooperative advertising campaign, a web/social media campaign and cooperative marketing initiatives with several key trade accounts.

The CTC advertising campaign is a consumer and trade campaign that will consist of a variety of print and web advertisements. Currently BC, Alberta, Ontario and Quebec are participating in the CTC campaigns. The campaign will build off the recent success of the “Canada You Can Be a Star” reality TV campaign that was featured on China’s Travel Channel. The campaign first launched last year and gained significant media exposure (television and social media) as thousands of couples across China competed to win five trips to Canada. By investing into the program NWT Tourism will be able to leverage additional marketing dollars and gain awareness in a market we would otherwise have had difficulty getting noticed in.

NWT Tourism will also work closely with the CTC for all web and social media activities that we undertake in China. Social media is a valuable marketing tool in China as millions of Chinese are active users of social media. Based on recommendations made by the CTC NWT Tourism is looking to utilize the services of Dragontrail. Dragontrail currently provides these services to a number of other tourism destinations across Canada and have proved to provide a good ROI.

NWT Tourism will partner with a few of the Chinese tour wholesalers that are looking to carry NWT product. The primary focus will be to partner with receptive tour operators who operate out of the Canadian market, such as TPI and Silk-Way Travel who operate out of Vancouver.

TOTAL BUDGET \$100,000

Trade Promotions

Trade promotions will consist of Trade Shows, Trade FAMs and Sales Calls. The budget for Sales Calls will fall under the project coordination budget as this activity has minimal costs, other than the actual person hours of our Japan marketing representatives.

Goal:

To increase the number of NWT market-ready packages that are promoted and sold by the travel trade.

Objectives:

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- To meet with over 140 Asia-Pacific tour operators at Showcase Canada, CITAP and Rendezvous Canada and promote the NWT as a world-class tourism destination
- To host two to three Trade FAMs for key wholesalers/receptive tour operators
- To increase participation (and support) for our Trade FAM program by our local tourism operators through market-ready training and in-kind support
- To establish a database of key travel trade accounts and to communicate with the travel trade on a regular basis through new product updates and sales calls
- To promote all applicable market-ready packages to the travel trade

Trade Shows

NWT Tourism will attend two Asia-Pacific trade shows. These include Showcase Canada and CITAP. Approximately 20 – 30 tour operators from Japan, Korea, and China also attend Rendez-vous Canada and NWT Tourism will have an opportunity to meet with some of these tour companies at this time.

SHOWCASE CANADA

Showcase Canada is an annual week-long event organized by the CTC where Canadian sellers meet with Japanese, Korean, Chinese and Indian buyers. NWT Tourism's presence helps establish credibility for the NWT and its tourism operators and generates awareness about the Aurora and our other exceptional tourism products. Throughout the course of this event, NWT Tourism is able to meet with over 125 tour wholesalers and travel agents and showcase NWT market-ready products. Although Aurora viewing was the primary focus for many of the Japanese tour operators, we found that there was an increasing interest in other products including hiking, World Heritage sites (Wood Buffalo/Nahanni), fishing, outdoor activities and the tundra. The location for Showcase Canada 2013 has not been determined yet, but there is a good possibility it will be held in China as Korea and Japan have hosted the past two years.

CITAP

Each December, the city of Vancouver hosts the Canadian Inbound Tourism Asia-Pacific (CITAP) trade show. CITAP provides the perfect opportunity for DMOs to meet with a variety of receptive tour operators who are selling on behalf of the Japanese, Korean, Chinese and Australian markets. CTC representatives provide updates on each of these markets and some insight into new marketing initiatives that are underway. During this time a number of sales calls are made to various Asian travel agencies including JTB, H.I.S. and Maple Fun Tours.

TOTAL TRADE SHOW BUDGET \$18,500

Trade FAMs

JAPAN/KOREA

NWT Tourism will host one to two trade FAMs from the Asia-Pacific market. Based on the feedback given to us by our local Aurora operators the main focus for the Trade FAMs will be Japan, but may also include Korea. This year the focus will be on smaller niche tour operators out of Japan who are interested in adding new products, including those from other regions of the NWT.

TOTAL BUDGET \$20,000

CHINA TRADE FAM

NWT Tourism will host one FAM from the Chinese market. As this will be our first time hosting a group from the Chinese market we will be looking to host one/several of the receptive tour operators out of Vancouver and Toronto that sell to tour wholesalers over in China.

TOTAL BUDGET \$10,000

Media Promotions

Media promotions will consist of Media FAMs, press releases and attendance at several CTC media meetings and events. Press releases and meetings will fall under the project coordination sales budget.

Goals:

To generate over \$250,000 worth of media coverage within our key Asia-Pacific geographic markets

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Objectives:

- To host two media FAMs from Asia-Pacific (primary focus will be Japan)
- To increase participation (and support) for our Media FAM program by our local tourism operators through enhanced communication and in-kind support
- To write a minimum of six press releases on new activities/products that are being developed in the NWT
- To attend a minimum of two CTC meetings/promotions to stay up to date on media trends in the Japan market

Media FAMs

JAPAN/KOREA

NWT Tourism will host two FAMs for the Asia-Pacific media. The main focus will be on Japan and feature Aurora and winter products. This past year the Media FAM program expanded out to the Nahanni region and was very well received by the film company that participated. With the new developments in the South Slave region, Hay River would be an ideal addition to the media FAM program for the coming year.

TOTAL BUDGET \$15,000

CHINA

As part of our participating in the CTC “Canada You Can Be a Star Campaign” NWT Tourism will be required to host the contest winners, and accompanying television crew this summer. NWT Tourism is in discussions with the CTC to work out the details of this FAM tour, but initial plans are to highlight the Inuvik and South Slave regions (last year they visited Yellowknife and the Nahanni). The anticipated value of this media coverage is expected to be in excess of several million dollars.

TOTAL BUDGET \$30,000

Sales and Project Coordination

Goal:

To coordinate innovative marketing programs that meet the needs of our key Japanese trade accounts and our local tourism operators.

Objectives:

- To work closely with our key trade and media partners and to establish partnership opportunities with NWT Tourism
- To maintain a close working relationship with the CTC office in Tokyo
- To provide a regular monthly report that outlines key insights into the Japanese market and to report on all current and upcoming marketing activities.

In July 2011, NWT Tourism secured the contract services of Mile Post Consultants as our Japanese market representatives. Mile Post Consultants has a solid background in tourism promotion and have already made a significant impact. They have played an instrumental role in the partnership between Japan Airlines and WestJet, thus increasing the air lift into the NWT. Mile Post Consultants will coordinate all marketing activities in Japan including coordinating print and web media buys, managing enquiries, making sales calls to the travel trade and overseeing the cooperative marketing initiatives that NWT Tourism engages in with our key trade accounts. Mile Post Consultants will provide quarterly reports to NWT Tourism so we can monitor their marketing activities and assess the ROI.

TOTAL BUDGET \$50,000

SUMMARY OF ASIA PACIFIC BUDGET (MAIN BUDGET)

	2012/13	2013/14
Main Campaign (*primary focus in Japan)		
Advertising and Promotion	\$ 60,000	\$ 100,000
Trade Shows	\$ 18,500	\$ 18,500
Trade FAMs	\$ 15,000	\$ 20,000
Media FAMs	\$ 10,000	\$ 15,000
Project Coordination/Support Activities	\$ 50,000	\$ 60,000
	\$ 153,500	\$ 213,500

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New Market Stimulus (*China)		
Advertising and Promotion	\$ 0	\$ 100,000
Trade FAMs	\$ 0	\$ 10,000
Media FAMs	\$ 0	\$ 30,000
	\$ 0	\$ 140,000
Total Asia Pacific	\$ 153,500	\$ 353,500

Call Centre

The call centre plays one of the most important roles in the NWTT marketing campaign. It is the front line that manages all of the information requests and tracks the relative success of our marketing initiatives. As per the funding agreement with ITI, the call centre budget has been set at \$100,000.

The call centre program is broken down into the following components: Mail Delivery, Service Supplies, Telephone and Upgrades to System

MAIL DELIVERY

Fulfillment plays one of the most important roles in the NWT marketing campaign. Following each of our extensive marketing campaigns the fulfillment department is busy completing the information requests for consumers. NWT advertising is heaviest in the fourth quarter of each fiscal year and fulfillment is extremely busy between the months of January and March.

MAIL DELIVERY CONTRACT

For the past two years, NWT Tourism has enlisted the services of a fulfillment house in the greater Vancouver area to process individual mail requests. As our guides are printed in the south, this has decreased our shipping and mailing costs and guides are delivered much more quickly to our consumers. NWT Tourism receives a monthly shipping report that breaks down the status of each shipment and an inventory of guides that remain on hand. To streamline the process even further, NWT Tourism will utilize the services of Denkzauber to coordinate the shipping of any fulfillment requests from Europe. We will also coordinate the distribution of the Aurora Press newsletter to our Japanese wholesalers through the services of the CTC or a project coordinator.

TOTAL BUDGET \$25,000

BULK SHIPPING

In late 2008-2009, NWT Tourism established a new shipping point for bulk orders of NWTT guides. A warehouse in Manitoba ships our bulk orders from their location in central Canada which has many positive results. These bulk orders are large quantities of boxes and pallets of NWT Tourism guides that previously would have been shipped to Yellowknife at great expense and then shipped out from the NWT Tourism office at an additional expense once a request had been made for the guides. The cost savings in paying a monthly storage fee for the warehouse and shipping within southern Canada has benefitted NWT Tourism through large shipping cost savings, as well as a decreased need for storage space, decreased NWTT staff time and the increased speed at which guides reach their destination.

TOTAL BUDGET \$20,000

POSTAGE FEES

Each year NWT Tourism ships 20,000 pieces of mail, the majority of which are travel guides. NWT Tourism has an account with the fulfillment house to cover the Canada Post costs of individual mailings.

TOTAL BUDGET \$40,000

TELEPHONE

The toll-free line brings in approximately 2000 calls annually that are directly related to tourism in the Northwest Territories. In the months when travellers are starting to plan their vacations, September-March, the enquirer talks to a tourism counselor for an average of 2.5 minutes. During this period, most enquirers request NWT tourism literature/guides and do not yet know much about our NWT tourism product. Closer to the camping/RV season, April-July, callers are more informed prior to calling and have more numerous and detailed questions. As a result, the average call time increases to 5.5 minutes. The majority of calls during this period consists mainly of questions requiring the tour counselors' time and do not result in the mailing of tourism guides.

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TOTAL BUDGET \$10,000

UPGRADES TO SYSTEM

Upgrades to the system include ongoing service to our toll free phone system and additional developments to our fulfillment database which tracks enquiries. Further work is required on the system's report generating capabilities, but development costs will be limited this year to a few thousand dollars.

TOTAL BUDGET \$5,000

SUMMARY OF CALL CENTRE BUDGET

	2012/13	2013/14
Mail Delivery Contract	\$ 25,000	\$ 25,000
Bulk Shipping	\$ 25,000	\$ 20,000
Postage Fees	\$ 40,000	\$ 40,000
Telephone	\$ 5,000	\$ 10,000
Upgrades to System	\$ 5,000	\$ 5,000
	\$ 100,000	\$ 100,000

Tourism 2015- Marketing Program

As part of the Tourism 2015 Marketing Strategy the GNWT Department of Industry Tourism and Investment has set aside an annual budget of \$400,000 that is to be used for additional marketing initiatives. For the 2013/14 fiscal year three main priorities have been identified. These include regional marketing, special marketing initiatives and a contingency fund for additional marketing initiatives that may arise throughout the year.

REGIONAL MARKETING INITIATIVES

Regional marketing is an important part of NWT Tourism's marketing campaigns. From the Globe and Mail to Arctic Air and from social media to our trade and media programs NWT Tourism is constantly looking for ways to involve and promote the regions. Under the regional marketing initiatives program a budget of \$50,000 has been set aside for each region to participate in a number of advertising initiatives of their choice. These funds will provide an opportunity to each region to highlight the key attractions of their area and to promote their regions through general awareness and niche marketing activities that are a match to their region yet would not necessarily be a fit for the rest of the NWT.

The NWT Tourism Marketing Director will work closely with each of the Regional Tourism Development Officers to ensure that the advertising campaigns that are chosen are aligned with NWT Tourism's marketing strategies and our Spectacular brand. Each region will need to develop a marketing plan for these funds and receive approval from NWT Tourism before proceeding with any of these activities. They will also be required to report back on the success of the activities so that NWT Tourism and the regions can assess the ROI of each marketing project.

TOTAL BUDGET \$250,000

SPECIAL MARKETING INITIATIVES

A fund will be set aside for marketing opportunities that arise throughout the year. This could cover such things as marketing the Deh Cho Bridge, NWT Days in Ottawa or other promotional events that were not anticipated. Each year new, unanticipated promotional opportunities become available, and a fund should be available to take advantage of the opportunities that offer the most benefit.

TOTAL BUDGET \$125,000

LOCAL MARKETING INITIATIVES

NWT Tourism also recognizes the importance of the NWT as a viable market for our local tourism operators. Local marketing could include newspaper, radio and social media advertising that would encourage travel between regions (i.e an advertising campaign that would encourage NWT residents to go camping at one of the regional parks, spend time at a fishing lodge, or to take in one of the regional festivals). As Yellowknife has the largest population base, it can be assumed that the majority of campaigns will target Yellowknife residents. However, a

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campaign can target any other community in the NWT that is seen as having the potential to attract visitors.

TOTAL BUDGET \$20,000

CONTINGENCY FUND

In addition to the Special Marketing Initiatives, a contingency fund has been set aside to cover any additional opportunities that may come along throughout the year.

TOTAL BUDGET \$5,000

SUMMARY OF TOURISM 2015 BUDGET

	*2012/13	2013/14
Regional Marketing	\$ 0	\$ 250,000
Special Marketing Initiatives	\$ 0	\$ 125,000
Local Marketing Initiatives	\$ 0	\$ 20,000
Contingency Fund	\$ 0	\$ 5,000
	\$ 0	\$ 400,000
*This is the first time that the Tourism 2015 Budget has been separated out of the main marketing plan		

Performance Measures

In order to assess if NWT Tourism has achieved the goals and objectives that have been set out in the marketing plan, a series of performance measures have been established. All performance measures will be assessed at the end of each quarter, and a written report will be submitted to ITI, TMAC and the NWT Tourism Board of Directors. As part of the final report a breakdown of the total budget will be presented that will include spending by icon, product and advertising medium.

In July/August of 2012 NWT Tourism will meet with TMAC and make a formal presentation on our marketing activities. This will include a review of the 2011/12 marketing plan and well as an overview of the first few months of activities carried out under the current marketing plan. If the icon images study has been completed at this time, the results of the study will also be included in the presentation.

*2011/12 Target/Actual numbers are based on information gathered to end of second quarter (September 2011), actual numbers will be updated in the plan at the end of the fiscal year.

	2012/13	2013/14
	*Target/Actual	Target based on expanded budget

	2012/13	2013/14
	*Target/Actual	Target based on expanded budget
• To distribute 35,000 copies of the Explorers' Guide	35,000 plus 5,000 downloads	30,000 plus 10,000 downloads
• To distribute 10,000 NWT Sportsmen's brochures	10,000	10,000
• To increase page views/average length of stay on our website	6.17 minutes	7.0 minutes
• To increase the number of subscribers to our e-NWT newsletter by 10%	16,241	18,000
• To generate 3 million impressions through our advertising campaigns	10 Million	20 Million
• To increase the number of enquiries to the Call Centre by 10%	8,500	9,500

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• To increase unique visitors to our website by 15%	150,000	198,000
• To increase number of followers on Twitter accounts by 20%	5,000	7,500
• To establish a baseline on our newly developed Facebook account	2,100	2,850
• To increase the number of cooperative marketing activities that are available to our local tourism operators	15	30
• To increase the number of jump offs from the NWT Tourism website to our local operator websites by 10%	56,500	67,500
• To increase operator bookings, build sponsorship, and increase enquiries	Will set on March 31	20% increase
• To expand the NWT meeting planner to include additional communities	4 communities	6 communities
• To promote the NWT at 3 MC&IT shows	3 shows	5 shows
• To develop database of meeting and convention planners	50	70
• To communicate to meeting planners through e-promotions	2 updates	3 updates
• To make specific sales calls to key meeting and conference planners	20 sales calls	30 sales calls
• To host 2 MC&IT FAM tours	1 FAM	2 FAMs
• To attract 5 new conventions to the NWT	Not measured	8 conventions
• To expand our mobile website to specifically target the business traveller	Yellowknife	Ft. Simpson, Ft. Smith
• To generate over \$2 million worth of media coverage		
• To meet with 25 – 30 journalists at Go Media Marketplace	30	30
• To host 8 – 10 media FAMs	10	20
• To increase operator participation in media FAMs	30	40
• To acquire 500 new high resolution images/videos for future promotions	500 photos 2 videos	1,000 photos 5 videos
• To meet with 70 – 80 tour operators/wholesalers at RVC	70	80
• To host 2 Trade FAMs for key wholesalers/receptive operators	2	4
• To increase participation of our local tourism operators in our FAM Tour program	30	40
• To increase the number of operator flat sheets and listings on the Trade website	10	30
• To establish a database of key Travel Trade	100	200
• To send out updates on new products, itineraries, etc. to the Travel Trade	2 times per year	4 times per year
• To make sales calls to our key trade accounts	20 sales calls	30
• To promote all market-ready packages to the travel trade	Done	
Project Coordination		
Goal: To assess the overall effectiveness of our marketing campaigns and their value to our local operators		

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• To develop a list of performance measures	Done as per marketing plan	To be completed on March 31
• To set a baseline/target for all performance measures	To be completed on March 31	To be completed on March 31
• To review quarterly and to report on findings to ITI and TMAC	Has been provided to ITI	Will expand reports to include TMAC
• To increase the number of NWT members by 10%	169	200
Leveraging Opportunities		
Goal: To leverage an additional \$500,000 through traditional and non-traditional partners		
• To double the cooperative revenue that is generated through our local operators	\$65,000	\$100,000
• To leverage multi-year funding through CanNor and other key tourism partners	\$400,000	\$400,000
• To establish 3 non-traditional marketing partnerships	0	3
• To generate enquiries to our NWT info line that is set up in Germany	165	300
• To increase the number of visitors to our German website by 25%	8,700	12,000
• To increase the likes on our Facebook by 10%	8,800	15,000
• To target an audience of 2 million impressions through our campaigns	2 million	5 million
• To increase the number of cooperative marketing opportunities that are available to local operators	\$65,000	\$100,000
• To meet with 25 – 30 tour operators at our key trade shows (ITB and RVC)	30	35
• To host 1 trade FAM for our key tour wholesalers from Germany/Switzerland	1	2
• To increase local tour operator participation in our FAM tour program	30	45
• To establish a database of key travel trade accounts	19	25
• To communicate to trade partners through e-news promotions (product updates, etc.)	4 newsletters per year	4 newsletters per year
• To make sales calls to key trade accounts in Germany/Switzerland	5 sales calls	15
• To promote all suitable market-ready package to the travel trade	Done	
• To host one media FAM	1 FAM	2 FAMs
• To increase participation from our local operators in our media FAM program	5	10
• To write 6 press releases on new products/ activities that are of interest to the German market	6	10
• To attend 2 CTC media meetings/promotions	2	2

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<ul style="list-style-type: none"> To expand our promotions to include other products and destinations in the NWT and to encourage increased length of stay of our visitors 	1 destination (Nahanni)	3 Destinations (Nahanni, Inuvik Region, Hay River)
<ul style="list-style-type: none"> To increase the number of cooperative marketing initiatives that are available to our local tourism operators. 	1 (Aurora Week)	3 (Aurora Week, website ads, print ads)
Objectives:		
<ul style="list-style-type: none"> To establish partnership opportunities between the travel trade and our local tourism operators 	6	10
<ul style="list-style-type: none"> To secure partner funding (i.e. CTC) for support of our marketing initiatives 	\$25,000	\$ 40,000
<ul style="list-style-type: none"> To provide a quarterly report on key market insights and activities 	done	
Advertising and Promotion		
Goal: To increase interest and bookings in our key Asian markets		
Objectives:		
<ul style="list-style-type: none"> To generate enquiries to the info line that has been set up in Japan 	100	300
<ul style="list-style-type: none"> To increase the number of visitors to our Japanese language website 	476	5000
<ul style="list-style-type: none"> To target an audience of over 3 million impressions through our promotional campaigns 	3 million	5 million
<ul style="list-style-type: none"> To expand our promotions to include other products and destinations in the NWT 	2 destinations	4 destinations
<ul style="list-style-type: none"> To increase the number of cooperative marketing initiatives that are available to our local tourism operators. 	2	10
<ul style="list-style-type: none"> To meet with over 140 tour operators at Showcase, CITAP and RVC 	140	140
<ul style="list-style-type: none"> To host 2 trade FAMs 	2	4
<ul style="list-style-type: none"> To increase participation of our local operators in our FAM tour program 	5 operators	15 operators
<ul style="list-style-type: none"> To establish a database of key travel trade accounts 	65	100
<ul style="list-style-type: none"> To send out 2 e-news promotions/product updates to the travel trade 	2 product updates	4 product updates
<ul style="list-style-type: none"> To make sales calls to 10 key travel trade accounts 	10	20
<ul style="list-style-type: none"> To promote all applicable market-ready packages to the travel trade 	done	
Objectives:		

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	2 FAMs	4 FAMs
• To host 2 media FAMs (primary focus will be Japan)		
• To increase local operator participation in our Media FAM program	5	10
• To write a minimum of 6 press releases on new activities/products	6	9
• To attend a minimum of 2 CTC meetings/promotions	2	4
• To work closely with our key trade partners and to establish cooperative marketing opportunities	3	10
• To maintain a close working relationship with the CTC office in Tokyo	Done	
• To provide a regular quarterly report on key market insights and activities	Done	

Appendix A

GEOGRAPHIC MARKET PROFILES

Geographic Markets

The following are brief outlines of the NWT's primary, emerging and long term markets. These outlines include the research data used to select these markets. All research was obtained from studies and reports prepared by the Canadian Tourism Commission.

North America

CANADA

Population: 34.9 million

GDP: 1.73 trillion USD – Ranked 10th largest economy in the world

Primary Market

Product Match

Canadians are looking for tourism products that focus on nature, including beautiful scenery, National Parks and wildlife. They are also interested in cities close to nature. Popular niche products include winter activities, Aboriginal culture, water-based journeys, land-based journeys and resorts in natural settings. This makes the NWT a great product match with canoeing, rafting and kayaking adventures, dogsledding and Aurora viewing, and the proximity of nature to the city of Yellowknife, among other things.

An increasing number of travellers are seeking authenticity, personal journeys and life stories. Active outdoor activities and sampling local culture/lifestyles are also gaining in popularity among Canadians.

Demographic Match

30% of Canadian travellers are aged 55 plus. Those who specifically find Northern Canada appealing tend to be older, with over 60% of travellers aged 45 plus. Visitors to the North are more likely to be affluent men, which is thought to be a reflection on the outdoor adventure tourism product available.

Travel Trends and the Economy

Domestic travel makes up for about 80% of the tourism revenues in Canada. Due to the recent recession Canadians are looking to travel closer to home. The economy is rebounding after the recession and Canadians are looking to travel more. With the recent exposure from Canada's Northern House at the 2010 Olympics in Vancouver and the recent hit television series (*Ice Road Truckers*, *Ice Pilots NWT* and *Arctic Air*) there is an increased interest in the North.

Costs and Accessibility

55% of Canadians surveyed felt that other destinations provide better value for their money than Canada does. This may be due to the expectation that domestic travel should be less expensive than travel to another country.

The top two travel barriers Canadians cited were that there were other places they wanted to see more and that it was too expensive.

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Airfare and package prices continue to be seen as more expensive than in other countries. Flights are available from many points of origin in Canada with routing through Edmonton and Calgary to Yellowknife. Flight costs start from \$520 return from Edmonton to \$1300 return with East Coast departures.

Another growing deterrent for Canadians is domestic travel's dull image, with no real reason to go, the perception that Canadian travel is not exotic enough, and a reticence to travel where they live.

Perceptions, Product Interests

Canadians characterize their own country as warm, youthful, and intriguing. They are interested in the outdoor adventure tourism products. Self-touring by car is considered to be an ideal way to travel.

UNITED STATES

Population: 314.5 million

GDP: 15.1 trillion USD – Ranked largest economy in the world

Visits to the NWT: 1,400 camping permits in 2009, 1,900 travellers surveyed at the airport. US leisure travel represents Canada's largest inbound travel market, accounting for 63% of all inbound travellers in 2010.

Primary Market

Product Match

The primary motivation for Americans to travel to Canada is to see beautiful scenery, followed by sampling local flavours, seeing historical and cultural attractions and experiencing a country's unique character and local lifestyle. These motivations directly tie into the Northwest Territories' Northern Realities icon, including things like the midnight sun, bush planes, ice roads and -40 degree Celsius temperatures. In 2010, Americans increased their visitation to nature parks by 7.2%, which fits with NWT features such as Wood Buffalo National Park and Nahanni National Park Reserve.

Demographic Match

Americans are interested in the hunting and fishing products available in the NWT. They have a familiarity with Canada and perceive outdoor products such as these to be of high quality.

Visitation Statistics

The US had a slower than expected economic recovery, but the last two quarters in 2010 showed increases in leisure travel. Overall, 2010 saw an 8.6% increase in the number of overnight US leisure travellers who were 55 years of age or older. This age demographic represents the largest segment among US leisure visitors to Canada, accounting for 46.7% of all overnight US leisure visitors to Canada in 2010. 10 million leisure travellers (up 0.9%) from the US spent \$4.84 billion (up 3.1%) in 2010.

Travel Trends and the Economy

Many factors including the strengthening of the Canadian dollar versus the American dollar have proved to be barriers for visiting Canada. Other barriers include Americans have other places that they want to see more, they feel they have no reason to travel here, and it's too expensive to travel to Canada.

The number of leisure travellers has increased since 2009 and this number is expected to continue to increase over the coming years. Yet there are still potential risks: the US economy still lacks momentum after the recent recession, unemployment remains high, fuel costs are rising and credit is tight.

Costs and Accessibility

Flights from major cities in the US to Yellowknife cost approximately \$1,200 return. While there are many flight options to reach Yellowknife, available flight itineraries often require overnight stays en route. This can prove to be a deterrent for some travellers including fishermen from the Colorado area. In 2010 there were gains seen across the board in price perceptions, despite a fluctuating economic environment and a weaker US dollar.

Perceptions, Product Interests

Americans perceive Canada to be warm, intriguing, and informal. Americans continue to perceive Canada as a beautiful country and an ideal setting to relax or get away from it all. It is seen as an outdoor lover's paradise with wilderness adventures for travellers who are

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bold enough to explore it.

US travellers have a strong interest in experiencing nature and culture, while maintaining an affinity for city life. US travellers are generally less drawn to winter activities; ski/snowboard vacations and other winter pursuits interest only 20% of travellers.

MEXICO

Population: 113.9 million

GDP: 1.15 trillion USD – Ranked 14th largest economy in the world

Visits to the NWT: 25 responded to annual survey at the airport

Secondary Market

Product Match

Mexico continues to rank among the top two international markets for Canada in terms of travel intentions. Over 830,000 Mexican travellers are seriously considering a holiday to Canada in the next two years. Mexicans are looking for multicultural and multidimensional travel experiences while on vacation and enjoy activities such as visiting icons/landmarks, cultural festivals, dining, golf, skiing and well-being. Some Canadian icons include Niagara Falls and the Canadian Rockies. The Aurora falls into the icon category and has attracted Mexican visitors to view the Aurora in the Yukon. The top nine experiences for Mexican travellers relate to either nature or culture or are a hybrid of both, with these activities appealing to over 80% of respondents.

In 2010, travel-related TV shows surpassed word of mouth as the most effective means of influencing travel to Canada. Travel TV shows rose to 29%, while word of mouth declined by nine points to 26%.

Demographic Match

Primary, long haul, Mexican travellers are mainly couples between the ages of 30 and 40, who have no children and are therefore free to travel at any time of the year. They live in big cities (Mexico City, Guadalajara and Monterrey) and enjoy medium to high household incomes. They are often successful professionals in multinational companies in middle and senior positions. They are more likely to travel with friends and the ease of access to the destination is important.

The target visitor continues to be sophisticated and educated. Mexican travellers still prefer fully independent travel (FIT) over group travel, with 79% reporting an interest in individual touring by car or train and just 60% reporting an interest in group travel.

Visitation Statistics

Mexico had 1.5 million long haul, outbound travellers in 2010. Canada experienced a decline in this visitation of over 28%, with the world wide long haul decline at only 3.3%. Canada's disproportionate decline is due in part to strict visa requirements introduced in 2009. However, Mexico is now on the rebound as Canadian border officials have alleviated some of the issues with a new 10-year multiple-entry visa for international travellers wishing to visit Canada.

The United States is the main travel destination for Mexicans, but this is considered a short haul destination. The major long haul destination was Europe, followed by South America. 42% of those surveyed have indicated that they are likely to visit Northern Canada.

Despite an overall decline in Mexican visitation in 2010, the last quarter showed increases in arrivals for all three months. Canada remains one of the top three travel markets of Mexico (the other two are the US and France). In 2012, Canada expects approximately 124,300 Mexican arrivals. These visitors are also our greatest advocates, with 95% of past travellers recommending Canada as a place to vacation.

Travel Trends and the Economy

Consumer spending is decreasing due to the recession and recent unemployment levels. The number one travel destination for Mexicans continues to be the United States. However, the peso is expected to strengthen against the Canadian dollar, after having depreciated for many years. The strength of the peso may begin to drive visitation to Canada again, but the visa requirements (see explanation below) will continue to affect travel. Business travel by Mexicans to Canada accounts for nearly 50,000 trips and has increased significantly in recent years. Mexican business travellers spent \$71.7 million in 2008.

Mexico experienced unforeseeable shocks in the past three years, firstly with the widespread outbreak of H1N1 flu in spring 2008 and secondly with Canada's imposition of visas on Mexican travellers in July 2009. With improvement in performance recently, Mexico is now a

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transition market on the rebound. This strong upturn is primarily due to the reduction in travel barriers as air capacity improves and Mexican travellers adjust to the new visa requirement as evidenced by only 17% of travellers now citing visas as a major impediment to travel. Mexicans are high-yield travellers, with an average per trip spending of \$1,363, a 13% increase over 2009.

Costs and Accessibility

In June 2009 the Canadian government started to require a visa as well as a passport to travel to Canada. Flights are available from Mexico City to Toronto with connections to Edmonton and Yellowknife. A round trip air ticket from Mexico City to Yellowknife is listed on the Internet at \$1,400. Mexican airlines typically connect in Los Angeles and Calgary or Edmonton which sets the travel time at approximately 13-14 hours.

Perceptions, Product Interests

Canada is seen as friendly, safe, with a clean environment and excellent winter and ski/board products. Mexicans see Canada as a “dream destination”. According to recent CTC research over 53% of Mexicans surveyed indicated that they are very likely to visit Canada within the next two years.

In 2010, Mexican long haul travellers continued to show a strong overall interest in nature and culture related experiences. Canada reported a commanding lead in winter/ski activities and in seeing beautiful scenery. This is notable because Mexican travellers are avid skiers and seeing beautiful scenery is ranked as the second most popular tourism activity, appealing to 93% of respondents.

Asia Pacific

JAPAN

Population: 126.7 million

GDP: 5.87 trillion USD – ranked 3rd largest economy in the world

Visits to the NWT: 5,460 responded to a survey at the airport
(Reporting period 12 months)

Primary Market

Product Match

Japanese travellers are interested in seeing beautiful scenery, visiting National Parks and exploring nature in close proximity to cities as well as shopping and sightseeing. The Aurora Borealis and related tourism products continue to be a strong draw for Japanese tourists.

Demographic Match

Japan and Germany are the oldest markets, with over a third of travellers who are over the age of 54. However, the trend in 2010 was that increasingly more young travellers are visiting Canada- 42% under the age of 35. Female travellers continue to outnumber Japanese male visitors. The majority of travellers to the North have university or college education and very few have children living in their household.

Visitation Statistics

Visitation in 2011 decreased by approximately 12%, with 186,600 overnight trips to Canada. This recent decrease was largely due to the earthquake and tsunami that occurred that year. Fortunately the market is rebounding strongly and should surpass the 200,000 visitors again this year. Leisure travellers make up 85.9% of all visitors to Canada. 4 million or 21% of people surveyed indicated that they would be very likely to visit Canada in the next two years. Alberta and BC showed the largest gains in the leisure market in 2010 with 68.4% and 26.2% respectively.

Travel Trends and the Economy

The Japanese are currently experiencing the highest unemployment rate in over a decade, and while costs have increased for food and fuel, the wages have remained steady. As a result, many travellers do not have disposable income to spend on travel. For those who are travelling, Japanese visitors are currently turning their attention back to Aurora product in the NWT after competitive destinations were unable to meet expectations for the same levels of service and quality of product.

The Japanese are slowly moving from group escorted tours to travelling alone or in small groups. Japan is still one of the highest spending markets to Canada.

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Costs and Accessibility

Flights from Tokyo start at \$1,200 return with a stop in Vancouver en route to Yellowknife. The seasonal direct flights from Vancouver to Yellowknife greatly decrease the travel time between Japan and Yellowknife. Outside of the winter season, travellers fly to Vancouver before connecting via Calgary or Edmonton. As of winter 2012 Air Canada cancelled this direct flight which has had a significant impact of the amount of air access into the NWT. Japan Airlines (JAL) now has an interline agreement with WestJet and this should alleviate some of the air access issues.

Perceptions

The key competitive destinations for Japanese travellers are the United States, France, Germany, Italy and Australia. The Japanese describe Canada as open, warm, and authentic.

SOUTH KOREA

Population: 50,000,004

GDP: 1.16 trillion USD – ranked 15th largest economy in the world

Visits to the NWT: 23 answered airport survey

Secondary Market

Product Match

South Koreans like Canada for its beautiful rivers and waterfalls, majestic mountains, opportunities to trek in nature, and to visit friends and relatives. They are interested in our Aurora and winter products. Their interest in majestic mountains also fit with products such as the Mackenzie Mountains in the Sahtu area, as well as flightseeing in Nahanni National Park Reserve. Canada is high on many South Korean's travel list as over 1.2 million South Koreans indicated they are seriously considering a holiday to Canada in the next two years.

Demographic Match

Typical visitors are college educated, married or living together, 40 years or older, established in their jobs and their life. As many as half of those surveyed have family in Canada. California, New York City and San Francisco (all target markets for NWT products) started operating offices in South Korea in July of 2007.

Visitation Statistics

Koreans were originally interested in Ontario and Quebec, but are now trending towards travelling to British Columbia and Alberta. Due to the NWT's proximity to these two provinces, there has also been an increased interest in recent years. The strong South Korean economy resulted in an increase of 20% for overnight trips to Canada in 2010. This market has taken a substantial hit as the United States visa waiver program has resulted in a significant loss of our market share to the US and the number of visitors for 2011 dropped to 140,000 thousand.

Travel Trends and the Economy

Of the 13.3 million South Korean travellers in the long haul market, as many as 4 million are very interested in visiting Canada in the next two years. The three major barriers to travel to Canada are lack of knowledge of what specifically there is to see and do in Canada, the perception that there is little product available, and not enough inexpensive air tickets available to Canada. Canada's main competitors for South Korean travellers are short-haul destinations like China, Japan, Thailand, Hong Kong and the Philippines.

Cost and Accessibility

Direct air access remains a barrier. While overall air capacity from South Korea to long-haul destinations has increased by 56% this has stayed relatively flat with 28,000 seats added during the same period. Flights between Seoul and Calgary began in the summer of 2007. Direct flights from Seoul to Toronto and Vancouver are also available. A round ticket price from Seoul to Canada is listed at \$1,500.

Perceptions, Product Interests

The key appeals of Canada to Koreans are:

- Canada's visual beauty – wide and vast spaces with big lakes, salmon and clean air
- Active Outdoors – they want to get outdoors and participate in activities such as dogsledding, mountain biking, hiking/trekking

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and skiing

- Aspirational Utopia – lifestyle, healthier way of life (eating, housing, exercise)

AUSTRALIA

Population: 22.7 million

GDP: 1.49 Trillion USD – Ranked 13th largest economy in the world

Visits to the NWT: 117 answered airport survey, 39 camping permits in 2009

Secondary Market

Product Match

More than half of Australian leisure travellers to Canada come to visit friends and relatives. With a growing population of Australians in Yellowknife (BHP Billiton is an international mining company headquartered in Australia) there is an opportunity to increase this market.

A survey of Australian travellers to Canada showed the following reasons for visiting:

- To see friends and relatives - 56%
- Sightseeing, mainly nature - 37%
- To experience different cultures and ways of life - 35%
- Outdoor adventure/recreation - 31%
- To experience unspoiled nature - 27%

The list includes a strong preference for the outdoors and nature, which the Northwest Territories can provide.

Sampling local flavours, experiencing local lifestyles and seeing historical and cultural attractions appeal to more than 80% of Australians surveyed. This year, seeing beautiful scenery became the top tourism product of interest for Australians, with Canada being reported as the leading long haul destination for this experience.

Visiting national parks garnered 75% interest by those surveyed, followed by exploring vibrant cities in close proximity to nature at 74%, observing wildlife at 73% and city activities at 73%. Worth noting is that Australian visitors far prefer independent travel (66%) as opposed to guided tours (37%).

Demographic Match

The nature-inspired travellers (about 33% of market) skews toward the 50 plus market, while the outdoor sports seekers (about 17% of market) are in the 18 to 29 age range and are more interested in skiing and snowboarding followed by canoeing and kayaking. Many travellers to Canada make the equivalent of \$100,000 CAD annually. The proportion of travellers with a university or college degree is growing and now encompasses 64% of Australian travellers to Canada.

Visitation Statistics

In 2011, Australians made 215,000 overnight trips to Canada. Between 2000 and 2008, overnight trips to Canada have grown by 29%. Travellers to Canada are more likely to have family in the country, which fits with the NWT's market share of travellers who are likely tied by family to Australian companies like BHP Billiton. According to CTC statistics, 4% or about 8,000 travellers visited NWT/Nunavut combined. A total of 8% or 16,000 travellers visited the Yukon in the same year. This past year the number of Australians visiting the Yukon surpassed the number from the United Kingdom, thus becoming the Yukon's second largest overseas market. Many Australians who visit Canada (over 70%) are including Canada as an add-on to a trip to the United States.

Travel Trends and the Economy

Almost five million Australians travelled abroad in 2006, an increase of 3.9% over the previous year. Their number one destination was New Zealand, followed by the United States and the United Kingdom. Canada is substantially down the list, at less than half the number who visit the United States. However, over 916,000 Australian travellers are seriously considering a holiday to Canada in the next two years. Overall, Canada has lost market share since 2004, while China and Fiji gained a substantial share of the market. However, a strong interest in Canadian vacations persists in Australia, with 69% of all long haul travellers indicating that they are definitely or very likely to visit Canada in the next two years. Despite a global recession, Australia has fared relatively well and is expected to continue to do so. Unemployment is slightly higher than in previous years.

Cost and Accessibility

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Direct flights between Vancouver and Sydney were introduced in December 2007, with connecting flights to Yellowknife. A web search shows prices from \$3,600 for the Sydney-Yellowknife round trip. Additional air access is available with stop overs in the United States or Hong Kong.

Perceptions, Product Interests

In a CTC listing of the top areas of interest for Australian travellers, products the NWT has include the following:

- Feeling the purity and freshness of untouched nature
- Wild animals in their environment
- Polar Bears
- Viewing Aurora

Australians perceive Canada to be warm, intriguing, and youthful. The perception of intrigue has been growing steadily over the last few years and indicates that Australians find Canada fascinating, exciting and appealing. This perception will likely continue to drive travel to Canada.

CHINA

Population: 1,347,350,000

GDP: 7.298 trillion USD – Ranked 2nd largest economy in the world

Visits to the NWT: 300 -500

Secondary Market

Canada was granted Approved Destination Status (ADS) for Chinese visitors in December 2009. ADS is a large step towards establishing a market in Canada, however there are barriers such as the \$12,000 (Canadian equivalent) per person deposit that a Chinese traveller must make before leaving the country. For a family of four, this deposit is nearly \$50,000. While this will be a large deterrent for some travellers, it may also help to ensure that travellers have sufficient means to make trips to the NWT and be able to afford some of the NWT's higher end tourism product.

Product Match

Chinese travellers look for destinations that are clean, safe, friendly, scenic and inexpensive and where visas are fairly easy to obtain. Having friends and relatives in Canada is a major catalyst for visitation. A trip to see one or more cities is a major reason for visiting Canada (33%), while a trip to enjoy nature and the outdoors was listed by only 12% of travellers. Beaches, shopping and winter activities ranked very low.

Demographic Match

Long haul pleasure travellers from China span all ages, with the exception of seniors who represent only 3% of the market. Most are married, are highly educated and hold senior positions in government or the private sector and are more affluent than the population at large.

Travel Trends and the Economy

In 2011 over 236,600 Chinese visited Canada. Of all of the CTC markets, China had the largest growth. Chinese visits to Canada have exceeded overall outbound tourism growth with a 21.4 % increase in visitors in 2010 over 2009, a 25% increase in 2011 and a 26% increase through the first quarter of 2012. The size of the potential market for Chinese pleasure travel outside Asia is estimated to be 2.8 million travellers from four key markets – Beijing, Shanghai, Guangzhou and Shenzhen. Europe is the largest long haul market for Chinese travellers outside of Asia, followed by Australia/New Zealand. Most Chinese visitors to Canada visit Ontario and British Columbia, with only 1% visiting Northern Canada. Chinese travellers stay at their destination 28 days on average, which provides excellent opportunities for add-on travel from other provinces to the NWT.

Cost and Accessibility

An online search showed a fare of \$1,900 round trip between Beijing and Yellowknife. Air access from Beijing to Vancouver is available several times a week. In 2012 there were a total of 59 direct flights between China and Canada during the summer. It is predicted that the popularity of Canada and relatively high seat pricing and profitability may encourage additional flight increases in 2013.

Perceptions, Product Interests

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Specialized travel has not been developed to any great extent in the China market. Learning/discovery and spending quality time with family/friends are prevalent travel motivators.

INDIA

Population: 1,210,193,422

GDP: 1.84 trillion USD – Ranked 10th largest economy in the world

Visits to the NWT – under 10

Long Term Market

Product Match

The visiting friends and relatives market is the primary market for Indian travellers to Canada. BC and Ontario receive the largest portion of these visitors. They are primarily interested in travel to the major cities.

Demographic Match

The majority of travellers are 45-64 years old. This travelling age group has increased 12% since 2000. Business travellers spend on average \$1,589 per trip (as of 2007). Pleasure travel experienced a significant increase in the average trip duration compared to the year 2000.

Visitation Statistics

In 2011 that total number of Indian travellers to Canada was 162,900. Travel to Canada increased by 15% in 2011. July to September is the most popular period to travel, with 36% of travel occurring at this time. Leisure travellers account for slightly more than half of all Indian travellers to Canada.

Travel Trends and the Economy

Indians took 149,900 overnight trips in 2010. The average duration for pleasure travel is 14 nights. Most will book through a retail travel agent rather than book direct. Visiting friends and relatives is the primary motivation (49.5%) for Indian travellers to Canada, followed by business reasons at 22.9%. India expects their economy to expand in the coming years.

Costs and Accessibility

A non-stop service from India to Canada is currently unavailable. Most flights connect through Heathrow-London, and usually involve lengthy connections. Passport and visa are required. Flights from Mumbai to Yellowknife cost approximately \$2,000 return.

Perceptions, Product Interests

Ontario is the most popular destination, followed by British Columbia.

Europe

GERMANY

Population: 81,799,600

GDP: 3.577 trillion USD – Ranked 4th largest economy in the world

Visits to the NWT: 1,700 German visitors according to Statistics Canada Intl. Travel Survey

Primary Market

Product Match

The primary reasons for Germans to travel to Canada are National Parks, beautiful scenery and observing wildlife in their natural habitats. These interests make German tourists a good match with tourism products such as Nahanni National Park Reserve, Wood Buffalo National Park and to a lesser degree Tuktut Nogait Park (due to the increased challenge of accessibility). Road touring on the Deh Cho and Dempster routes is also popular with these groups who represent a large proportion of campground permits issued. Also, Aboriginal culture is a large draw for travellers from Germany.

For Germans, travelling belongs to the basic values of a “good life”. Vacationing brings back motivation and energy. 72% of German travellers are looking for outstanding natural scenery, 68% expect a good value-for-money offer, 48% want cleanliness and a healthy climate and 41%

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are looking for a safe destination. For the first time, safety ranks higher in the mind of German tourists than the wish for sunshine (40%) or a good touristic infrastructure (38%).

Demographic Match

In 2010, more than 50% of German travellers were 45 years of age or older. As of 2010, the German population will show some dramatic shifts in the age categories, which will be important for travel to Canada. In particular, significant growth is expected in the 45-54 age category and the 65+ age category.

Research shows that German visitors to Canada tend to be primarily in the 25-44 age bracket, married, middle-income earners and in professional and technical occupations. About 50% of these visitors have already visited Canada in the past. The typical German customer is young, affluent and trendy, increasingly electing to assemble independent vacation packages comprised of various elements. This type of tourist tends to favour a combination of culture and nature experiences.

Visitation Statistics

In 2011, Germans made 290,200 overnight trips to Canada for leisure and business travel, a slight decrease over 2010. Potential travellers who are definitely or very likely to visit Canada in the next two years represent 26% of those surveyed, which would be equivalent to 4.7 million German residents. Interest in the North is also present with 5% of those surveyed indicating that they would be interested to visit the North (940,000).

In general 50.8% of all Germans travelling to Canada come for pleasure, followed by VFR (visiting friends and relatives) with 25.2%, business travel with 18.4% and other reasons (5.7%). 49.1% of all German travellers visit Canada in the third quarter, 25.2% in the second, 14.2% in the fourth and 11.5% in the first quarter.

The most popular activities of German travellers to Canada (in order of priority):

Shopping

Sightseeing

Visiting a national or provincial nature park

Visiting an historic site

Visiting friends and relatives

Travel Trends and the Economy

In 2010, the German economy experienced the strongest economic growth since the German reunification. This positive development was also reflected in the decline of the unemployment rate by 0.7% in 2009 compared to 7.1% in 2010.

During the last couple of months, the Euro has suffered from a discontinuous development against the Canadian Dollar. In times of a strong Euro, Canada becomes a more attractive destination for price conscious travellers.

Germany is the world leader in terms of trips and nights spent abroad, and comes second only to the U.S. in terms of travel spending. Germany comes out on top when the aggregate outlay is calculated as a share of private consumption. Vacation and travel therefore loom four times larger in German life. When it comes to lifestyle cutbacks, the Germans would rather save on hobbies, cars and entertainment than on travel, which ranks right behind food and drink, shelter and clothing on their list of priorities. However, German travellers are very price sensitive and will make travel bookings to take advantage of special prices. December and January remain the peak months for Germans to make main holiday decisions.

Costs and Accessibility

There is no direct flight access to Yellowknife from Germany. Stopover connections from German cities are possible via various Canadian gateways (Vancouver, Calgary, Toronto or Montréal). Flights from major cities in Germany to Yellowknife cost on average \$2,000 CAD currently. Germany also has direct flights to Whitehorse, Yukon where travellers can depart on their driving adventure on the Dempster Highway or fly to Inuvik. In the summer of 2013 an RV turn-around station will be established in Yellowknife as a pilot project to attract one way rentals in and out of Yellowknife. Already well received, if the project is successful it could potentially lead to a full service RV rental station in Yellowknife.

Perceptions

German residents perceive Canada as warm, intriguing and youthful. They feel that Canada is a place with unique features that other

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destinations don't offer. This is a dream destination that they would visit if money was not an issue.

The main competitive advantage of the NWT's image appears to be its outdoors. It is also seen as a culturally diverse place to visit. Products to be promoted are:

- outstanding scenery, National Parks, forests and wildlife
- exciting outdoor activities (canoeing, kayaking, hiking, etc.)
- a very safe, civilized destination with friendly local people
- large variety of cultural possibilities.

SWITZERLAND

Population: 8,000,000

GDP: 636 billion USD

Visits to the NWT: 192 campground permits issued in 2009

Primary Market

Spending on foreign travel: 15.6 billion Swiss Francs / USD 15 b (out of country travel worldwide)

Number out of country trips: 14 million (71% leisure; 16% business; 13% miscellaneous)

Within Europe: 9.86 million

Average duration per trip: 6.5 days

Outside Europe: 1.32 million

Average duration per trip: 15.4 days

Daily average spending: 185 USD (on out of country travel per person)

Product Match

The primary reasons for the Swiss to travel to Canada are National Parks, beautiful scenery and observing wildlife in their natural habitats. These interests make Swiss tourists a good match with tourism products such as Nahanni National Park Reserve, Wood Buffalo National Park and to a lesser degree Tuktoo Nogat Park (due to the increased challenge of accessibility). Road touring on the Deh Cho and Dempster routes is also popular with these groups who represent a large proportion of campground permits issued. Also, Aboriginal culture is a large draw for travellers from Switzerland.

Demographic Match

The average age of the Swiss population is increasing. There is a growing cohort of well-to-do senior citizens with plenty of time to spend on high end travel.

Visitation Statistics

In 2011, Swiss travellers made over 105,425 overnight trips to Canada for leisure and business travel, an increase of 6% over 2010.

The leading overseas destinations in 2009 were:

United States 350,000 (>2)

Egypt 145,000 (>2)

Thailand 113,000 (<3)

Canada 107,000 (>1)

Brazil 100,000 (<=)

Travel Trends and the Economy

The Swiss economy is classified as one of the world's strongest economies. In 2010, Switzerland was ranked 19th with its GDP in a worldwide comparison, regarding the GDP per capita it is ranked 4th. The Swiss unemployment rate is under 3% which is extremely low. The Swiss Franc has gained enormous strength during the summer months of 2011 compared to the Canadian Dollar; however it has currently started to decrease a little.

Costs and Accessibility

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There is no direct flight access to Yellowknife from Switzerland. Stopover connections from Swiss cities are possible via various Canadian gateways, e.g. Toronto or Montréal or via other European Airports, e.g. Frankfurt or London and then Vancouver or Calgary. Flights from major cities in Switzerland to Yellowknife cost on average \$2,000 CAD currently.

Perceptions, Product Interests

The typical Swiss tourist to the U.S. likes to travel individually. They enjoy the excellent travel infrastructure, which most consider a “trademark” of Canada. Groups are now mostly special interest (associations, reader travel/newspapers) or senior citizens. The average Swiss traveller is well informed about Canadian politics and life. Most enjoy an above average purchasing power as a result of high incomes and the advantageous exchange rate between CAD and EUR. Swiss attach importance to punctuality, quality of service, food and good accommodation. They are known to pay somewhat more for quality. Most speak at least basic English.

Swiss residents perceive Canada as warm, intriguing and youthful. They feel that Canada is a place with unique features that other destinations don't offer, and that this is a dream destination that they would visit if money was not an issue.

The main competitive advantage of NWT's image appears to be its outdoors. It is also seen as a culturally diverse place to visit. Products to be promoted are:

- outstanding scenery, National Parks, forests and wildlife
- exciting outdoor activities (canoeing, kayaking, hiking, etc.)
- a very safe, civilized destination with friendly local people
- large variety of cultural possibilities.

UNITED KINGDOM

Population: 62,262,000

GDP: 2.4 trillion USD – Ranked 6th largest economy in the world

Visits to the NWT: 34 answered the annual airport survey, 43 camping permits issued in 2009

Secondary Market

Product Match

The UK is Canada's largest inbound overseas market. The British identify their first motivation for travel as nature with beautiful scenery, followed by National Parks and wildlife. Culture is also a draw for tourists to Canada. A majority of these travellers prefer multiple days of self-touring over guided tours. A minority of these travellers come for water-based adventure, land-based journeys and winter and summer activities. Research shows that UK residents are more likely to enjoy scenic drives, hiking and walking activities, and viewing scenery and wildlife. This aligns with NWT products such as the Dempster Highway, the Deh Cho Travel Connection, Wood Buffalo National Park and territorial parks, among other things.

Demographic Match

There are an equal number of men and women interested in travelling to the North from the UK. 63% of these travellers to the North are older than 45, most are married, and almost half have a college or university degree. 25% of the target market is retired, and more than half of the market continues to work full time.

Visitation Statistics

In 2011 there were over 622,000 overnight visits to Canada and these are expected to continue to increase by another 150,000 by 2013.

Travel Trends and the Economy

In 2010, the UK experienced low employment, consumer confidence and devaluing currency. These factors all played into travel intentions. 659,400 overnight trips in 2010 showed a decrease of 3.8% year over year.

Fully 23% of UK travellers have expressed that they are very likely or will definitely visit Canada in the next two years. This accounts for more than 5 million people. 22% of those travellers have indicated they are interested in travelling to the North and 16% specifically noted the Northwest Territories.

Costs and Accessibility

A return trip flight costs approximately \$2,200 from London, England to Yellowknife, but recent flight sales show fares as low as \$1,400.

Final Version

NWT Tourism – 2013/14 Marketing Plan

There are lots of connections from major UK cities to Toronto and Edmonton. While there are some direct flights to Edmonton, most flights require connections in Toronto, Vancouver, and/or Edmonton before arrival in Yellowknife.

Perceptions

UK residents perceive Canada as warm, intriguing and youthful. They feel that Canada is a place with unique features that other destinations don't offer, and that this is a dream destination that they would visit if money were no object.

FRANCE

Population: 65,350,000

GDP: 2.71 trillion USD – Ranked 5th largest economy in the world

Visits to the NWT: 10 answered airport survey, 121 camping permits

Secondary Market

Product Match

There is a strong interest in Canada's North among the French. In a CTC research report, 36% of people indicated they would like to visit Canada's North when visiting our country. The NWT was the most popular of the three territories. The French are most interested in nature-based activities including rivers, waterfalls, National Parks, heritage sites and wildlife, self-guided tours, and cities in close proximity to nature.

Demographic Match

Typical visitors to Canada are 55 or older. Most are still employed full time in the workforce. A large percentage are men, possibly drawn to outdoor adventure activities. Recent visitors to Canada are more upscale and likely to have friends and relatives in Canada.

Travel Trends

The CTC research suggests that 36% of French people who take long haul vacations are very likely to visit Canada in the next two years. Price, competing destinations and poor weather are barriers to travel to Canada. In 2011, over 422,000 French travellers made trips to Canada and spent, on average, \$1,276. More than 35% of French travellers are over 55 years old.

Cost and Accessibility

Direct flights between Paris to Calgary are available on a daily basis. Flights from Paris to Yellowknife are listed at approximately \$1,600.

Perceptions, Product Interests

The key appeals of Canada to the French are outdoor adventure including fishing and water-based activities, as well as heritage and culture.

NWTT Marketing Initiatives

NWTT has had a limited presence in the French market. The majority of marketing initiatives have been taken on by Conseil de développement économique des TNO (CDETNO).

South America

BRAZIL

Population: 193,946,886

GDP: 2.49 trillion USD – Ranked 7th largest economy in the world

Visits to the NWT: not available

Long term market

Product Match

The Brazilian market is looking for a variety of experiences including action/adventure sports, arts and culture, nature, heritage activities and travel for the sake of exploration. There is a potential match for canoe/kayak/raft adventures, wildlife viewing, flightseeing, National Parks, pingos, and the Great Northern Arts Festival.

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Demographic Match

31% of travellers are between the ages of 45 and 64 (largest share of all travellers), with 55% male travellers. 80% live in urban areas. The top 10% of the population make an average annual income of \$72,932 USD.

Visitation Statistics

Brazil is still very much an emerging/long term market. In 2011 just over 74,100 Brazilians visited Canada. 273,000 Brazilians are seriously considering a holiday in Canada over the next two years. The summer months are the most popular time to travel. Brazilians prefer to travel to Canada during the summer months (36.7%). Their trips tend to be 21 days in Canada and they spend \$1,808, the highest spend per trip among CTC key markets.

Travel Trends and the Economy

The Brazilian “Real” depreciated against the Canadian dollar with the global recession. This past year 71,600 overnight trips were taken, which was a 13% growth from the previous year. Business travellers spend on average \$1,842 on their trips.

Costs and Accessibility

Air capacity is an issue as the number of potential travellers outnumbered the supply of air seats in 2007. Air seat capacity increased in 2008 by 3.2% to 80,378, but there is still a shortage of available seats. Direct service between Toronto and Sao Paulo is available. An online search indicated that the cost of a round trip between Sao Paulo and Yellowknife is approximately \$2,500. Brazilians travelling to Canada require both a visa and a passport.

Perceptions, Product Interests

Currently Ontario is listed as a must-see destination, followed by Quebec, Alberta and BC.