

Explorers' Edge Board of Directors Meeting Minutes
Wednesday, June 18, 2014
Holiday Inn Express and Suites, Huntsville

Present: Hilary Chambers, Jackie Leung, Jerry Feltis, Michelle Berry, Andrew Vitch, Drew Rachar, Kim Loader, Jeff Suddaby, Curt Dunlop

Regrets: Diane Wiber, Don MacKay, Anthony Rizzo, John Miller, Andrew Ryeland, Nicole Saulnier

Staff: James Murphy, Erin Wilcox, Kate Monk (during Marketing Presentation)

Guest: Peter Coish, Cloud Ad Agents

Call to Order: Jackie Leung called the meeting to order at 9:40am

Welcome and Introductions:

Chair, Jackie Leung, welcomed new board to the first meeting of the fiscal year followed by introductions and brief statements regarding what each individual hopes to gain from taking part in the Explorers' Edge board. ED Murphy spoke to putting money in the pockets of operators. Murphy discussed RTO12 as one of the few RTOs with business owners on the board, EEs use of varying committees, and the running of transacting programs for the operators. Spoke to consumer centric philosophy; making it easier for consumer to choose our destination over others. ED Murphy briefly spoke to the end of year planning session; seeing what that will look like as the year progresses.

Approval of Agenda – June 18, 2014

Motion: moved by Curt Dunlop that the Agenda for June 18, 2014 Board of Directors meeting be approved.

Seconded: Jerry Feltis

Discussion: n/a

Carried.

Approval of Minutes – May 8, 2014

Motion: moved by Curt Dunlop that the Minutes from June 3, 2014 Board of Directors meeting be approved.

Seconded: Hilary Chambers

Discussion: n/a

Carried.

Approval of Minutes – June 3, 2014 (AGM draft election)

Motion: moved by Andy Vitch that the Minutes from June 3, 2014 AGM and draft election meeting be approved.

Seconded: Jerry Feltis

Discussion: n/a
Carried.

Financial Presentation – for period ending June 10, 2014

Discussion: Treasurer Vitch provided the Board of Directors with a brief update speaking to EE's straight forward financials; business about the income statement not the balance sheet as we own no assets. Vitch discussed revenue from MTCS, as well as extra funds that were distributed by OTMPC.

Vitch inquired as to more opportunities to gain those funds for this fiscal year. ED Murphy spoke to his working with FedNor to subsidy funds. Vitch spoke to other funding from partnerships; EE has 166K in Partnership Funding, the organization will make every effort to leverage the funding.

Revenue generation was briefly discussed, specifically the 2013 radio ad spots for ETE.

Dunlop asked about transacting. Jerry Feltis spoke to transacting committee; finding ways to get consumers to buy into the area at no cost to operators i.e. Fuel & Fun and Explore the Edge. Briefly discussed the rolling out of the new online booking program, JackRabbit, through RFP selected process; again, no fees associated for business owners. JackRabbit can link to your booking system if you have one, no cost to proprietor, if you don't have a booking engine, you can have the widget for free and put it on your website, levels the playing field in the area for small operators.

Leung discussed how this system plays into being consumer centric, offers guests' options based on search criteria, full list of what is available for selected dates.

Vitch continued with budget, we keep administration to low percentage of overall budget, about 20%. Discussion ensued about budget from MTCS; budget being increased must imply we are doing good work. ED Murphy expanded by discussing how the board decides how to allocate the budget into the buckets as set in place by the Ministry; the TPA goes to Ministry with an agreement based on the operational plan of how money will be spent; mirrors what is in TPA, what buckets we have committed to with MTCS, how that money is being spent.

Note: Change in Income Statement as presented - Ministry Revenue and Partnership Revenue should be reversed on paperwork; those two lines misprint.

Approval of Financials – for period ending June 10, 2014

Motion: moved by Hilary Chambers that the financials presented at the June 18, 2014 Board of Directors meeting be approved.

Seconded: Curt Dunlop

Discussion: n/a

Carried.

Consent Agenda Overview – Jackie Leung

Leung briefly spoke to consent agenda items and how the process works. Rather than addressing pre-reads one by one the items are approved with one motion this way the board does not get bogged down with things that are general FYIs. Dunlop asked about joining committees. ED Murphy responded with available positions.

Approval of Consent Agenda

Motion: moved by Curt Dunlop that the Consent Agenda for the June 18, 2014 Board of Directors meeting be approved.

Seconded: Drew Rachar

Discussion: n/a

Carried.

Executive Director Update – ED James Murphy

Industry Outreach:

- Almaguin Highlands Capacity Development
- Explorers' Edge AGM
- Muskoka Tourism service review (Tourism Summit). Brief discussion surrounding the consultation and the implementation of performance factors; timeline this fall which will help align strategies to ensure no duplication of services.
- RTO face-to-face meeting. ED Murphy met in Burlington at RBG with other RTO Executive Directors. Discussion began surrounding how RTOs are working together, how more collaboration could be happening in regards to big ticket items i.e. Cross border marketing of Ontario, etc.

Vitch asked about the possibility of the board chair, Leung, penning a letter to the Minister expressing our thanks for budget increases, and requesting information regarding how that can further work to increase the funding model; board agrees. Discussion began regarding regions with a larger budget, like Toronto, and how we can leverage stays off that market by continuing to pull visitors north for the quintessential Canadian wilderness experience. Feltis spoke to the possibility of combining resources with other RTOs to work towards similar objectives; Vitch questioned whether this should be assigned to a committee to move the idea forward. Discussion began surrounding "Town and Country" partnerships; creating a loop that included Toronto, Niagara, Algonquin Park and Ottawa. Chambers will bring it back to the marketing committee to consider.

- Marketing (strategy development, strategist contract)
- MTCS (marketing, workforce development, tourism product development strategy; final report and financial audit)
- OTMPC (ongoing dialogue, request content and marketing plan including budget; discussed interest in better understanding Ontario Travel marketing plans; what is distribution, is there enough ROI on our programs. ED spoke to ministry spending in regards to programs, regional model, celebrate Ontario, TPDF, etc.)

- FedNor (Golf Muskoka in phase one, Resorts of North Muskoka in phase two)
- Governance Committee: planning preparations
- Research Committee: presentation of Q4 and brand health
- Transacting Committee: reconcile Fuel & Fun
- Tourism Operator Relations Committee: reconcile partnership fund
- Community Relations Committee: update planning cycles and information

Discussion began surrounding onboarding of new board members to committees. Dunlop to join research committee; Suddaby to join marketing committee; Rachar will continue with the transacting committee; Loader undecided and will follow up with Murphy.

Leung discussed committee structure of two board members on each committee, one to chair and one to co-chair.

ED Murphy spoke to post summer wrap in early September; meet as a board for committee updates, as well as to discuss marketing, research, and transacting. Board planning session will take place in late September, destination development plan review; consumer centric philosophy; past program review, logic model review, future achievements and priority areas. Operational planning, what that will look like at end of year, submitted to government in January.

Meeting Breaks at 10:30am; Jackie called the meeting back to order at 10:45am.

Marketing Presentation – Strategist Peter Coish, Cloud Ad Agents

Present: Kate Monk, Director of Communications

Proposed Marketing Plan for 2014:

Coish spoke to putting together the new marketing strategy; macro and micro point of views. Discussed what have we learned from ourselves, and what we can we build upon. Coish discussed the shift in the marketing world being transformed by the mobile world; 75% of Canadian mobile subscribers have a smart phone, that number continuing to grow. Continued with stats; mobile use market driven by 35-50 year olds; more time on smart phone than on pc laptop; 27% of FB users only visit from their smartphone. Discussed the importance of these implications for us as marketers, how will the EE website/content be viewed on a mobile device; also need to ensure all our operators have a web presence that appears well on mobile devices. Coish spoke to the social world; #1 games, #2 FB, single purpose apps to view content, websites, videos, etc. Discussed homepage traffic in regards to user experience; with a platform like FB users link directly to web pages, then click back to news feed. While homepage traffic is starting to fall, site traffic is growing. Must publish engaging content that keeps the users on site.

Coish continued with site stats; traffic on website increased 147%, increased page views 135% from 2012, 50,000 visitors sent to third part sites from our page, good conversion ratio for traffic. Discussion began surrounding organic traffic, when someone searches and finds us specifically. Organic searchers

are EEs best prospects; getting more organic traffic is a result of publishing engaging content with keywords allowing for more opportunity for a search to turn back an EE result.

Discussed the ROI from Facebook spend of 60k and 145K investment into Google Adwords. Spoke to which investments offered up highest quality results, top quality traffic comes from social; days of display ads coming to an end; don't do banner ads anymore, cost per visit is really high and quality of traffic is not that great. Campaigns no longer needed to be pushed out the door; need to push quality content out year round, no more stop and start process of old banner campaigning. Monk spoke to quality platforms that engage users, cost comparison with time spent on site; streamlined and focused initiative. Andy asked about posting guidelines for the EE social platforms, organic reach changing on FB platform. Kate discussed EE's social media policy. Dunlop asked about how content on FB becomes visits to the website and organic reach. Monk spoke to creating an engaged audience that drives to our website; how an emotional attachment to content encourages engagement; use of photos. Also discussed how the new JackRabbit system can be live on FB site, on a widget, how we are turning our audience into our customers.

Coish spoke to funneling the brand awareness to consumers. Discoverers → Searchers & Discoverers → Searchers. Discussed how brand awareness becomes content engagement which can lead to a sale; stats discussed how brand awareness is not growing, but staying the same.

Competitive Overview: how we work with the perceptions of our region; nowhere to stay, proximity to the traveler, nothing to do; we battle this by posting lots of quality content; use content to battle the perception that EE is less likely to have quality accommodations, accessibility, cultural activities, attractions, dining and entertainment. Stop doing ad campaign, push the mobile accessibility, talk to searchers and goal oriented visitors; speak to them differently than those who have never heard of EE.

Marketing Plan Overview:

- Business Vision - by 2017 EE most popular tourism destination in Ontario (for 150th)
- Marketing Mission- to make our target audience, Ontario Explorers, aware of EE and the regions within to help them maximize their enjoyment when they visit.
- Brand Positioning – a quintessentially Canadian wilderness experience just 2 hours from the city
- Tagline- recommended naturally adventurous tagline be dropped or changed to one more explicitly linked to the brand position
- Marketing Manifesto - leading social mobile content marketers. What that means from content point of view, LOTs more of it. Focus content on purchase decision criteria where EE is perceived to be lacking. Consider publishing content that has universal appeal, serves purpose to bring new people in, not necessarily to plug operators but to build audience for greater good, still connects to the region and our offerings. Expand guest author program to cover more communities of interest and areas of expertise. Layer of a curated content stream; how our story may be reciprocated, how content can

work hard for us in multiple ways. Discussed a uniformity to social media sharing and expanding our social media footprint to include Instagram, Pinterest, etc.

Content Marketing Plan: discussed building organic reach through great content and multiple platforms. Monk spoke to niche markets; paying attention to them; engaged readership. One of them surrounds product development and distribution of funding (when PDF was developed started was 100k in 2012, 50k in 2013, 35k in 2014; do more with less). OTMPC has mandate to push this product out, why we got onboard. Partnership model in place by the government, internal staff now makes recommendations based on research. Monk spoke to leveraging our experience for 2017; big event is worth latching on to, we want to be on the consideration list for pushing the message that there is something worth seeing north of the city, how we get included with the big players (Toronto, Niagara, Ottawa).

2014 Marketing Budget: ED Murphy spoke to two things that factor into marketing budget; government wants to know costs associated with what is going into market and what is being paid to agency fees, MTCS wants a more articulated model. Breakdown of budget going into market; social media, search engine marketing, consumer marketing, development expenses, project management, strategic development; in total a 626k total spend.

Approval of Marketing Plan

Motion: moved by Hilary Chambers that the Marketing Plan as presented at the June 18, 2014 Board of Directors meeting be approved.

Seconded: Curt Dunlop

Discussion: n/a

Carried.

Round Table & Other Business

Curt Dunlop: restaurant up 40% over last year. Discussed his beer festival that just took place last weekend as a smashing success; now prepping for Session Muskoka. Craft beer world is exploding; first beer in the LCBO.

Hilary Chambers: spoke about a bear issue and bugs in Port Loring (northern Bug Wear jackets). Hosting a riders retreat next week, adding capacity to July and August to make up for resistance over bugs.

Jeff Suddaby: spoke about OCTA and Feast Ontario. Told the group about the Live It! event, bringing awareness to Huntsville, will feature culinary, home renovation and gardening. Big names coming to the region; all about showing people information about these lifestyle topics. Hoping to have successes with first round and to create an annual event from this; hoping for Jaime Oliver in 2019.

Michelle Berry: stats are slightly down for May and June, lots of contributing factors. Gas prices for RVs, bugs, shell shock from cost of winter and heating costs. Length of stay is increasing, last year was best year in 25 years. Invites the board to their 25th Anniversary weekend pig roast in August. Had a Mummy Blogger at her property this past weekend; encourages board to tap into this resource. Spoke to the impacts of FamTours and how it can be a great way to market your business.

Kim Loader: Port Cunnington has been undergoing extensive renovations in one of the cottages on site. Discussed their opening one week early this year and their great occupancy rates for June. Spoke to their number of night stays with the promo they ran with golfing at Bigwin, easts up overhead with housekeeping, but happy for the exposure; some turned into bookings for summer which is great.

Drew Rachar: slow start for golf due to weather. May was down a bit over last year, June is picked up. Spoke to GTA golfer perceptions; southern courses got hammered by weather and damage, they assume we have the same issues ie. ice storm turf and tree damage. Bugs play a role as well, especially for morning golfers.

Andy Vitch: suggested that round table starts the meeting to flavour the discussion. Helps as a group to get an idea of how things are going, how we should be making policy surrounding these issues. Sunny Point is having a slow year for reservations, but booked 4800 in sales during the meeting. Late winter has hurt everyone in this business.

Jerry Feltis: Mill on Main fiscal is Nov-Oct, up 30%, seeing best year yet. Rocky Crest had movie in, wins outweigh the issues, opened in March for this, did about 2300 room nights with the movie which financially was a win, but \$46,000 of damage due to winter time damages to decks, windows and siding. Housing 88 staff in Maples and Big Wheel motel, new purchase.

Jackie Leung: spring bookings down; winter was up, such a good winter they are still ahead, getting lots of advance bookings for summer which is not typical. 2 week bookings with full house of gentleman from BBC shooting a documentary on bears. Reminder to listings update to June 30th to Ontario travel, new launch in September.