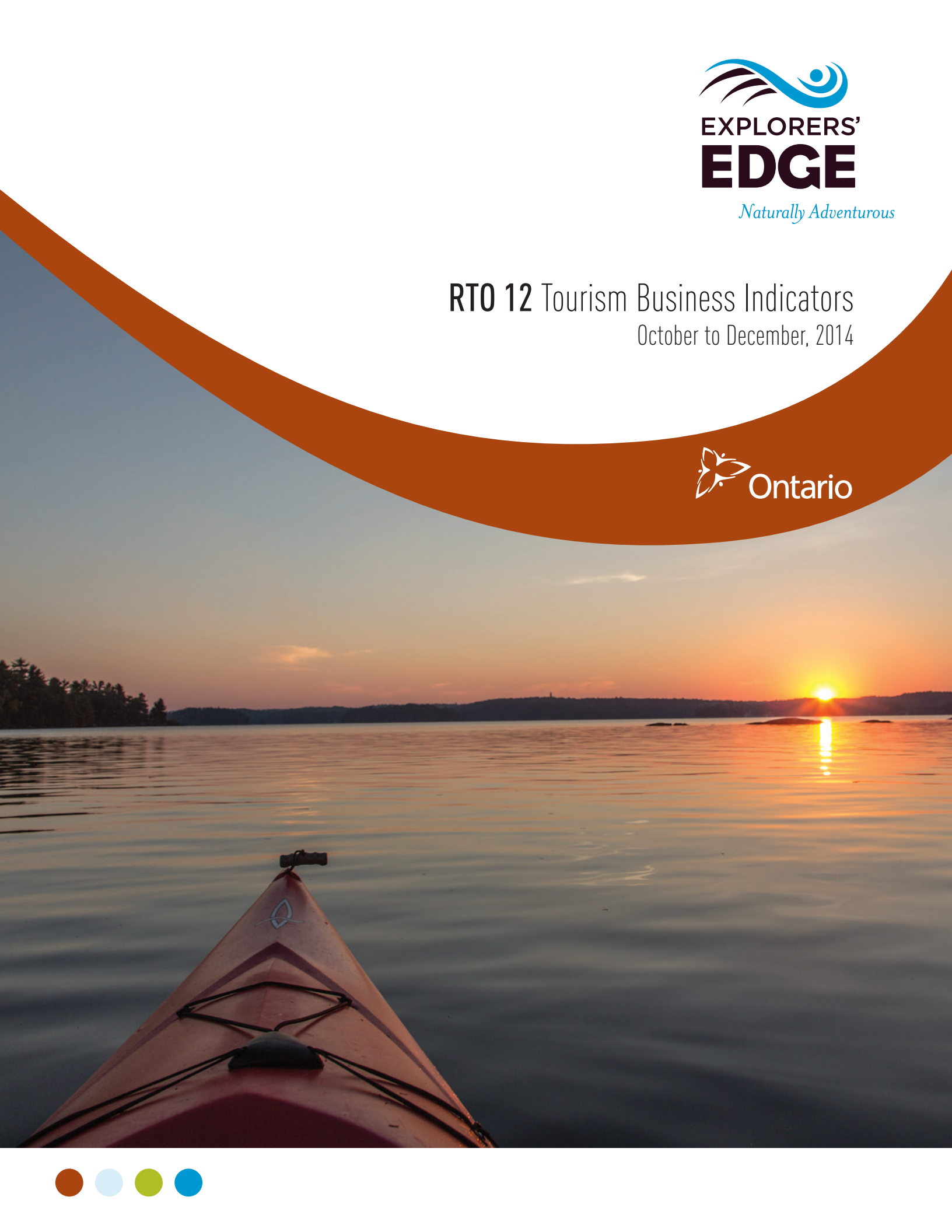




*Naturally Adventurous*

# RTO 12 Tourism Business Indicators

October to December, 2014



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### About This Report

The report collates a variety of metrics and – taken together – provide a unique and up-to-the minute read on the state of the tourism industry in RTO 12. Tourism is a vital part of the region’s economy, and accounts for almost 10% of its GDP, and 13% of its total employment. This report is provided as a service to our operators and other stakeholders and is intended to give insight into the general health of the industry.

### Why We Use Indexes

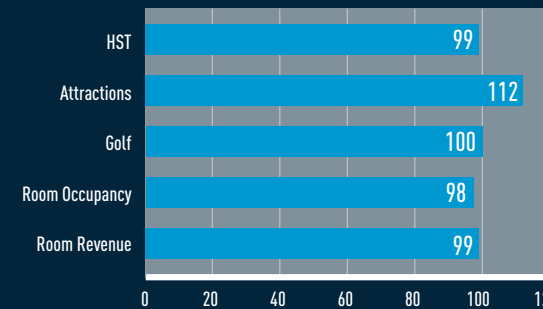
Index numbers are a statistician’s way of expressing the difference between two measurements by designating one number as the “base”, giving it the value 100 and then expressing the second number as a percentage of the first.

Example: In this report, we are using 2013 as the index base. If the total HST collected in our sample was \$110 in 2014, and \$100 in 2013, the HST Index for the region in 2014 will be 110.

Indexes allow us to compare trends across different business metrics, such as HST, room occupancy, golf rounds and entries at attractions.

## RTO 12 Tourism Business Dashboard

RTO 12 - All Indexes for Q4, 2014



A strong fall helped offset a summer plagued by bad weather.



Q4 down 1% over 2013

#### HST Index



Q4 down 2% over 2013

#### Occupancy Index



Over 8,000 social media mentions of Explorers' Edge and RTO 12 members

#### Social Media Monitor



YTD down 4% over 2013

#### Golf Index



Q4 up 12% over 2013

#### Attractions Index



YTD day use up 5%, night use down 4%

#### Parks Index



2 degrees on average warmer each day

#### Weather Index

Average Temperature

307 MM, virtually unchanged from last year

Total Precipitation



## Overview

### Strength in the Fall Season Mitigates Weak Summer Performance

As we saw in the report for the second quarter of our fiscal year, one of the biggest factors affecting tourism in the region is the weather, and 2014 is a year in which the weather has worked for, and against, business in the region. The cold, snowy winter initially helped drive traffic, but when it dragged on into spring, followed by a soggy summer, tourism operators saw business sag.

This fall brought relatively pleasant weather – sunnier and slightly warmer than last year. Accommodations and attractions operators reported some strong months in Q3 and ended the year relatively flat over last year. Golf operators performed less well, reflecting the overall industry-wide down-trend plaguing the industry.

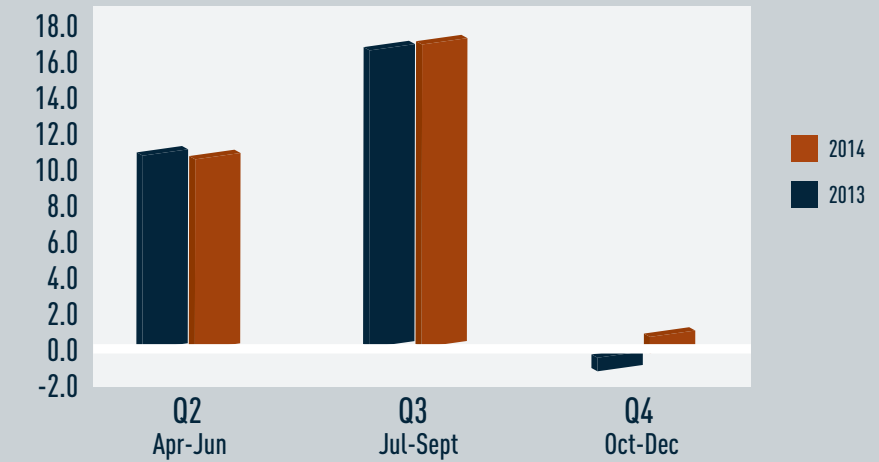
We believe 2015 will be a strong year for tourism in Ontario, thanks to lower oil prices which is driving a cheaper loonie. Ontario is a commuter economy: Lower oil prices means fill-ups are now 35% cheaper, and these commuters are going to save hundreds of dollars giving them more cash to spend on travel. A cheap loonie should help drive employment in the manufacturing sector, again good news for travel & leisure sector which relies on discretionary income. It also means that travel to the US has become proportionately more expensive, which should mean more Ontario residents will seek local vacation options.

## Weather Indexes

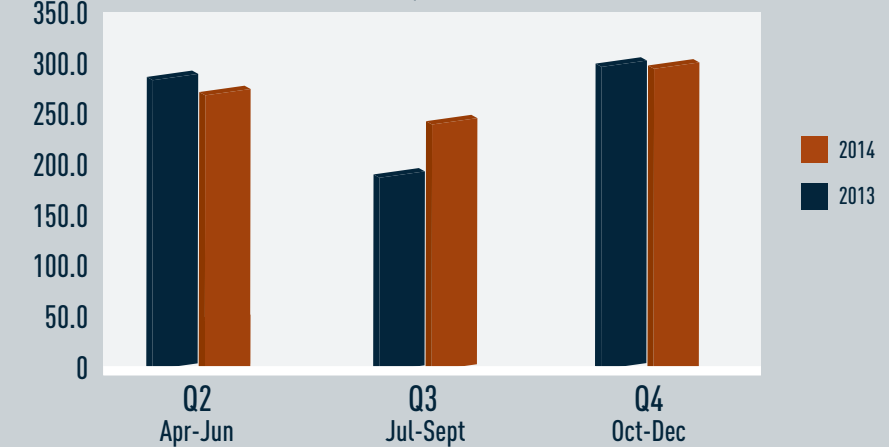
### Weather Index

A pleasant fall offset a wet summer

#### Average Temperature (C)



#### Total Precipitation (MM)

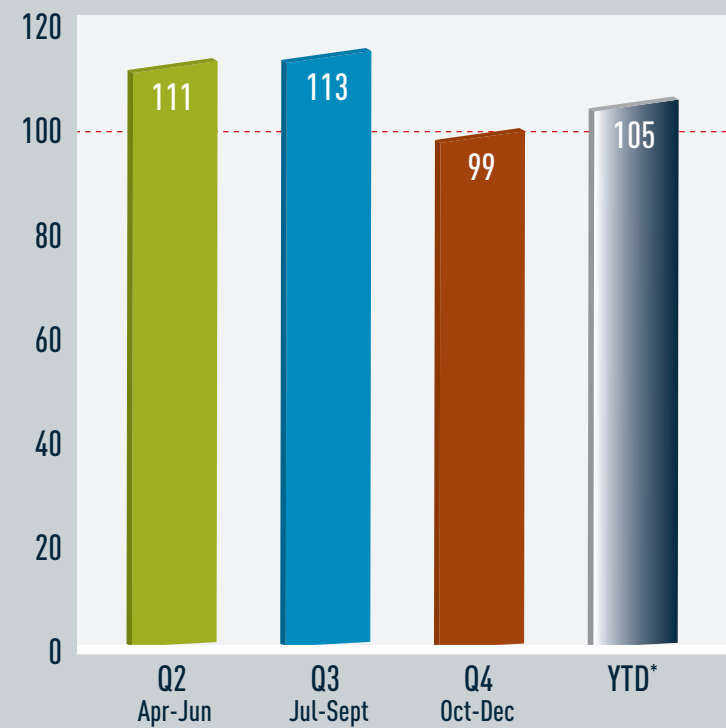




## Business Indexes

### HST Index 2013/2014

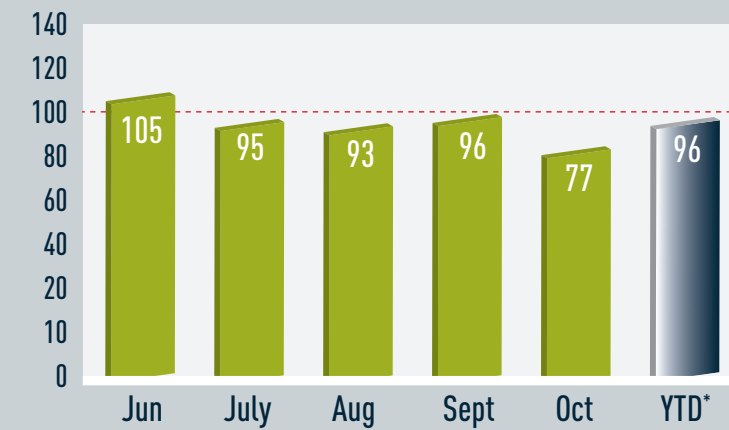
HST receipts were up an impressive 5% in 2014, bucking the bad weather trend



\*YTD refers to RTO 12's fiscal year, starting April 1, 2014

### Golf Index 2013/2014 (6 operators reporting)

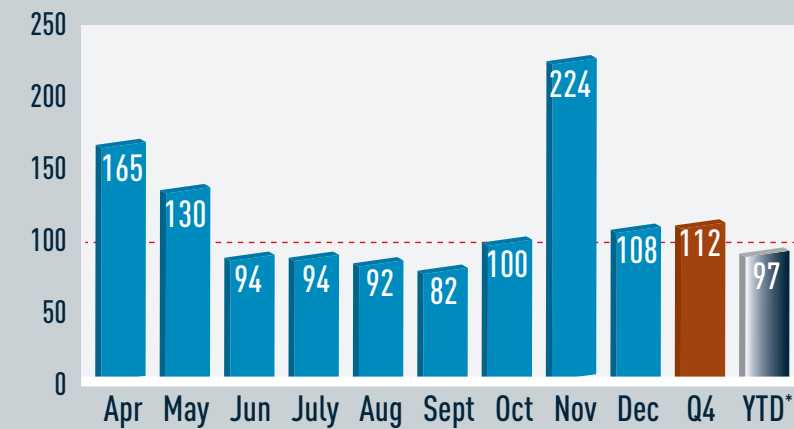
Despite weather and changing demographics, golf operators posted a relatively flat year



\*YTD refers to RTO 12's fiscal year, starting April 1, 2014

### Attractions Index 2013/2014 (7 operators reporting)

Thanks to a slower, wetter summer, attractions operators saw lower gate receipts in 2014



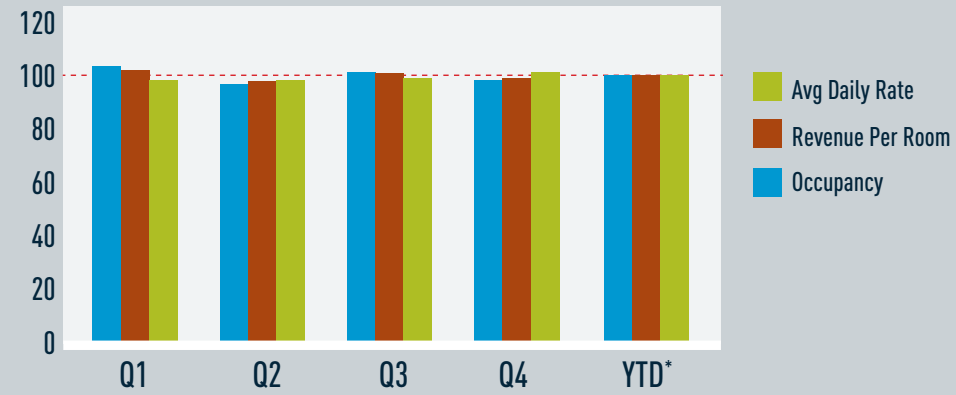
\*YTD refers to RTO 12's fiscal year, starting April 1, 2014

\*\*One regional cultural attraction witnessed a spike in attendance year over year which has skewed the results for November

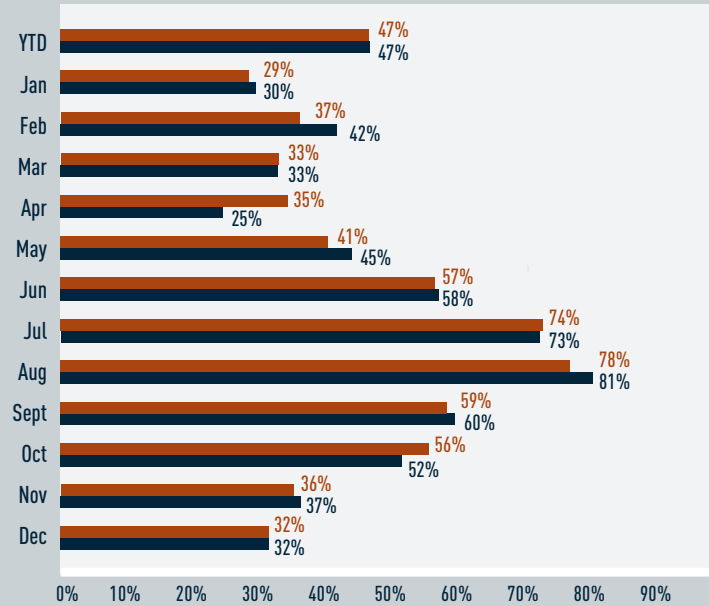


### Room Occupancy and Room Revenue Indexes 2013/2014

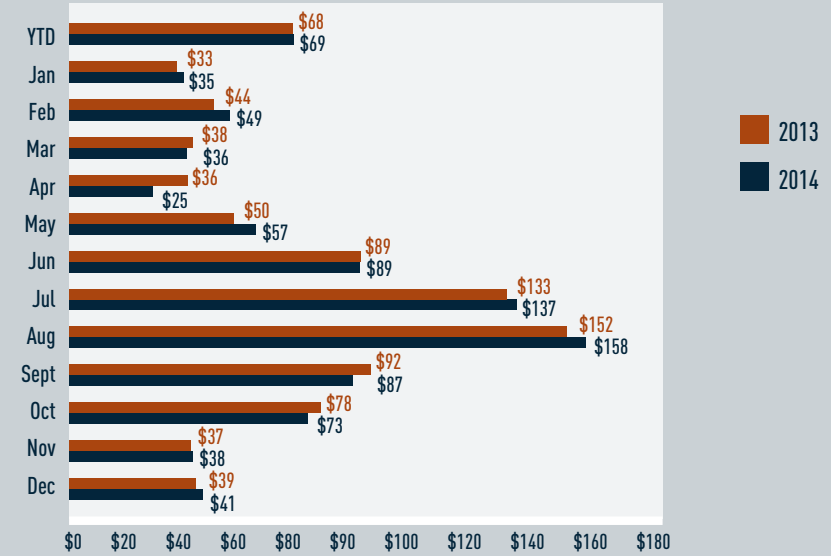
A strong fall season helped offset a weak spring, with Occupancy, Average Room Revenue and Revenue Per Available Room all ending the year flat over last year.



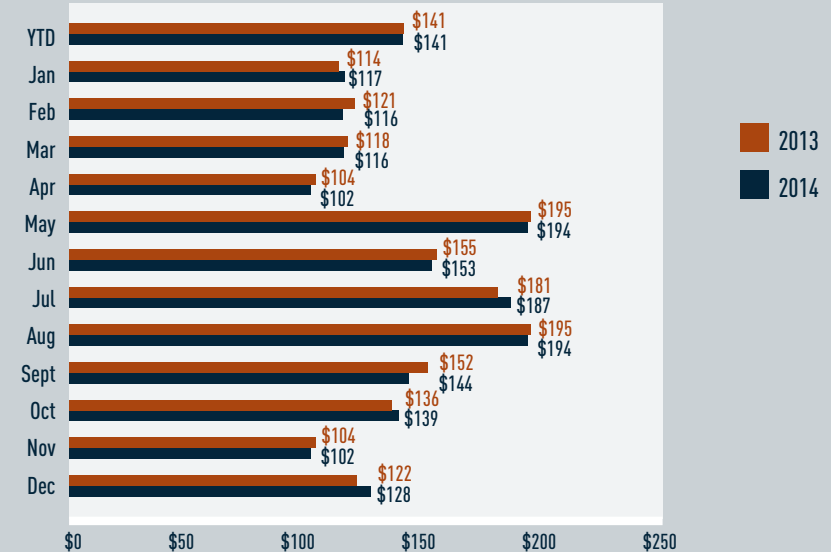
### RTO 12 Room Occupancy Rate 2013 - 2014



### RTO 12 Revenue Per Available Room 2013 - 2014



### RTO 12 Average Daily Rate 2013 - 2014

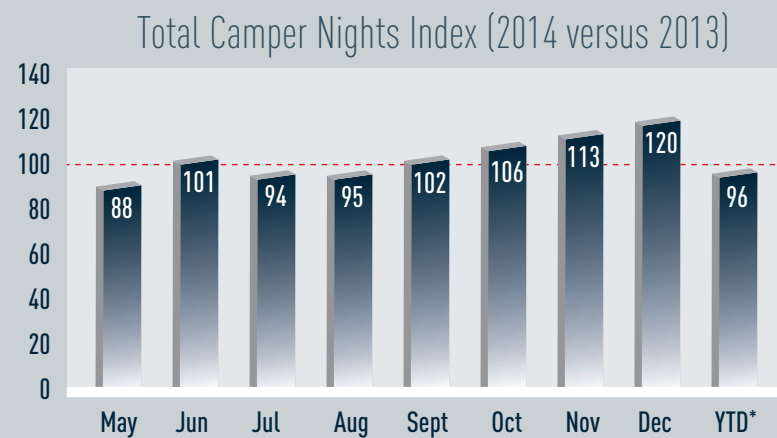
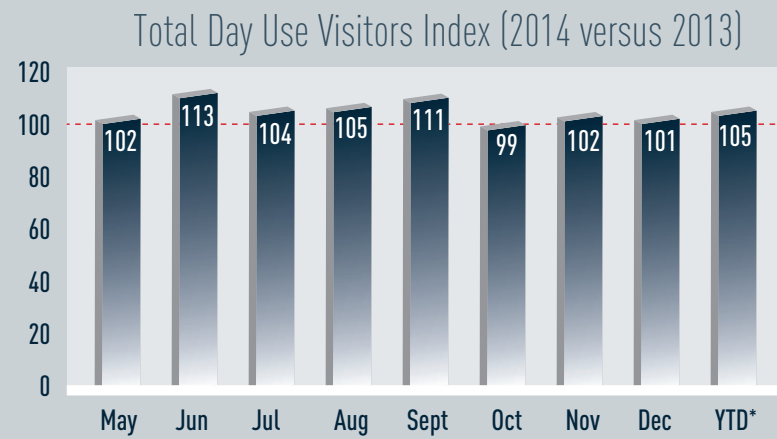




# Parks Index

## RTO 12 Parks Index

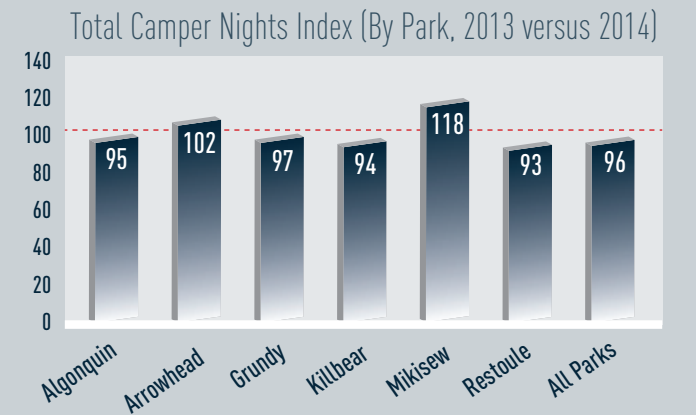
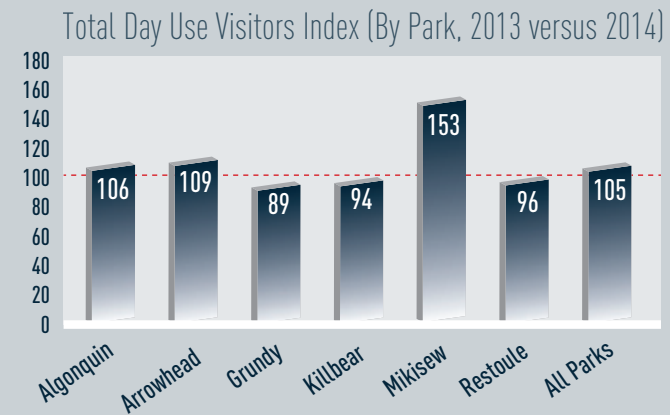
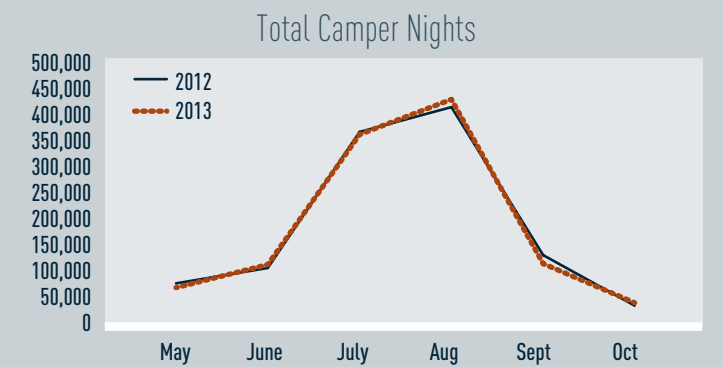
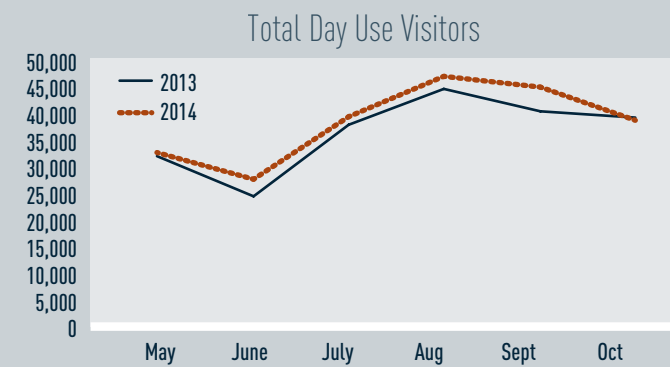
Strong year for Arrowhead and Algonquin Park offset decreases in other parks



\*YTD refers to RTO 12's fiscal year, starting April 1, 2014

## RTO 12 Parks Index

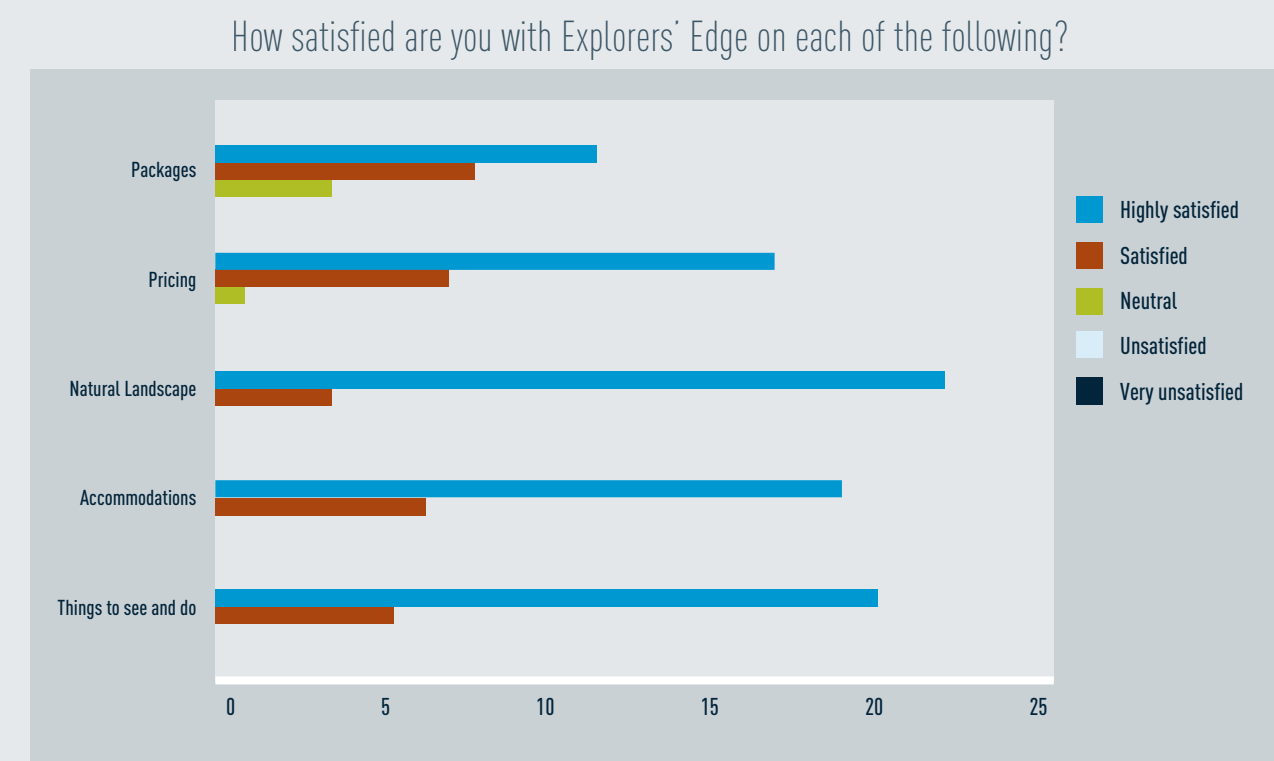
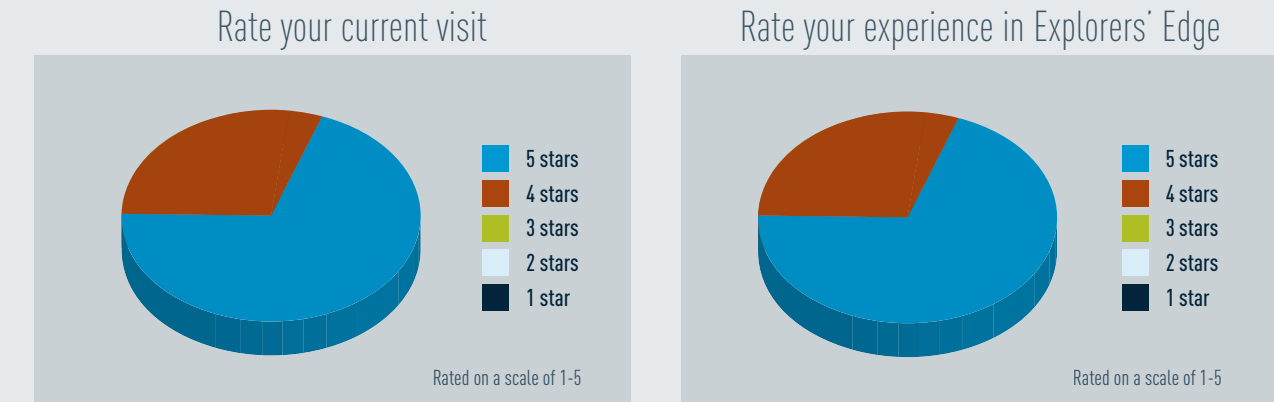
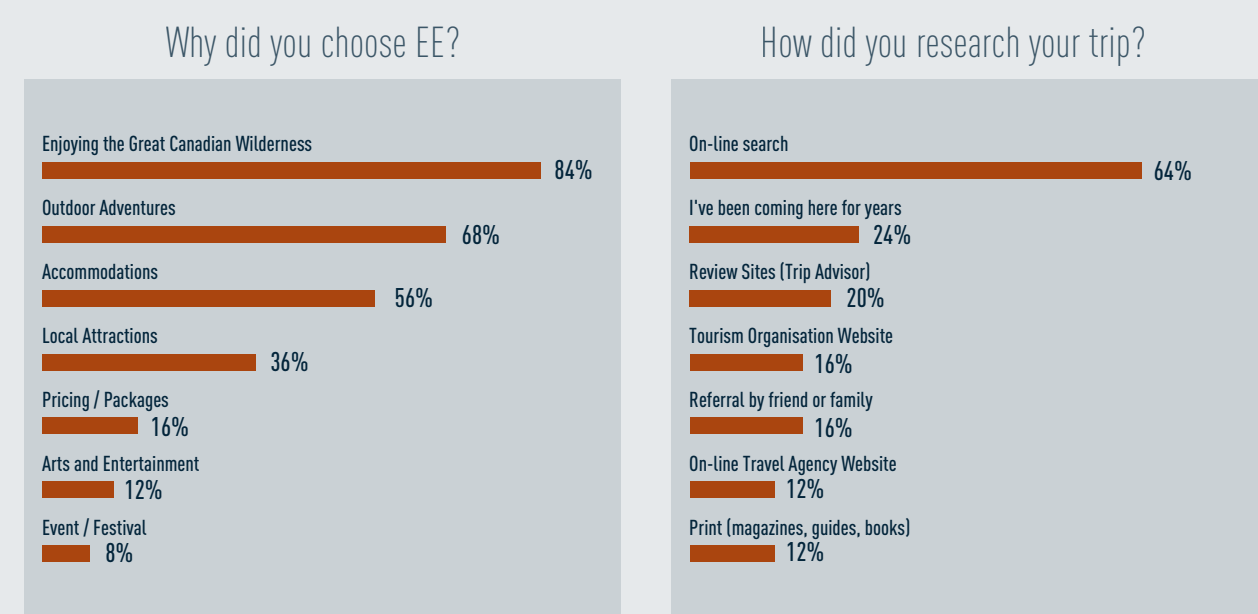
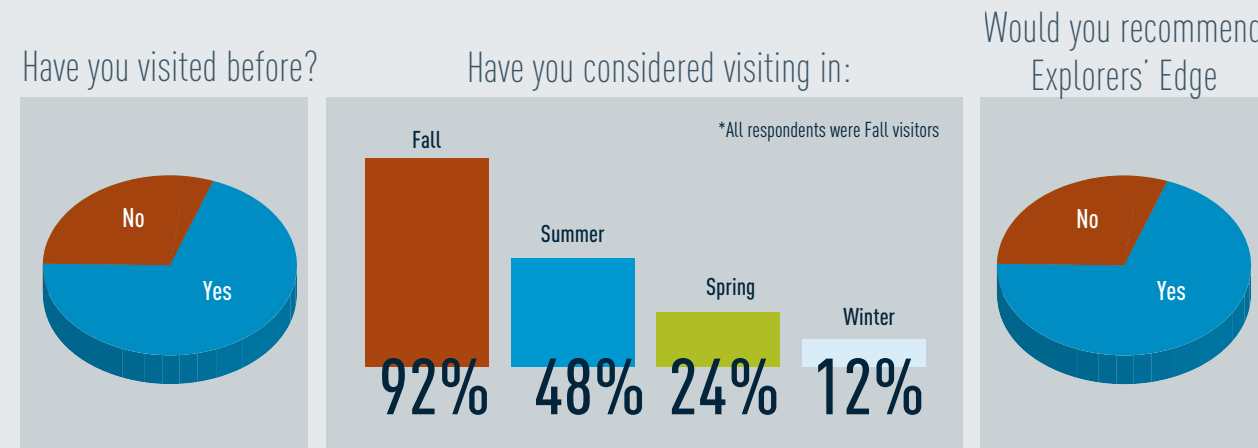
Strong year for Arrowhead and Algonquin Park offset decreases in other parks





# Visitor Exit Survey

All respondents Fall visitors.  
100% of Visitors Would Recommend Explorers' Edge to their friends and family!

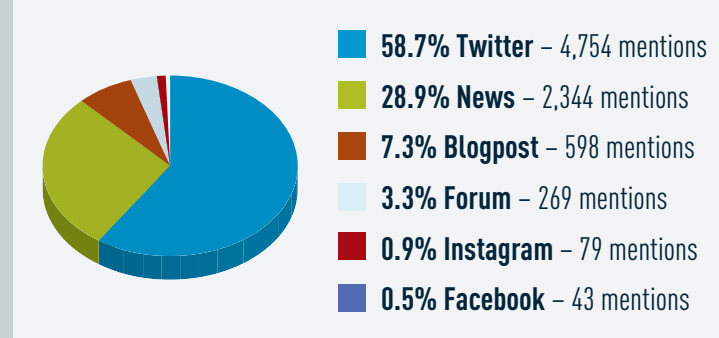
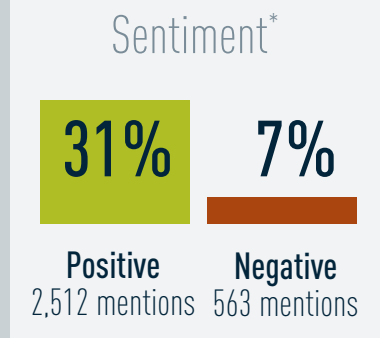
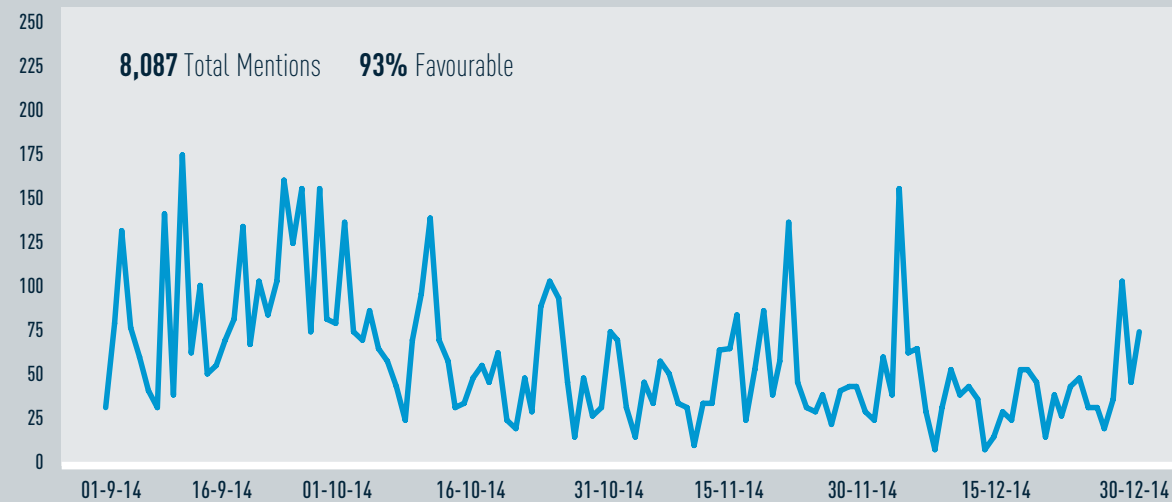






## Social Listening

Over 8,000 mentions of Explorers' Edge and Regional Operators!

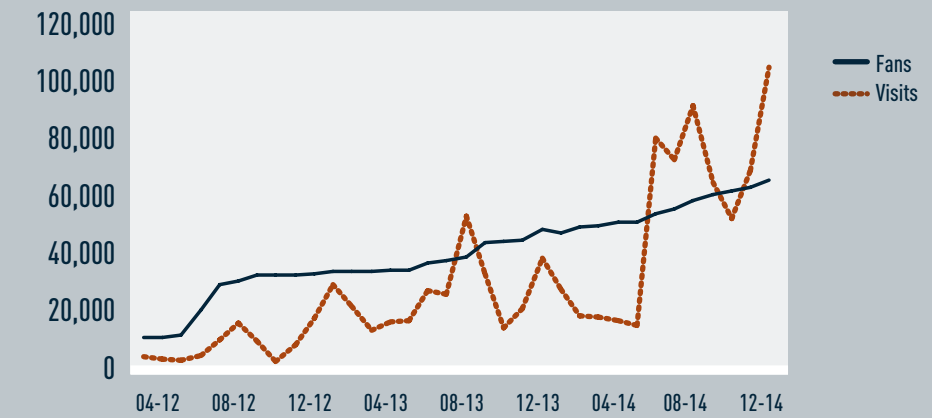


\*Sentiment is a software-generated assessment of the tone of the various mentions tracked. Our software package uses a vocabulary of known positive and negative phrases to determine the tone and in what context they are mentioned in an article.

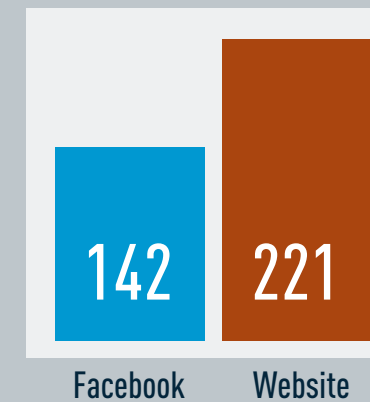
## RTO 12/Explorers' Edge

Website traffic up over 121%, Facebook Fan growth over 40%

Monthly Site Visits and Cumulative Facebook Fans



Website Visit and Facebook Fan Growth Indices – 2014 versus 2013



From Facebook Ads dating September 1, 2014 - December 31, 2014 the report is:

- New Page Likes: 7,146
- Total Likes to date: 67,619
- Post Shares: 12,267
- Comments: 3,394
- Post Likes: 78,827
- Clicks to Website: 130,935



## Implications for Operators

- As we move into 2015, the expected increase in foreign visitors to Ontario – especially those of US origin – will be an opportunity for the region. Individual operators might consider conducting focused Google AdWords and Facebook ads campaigns to reach this audience. RTO 12 will be offering a training program later in March to help operators execute campaigns of this nature.
- With the cost of travel to the US nearing prohibitive levels for average Ontario families, operators should consider making special “staycation” offers to existing customers and prospects, for the upcoming March break as well as the summer period.
- While the PanAm Games will be focused on the GTA and southern regions of Ontario, operators should consider developing offers for PanAm visitors, and for GTA residents wishing to escape the city during the games.
- The success of our region’s travel industry is heavily tied to outdoor activities. Wherever possible, we encourage operators to develop product and promotions that highlight activities – indoors and out-of-doors – that are less reliant on weather conditions. These might include partnerships with restaurants, art galleries and local entertainment venues.
- The success of Arrowhead’s ice trail highlights how unique and new experiences have the potential to become destinations for visitors. Local operators can capitalize on the success of these experiences by making special offers people visiting these destinations.

The RTO12 Tourism Business Indicators Report would not have been possible without the participation and cooperation of the many tourism operators that were involved.

***We would like to extend sincere thanks to all of the individuals and organizations that made contributions to this important and provincially-innovative data.***

This report is intended to be an evolving project, and it is the expectation of the Board of Directors for RTO12 that it will continually be enhanced, in order to help all stakeholders evaluate the health of the tourism industry within our region. As we move forward we will work to refine our data collection process to make operator participation as quick and easy as possible.

If you are interested in providing information for this report, the Board of Directors and its governing committees would be extremely grateful for your participation. Please contact Tourism Operators Relations representative Tyler Francis at [tyler@explorersedge.ca](mailto:tyler@explorersedge.ca) or 705-646-7673 for more details.

