

RTO12 / Explorers' Edge Board of Directors Meeting Minutes

Wednesday, October 21, 2015

Patterson Kaye Resort on Lake Muskoka, 1360 Golden Beach Road, Bracebridge

Present: Jackie Leung, Jerry Feltis, Anthony Rizzo, Dympna Hayes, Hilary Chambers, Andy Vitch, Jeff Suddaby, Drew Rachar, , Curt Dunlop, Esa Paltanen, Kim Loader

Regrets: Nicole Saulnier, John Miller, Gary McMullen

Staff: James Murphy

Resource: Laurel Reid, Peter Coish, Laura Hernando - MTCS

Welcome and Introductions: Jackie Leung called the meeting to order at 12:45pm.

Approval of Agenda –October 21, 2015

Motion: Curt Dunlop

Seconded: Hilary Chambers

Discussion: n/a

Carried.

Approval of Minutes – September 9, 2015

Motion: Jerry Feltis

Seconded: Anthony Rizzo

Discussion: n/a

Carried.

Financial Presentation – Andy Vitch

for period ending August 31, 2015

Discussion:

Vitch provided the board of directors with an overview of the financial statements. Both the Income statement and balance sheet are in good shape as the board approaches the annual midway point of the year.

Approval of Financials

for period ending September 29, 2015

Motion: Jerry Feltis

Seconded: Esa Paltanen

Discussion: n/a

Carried.

Chair Leung provides the Directors with an Introduction to Peter Coish

Marketing Presentation – Peter Coish, RTO Strategist

Strategist Coish opened the discussion with an overview of the marketing strategy:

- Attract “searchers” and “discoverers”
- Discoverers: don’t have us in their travel decision consideration set:
 - They are targeted with outbound - or content – marketing
 - We use Facebook/other platforms to push content, as well as SEM
- Searchers: may have us in their travel decision consideration set:
 - They are targeted using SEM

Coish then provided the board with an overview of the current initiatives:

- Priorities, Content Marketing & Lead Nurturing:
- Publish exceptional content serving the Ontario Explorers segment and specific niches
- Grow site traffic and focus on increasing its quality
- Convert site visitors to leads and develop them into “BEST BET CONVERSIONS”

Prompted by directors, Coish reviewed the objects and where the program stands currently:

- Publish 150+ pieces of content on EE.ca
 - currently 65
- Drive 700K visitors to content and additional pages on ExplorersEdge.ca
 - 554K as of October 20 (5 months to go)
 - heavy content uptake in winter
- Drive 150K referrals to third party websites
 - 143K as of October 20 (5 months to go)
- Add 4K leads to the email database
 - currently halfway to goal

Coish expanded on accomplishments in further detail speaking to some of the top blog posts year to date followed a discussion on the impact of driving traffic to the site, using September as a bench mark. Coish further provided a comparison to the provincial website stating that we achieved 40% of the traffic with 3% of the budget. Other points of note:

- Facebook: Main source of traffic, 22,000 new likes YTD
- Organic Traffic: Up 72% YOY
- Referrals to Third Parties: 58% Ahead of Plan, End of September
- SEM results: We have generated 49,599 paid clicks with a cost of \$1.69 per click
- 869 different keyword combinations drive these clicks
- Top ten keywords do not include geographic terms.
- They account for 43% of all clicks
- Top terms include “cottage rentals”
- these are people we want to divert to operator accommodation

Coish then provided an update on the Lead Nurturing program providing an update to the timeline:

- Spring: Training & Development
- Summer: Persona Creation & List Segmentation
- Fall: Targeted e-mails & Seven in Total

The results of lead nurturing:

- Seven Newsletters launched
- Open rate up & click through rate up across segments
- New contacts in 2015 ~ 1,950
- Average open rate now 58% and click through 44%

Coish then provided the board of director with an overview of the RTO landscape. Overall RTO12 / Explorers' Edge is providing excellent ROI and achieving highly regarded results taking into account the small budget.

Murphy then thanked Coish for the presentation and asked the board for questions. Murphy then presented the board with a budget reconciliation ending September 30, 2015 specific to the marketing spend.

Murphy then broached a request regarding a marketing consideration from the marketing committee. Murphy shared with the board that the request has been considered internally and at the committee level. Committee maintained that the matter be brought to the board for consideration. The request was two-fold #1: In order to increase more direct referrals to stakeholders the allocation of resources has been requested to include 30% search Marketing and 60% discovery marketing & #2, that the RTO experiment with new marketing approaches and tools. The board asked for the recommendation that that was provided both internally and at the committee level which included #1 Stay the course of 10% search marketing and 90% discovery (the requested change will actually have a negative effect on direct referrals) and #2 the RTO is *already experimenting!* Stay the course with lead nurturing, only six months into the program and it is showing fantastic results.

Feltis presented a motion supporting the recommendations:

Motion to continue with the plan of 10% search marketing and 90% discovery while at the same time continuing to experiment with lead nurturing program.

Motion: Jerry Feltis

Seconded: Hilary Chambers

Discussion: n/a

Carried.

BREAK

Executive Director Presentation – James Murphy

Destination Development is Underway

ED Murphy spoke the status and accomplishments to date by first reinforcing both strategy and process and the role of the RTO:

- build awareness of the region as a travel destination
- form strategic partnerships that “move the needle forward”
- introduce and enhance products
- differentiate using “tipping point programs”
- empower individual tourism stakeholders in their own efforts attract visitors, and to act as a catalyst to their success.
- rely on strategy, process and open and transparent governance as the guiding beacons for RTO12 directors and staff

ED Murphy proceeded to provide the director and update on the results by pillar.

Marketing:

- Leading social media marketing among RTOs and arguably within the province
- Using 3% of the OTMPC marketing budget, we are currently achieving 40% of their website traffic
- Lead nurturing results have been a great success so far (up to 55% open rates and up to 22% CTRs) – and we have already added ½ the email sign ups we said we would
- Organic traffic consistently increasing
- Content marketing driving record visits to the site and record outbound links to tourism operators
- Jack Rabbit helping with conversions to operators: September up 50% 2015 over 2014
- Packages now added, and they will be pushed out in content marketing
- Media communications plan development: 21,341,483 impressions and \$1,001,141 in earned media so far

Marketing Recommendations

- Stay the course, we are leading the industry with our marketing, and we are definitely doing “more with less”

Marketing / Transacting

- Fuel & Fun continues to perform
- Spring 405 packages / voucher redemption 55%
- Fall 460 packages / voucher redemption TBD
- Unlike some events in the region which attract locals and seasonal residents, Fuel & Fun definitely attracts visitors from outside our region

Marketing / Transacting Recommendations

- Generating enough new visits
- Promotes spending in the region
- Consider marketing this program under a different name
- Only using tactics that would target first time visitors to the region
- e.g. market at trade shows where attendees are given a promo code and 10 days to sign up for the package
- e.g. tipping point for travelers outside of Ontario

Product Development

The ED updated the board on:

- Self Guided Mobile Tours
 - Cycling Mobile Tour (development underway)
 - Craft Beer and Wineries (development January 2016)
- Product Update
 - Ride the Edge route update and market readiness
 - Fishing video & photos (with Northern OTMPC)
 - Paddling, Strategy Development (RFP development)

Product Development Recommendations

ED Murphy noted product is key to attracting visitors with both new and existing products. Murphy noted that it is very difficult for RTO12 to build product the way more heavily funded RTOs can and the RTO should consider only backing one or two products in a year.

Work Force Development

ED Murphy continue with information regarding

- TEN Program, a partnership with RTO13, FedNor & MNDM – an update included hiring GM (Interviews Oct 22, 2015) with an early 2015 pilot program launch
- Small Business Accreditation is a partnership with Muskoka Community Network & Muskoka Community Futures that included the completion of a Feasibility Study and pending Pilot 5 tourism businesses (Partnership)

Work Force Development Recommendations include the continuation of efforts in the communication of regional groups such as Simcoe Muskoka Workforce Board, Labour Market Group, Ontario Tourism Education Corporation, TIAO – Workforce Development Strategy while continuing to develop Tourism Excellence North & Small Business Accreditation.

Investment Attraction

ED Murphy shared with the directors the RTO's work related to:

- Air Service to the region, specifically meeting with Porter Airlines and the District of Muskoka. The RTO has also examined opportunities leveraging of resources with FedNor, District of Muskoka, Ontario Tourism Marketing Corporation. Recommendations moving forward include recommending that the RTO use airport and an airline as a hook to broker true destination development in the region.

Partnership Programs – The Results

ED Murphy shared with the directors how the partnership fund supported content marketing with an additional 28 blogs produced, application to FedNor as it relates to International UK/US test markets (greater investment) (build region as the accessible Canadian wilderness...position the region for destination awareness).

Murphy recommended to the directors that the program provide deadline for intent to submit while considering bigger matching fund programs in order to move the needle forward, more impact – less administration... overall better for destination development.

Governance

Murphy provided a brief overview of the organization governance and shared with the board the recommendation of updating the committee's structure, terms of reference and overall participation. Updating governance will improve effectiveness of the organization.

The board was provided with an update on what to expect from the Ministry in 2016, it included:

- Restructured Funding Formula
- Streamlined Reporting Process
- Updated Research
- Strategic Tourism Framework

In the closing of the presentation ED Murphy provided a final overview:

- The RTO is leveraging significant partnerships
- Continue to work closely with FedNor
- Facilitating discussions with an airline that flies in from the GTA and the States
- Continue to create and innovate

As a RTO

- We are producing results
- We are empowering stakeholders
- Governance and Partnership policies should be tweaked to operate more effectively and efficiently.
- Overall Recommendation: stay the course and continue to build the Consumer-Centric Approach for True Destination Development

BREAK

Chair Leung welcomes Laurel Reid who returns to the RTO to lead the directors through the operational plan in order to identify priorities under each pillar.

Reid provides the board with a welcome and reinstates the importance of the 2014 – 2017 Destination Development Plan and the fact that the RTO is midway through the plan. She share with the board that this particular session is a check in. Reid prefaces the next portion of the planning sharing with the board that she will move through the five pillars.

Reid reinstates:

- Explorers' Edge Vision, Mission and Mandate: The vision, mission and mandate of Explorers' Edge guide the organization and are presented in the DDP 2014-17, however since they guide the organization, they are worth repeating here.
- Explorers' Edge VISION: In three years (2017), EE will be the most popular tourism destination in Ontario.
- Associated MISSION: Explorers' Edge is an operator-driven organization whose mission is to develop a profitable and thriving tourism industry.
- Explorers' Edge MANDATE: The Explorers' Edge mandate is to TIIC: Train, Innovate, Ignite and Collaborate with Industry stakeholders to help consumers choose our tourism destination.

Overarching Goals for Explorers' Edge

- Double tourism receipts by 2020.2
- Identify regional priorities that move the provincial RTO agenda forward.
- Change how government and industry work together to develop and foster economic growth.
- Maximize and measure the impact of private and public tourism investments and new and revitalized product.
- Reach out to consumers before they get here and once they arrive so that we can welcome more tourists.
- Set standards for success to become more internationally competitive in areas such as workforce development, skills training and others.
- Establish measureable ROI criteria

Governance & Administration: Reid reviewed the priorities set out in the DDP

First pillar that was updated and reviewed included governance as it relates to operations, industry communication, liaison and accountability and research tracking and measurement.

The board of directors reviewed and updated priorities. Discussion ensued as it related to the updating and review of the committee structure and research. The directors agreed that each committee terms of reference need to be reviewed. Governance chair Rizzo committed to re-examining terms of reference and to provide recommendations moving forward. Research was also discussed, in 2017 the

RTO will be updating the DDP, as such new research will need to be undertaken to understand the best course of action moving forward. The directors also discussed financial sustainability and felt that more information is warranted as it relates to a room levy or Destination Marketing Fee. The directors agreed that a board meeting will need to be allotted to that discussion of a regional levy so that directors would be better informed. Murphy noted that the next fiscal year would include heavy lifting as the RTO moves to develop its third three year DDP.

Reid moved the board of directors through the marketing pillar gathering feedback on the current priorities and ascertaining feedback for 2016. The board discussed the need to continue with transacting, media/PR, and increase the amount of images provided to stakeholders. The board of directors discussed the importance of the RTO's strength and need for continued strength cultivating a continued integrated internet / on-line social presence.

The board discussed product development at length in the context of budget and overall prioritise. The directors concluded that the RTO should focus on product development opportunities with a goal of developing 1-2 key products per year. Murphy agreed, with limited resources the RTO does not have sufficient budget to be ambitious with product development.

Reid then broached investment attraction with the directors. The directors agreed to continue work related to exploring and attracting a regional airline to the region is a high priority.

As the board discussed the final pillar workforce development. Discussion ensued amongst directors as it related to building a strong workforce and leveraging post secondary institutions. Feltis agreed and took the lead in developing a workforce development committed aimed at exploring the RTO as a preferred work environment.

Reid concluded the meeting with a brief discussion about the partnership allocation. Suddaby spoke to the importance of transitioning the allocation away from a business proposal submission to identifying key themes and projects that provide a more impactful effect on travel receipts. He further noted that the committee would examine the best course of action into the New Year, specifically as it relates to streamlining the process.

Leung concluded the meeting thanking Reid and the volunteer directors for attending.

Motion to Adjourn

Motion: Jeff Suddaby

Seconded: Anthony Rizzo

Discussion: n/a

Carried.