



# Annual REPORT

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2017-2018



# MESSAGE FROM THE CHAIR

As I look back on 2017-18, I am extremely pleased with Destination Ontario's (DO) accomplishments this year. As Chair of Destination Ontario, it is personally rewarding to work alongside fellow Board members and with staff at the organization, who are dedicated to building a stronger tourism industry. The mandate of generating increased visitation and tourism spending is always top-of-mind in the Board of Director's strategic direction and guidance and is reflected in the activities that DO undertakes.

The development of DO's new three-year *Strategic Playbook 2018-2021* was a fulsome experience and I commend the team for a thorough consultation process. The Playbook will elevate Destination Ontario and its contribution to the industry through visitor focussed marketing tactics, creating stronger partnerships, using sound research for activity planning, and building a more dynamic organization.

The second year of the 'Where Am I?' marketing campaign continued to be a success and garnered strong results, most notably, generating 535,000 trips and \$84 million in tourism expenditures. It is clear the organization has created a strong brand for the province, one that partners are also embracing in their own marketing, and a brand that DO will continue to build upon in the future.

On behalf of the Board, I want to recognize and thank the dedicated team at Destination Ontario, especially Lisa LaVecchia, President and CEO; the many industry stakeholders who serve on Advisory Committees; and the Ministry of Tourism, Culture and Sport colleagues who provide support to the organization.



Jim Marchbank, Chair  
Destination Ontario

# MESSAGE FROM THE PRESIDENT AND CEO

What a thrill it has been for me to serve, over a year now, in the role as President and CEO with Destination Ontario. 2017-18 was an extremely busy year but I am very pleased with everything the organization has accomplished.

Our organization continued to deliver strong results through our marketing and partnership activities. Throughout the year, Destination Ontario worked closely with the Regional Tourism Organizations, Destination Marketing Organizations, sector associations and private operators to generate awareness and drive visitation for the inspiring tourism experiences we have in Ontario.

Our organization was able to participate in many stakeholders events across the province. It is always a welcomed opportunity for the DO team to meet with local partners and learn what is new and exciting, as well as, share what our organization does and how we can help contribute to local marketing efforts.

The completion of the new *Strategic Playbook 2018-2021* was an important accomplishment this year. Destination Ontario developed the Playbook through a comprehensive consultation process with our Board, Ministry colleagues, stakeholders and staff. We wanted to ensure that future activities will be built on sound and informative planning and the Playbook delivers a clear outline of our direction. We are excited to begin implementing actions beginning in 2018-19.

Finally, a major highlight of the year was the change to a new corporate operating name, Destination Ontario. While we remain the Ontario Tourism Marketing Partnership Corporation for legal purposes, the organization is recognized now as Destination Ontario.

I want to conclude by thanking Jim Marchbank for his continued support as Chair of the Board, all of the Board members, our Ministry colleagues, industry partners on our Advisory Committees and in general who work with us, and of course the team at Destination Ontario who I witness everyday working hard to grow tourism in Ontario.



Lisa LaVecchia, President and CEO  
Destination Ontario

# CORPORATE OVERVIEW

In the fall of 2017, the organization announced a new corporate operating name, Destination Ontario (DO). The Ontario Tourism Marketing Partnership Corporation (OTMPC) will continue to be the official legal name of the organization as per Ontario Regulation 618/98 under the Development Corporations Act.

## **Vision**

To position Ontario as a preferred global destination.

## **Mission**

To generate increased visitation by Ontario, Canadian and international tourists, enhance tourism expenditures in Ontario, and contribute to provincial economic prosperity through impactful marketing and results oriented investment partnerships.

## **Mandate**

OTMPC is governed by Ontario Regulation 618/98 under the *Development Corporations Act*. Its mandate, as provided for in the regulation, is:

- (a) to market Ontario as a travel destination;
- (b) to undertake joint marketing initiatives with the tourism industry;
- (c) to support and assist the marketing efforts of the tourism industry; and
- (d) in cooperation with the tourism industry, the Government of Ontario, other governments and other agencies of governments, to promote Ontario as a travel destination.

The following principles support the mandate:

- (a) OTMPC is to lead the marketing of Ontario as a travel destination nationally and internationally;
- (b) OTMPC and regional organizations are to work together to market travel within Ontario;
- (c) OTMPC is to deliver marketing services that contribute to regional and economic development;
- (d) OTMPC is to become a centre of excellence supporting provincial marketing; and
- (e) OTMPC is to engage in partnerships to support the above objectives.

# ORGANIZATIONAL OVERVIEW

Destination Ontario works cross-functionally amongst all areas of the organization. This is an important aspect to ensure that the best use of all organizational resources and expertise is applied to activities and programs. DO is organized under five key areas; Marketing, International Marketing and Industry Relations, Northern Partnerships and Visitor Engagement, Corporate Services, and the President's Office.

# MARKETING

## **Brand Management and Consumer Marketing**

The DO marketing team uses a targeted multi-media approach to connect with consumers and showcase Ontario as a top travel destination. DO builds brand awareness through multiple channels within Ontario, across Canada and around the world.

The cross-functional marketing team also leads DO's digital and social media activities, connecting travellers with fun and dynamic Ontario travel ideas through social channels such as Facebook, Twitter, Instagram, YouTube and travel blogs.

## **Digital Marketing – Tourism Consumer Information System**

The Tourism Consumer Information System (TCIS) allows consumers to easily discover information about Ontario experiences, events and packages and connects consumers to the industry to close the sale. Through TCIS, the tourism industry can use tools to share their information to potential visitors. TCIS includes consumer ([ontariotravel.net](http://ontariotravel.net)) and corporate ([destinationontario.com](http://destinationontario.com)) websites that promote experiences, festivals, events and travel packages, while also directly connecting consumers to industry partners to book their travel; a consumer database; a literature delivery service; a bulk distribution centre; and the 1-800-Ontario contact centre handling consumer calls, e-mail and online chat.

There is also an array of inspiring Ontario images through [imageontario.com](http://imageontario.com) for partners and media to access for promotional purposes.

## **Marketing Research**

DO conducts tourism research that provides market intelligence and consumer behaviour analysis to enable DO and tourism operators to make informed business decisions. Research also engages in tracking the success of DO's marketing campaigns.

## **Creative Services**

The in-house DO creative team manages all in-house creative services work, including managing and creating video content, photography, graphic design and campaign assets development. The team also manages the [imageontario.com](http://imageontario.com) website which contains an array of Ontario tourism images for use by DO, tourism partners and media.

## **Special Projects**

DO works with government and industry partners to leverage major international events and collaborate on one-time projects that promote tourism in Ontario.

# INDUSTRY RELATIONS AND INTERNATIONAL MARKETING

## **International Marketing**

DO promotes Ontario as a four season destination internationally and facilitates the sale of Ontario market-ready tourism products and experiences by working closely with tour operators, wholesalers and travel agents, as well as with Ontario stakeholders. With Destination Canada (DC) as a key delivery partner, travel to Ontario is promoted through consumer marketing, compelling website and social content, joint marketing campaigns with targeted travel companies, tradeshows, marketplaces and select events in Canada, the United States (U.S.), the United Kingdom (U.K.), Germany, France, China, Japan, South Korea, India, Mexico and Brazil.

## **Media Relations**

DO develops close working relationships with members of the travel and tourism media, as well as lifestyle and general news media in key target markets. Ontario is highlighted through customized media tours, provision of story ideas, participation in media marketplaces and events, developing positive coverage with media outlets and helping to generate travel interest.

## **Partnerships and Regional Relations**

DO builds strong partnerships with the tourism industry in Ontario to align efforts and market Ontario as a year-round travel destination. DO offers its partners the opportunity to market their region, experiences and products under the Ontario tourism brand; and to enter important or new markets that might be challenging to access on their own. Partners include Regional Tourism Organizations (RTOs), destination marketing organizations (DMOs), sector associations, other government departments and agencies, attractions and the private sector.

Through the Tourism Industry Partners Program (TIPP), DO works with consortium groups to provide financial assistance to support their marketing campaigns. TIPP applicants must target their marketing campaigns to out-of-province markets that draw incremental overnight visitors from outside of Ontario.

# NORTHERN PARTNERSHIPS AND VISITOR ENGAGEMENT

## **Northern Partnerships**

Northern Partnership programs are developed and directed to increase visitation to Northern Ontario. The focus is on the geographic areas of Regional Tourism Organizations 13, including 13 A, B and C; as well as parts of RTO 12. Marketing focus is directed at the outdoor avid experiences, including: angling, hunting, powersports touring and nature and outdoor experiences. Collaborative, partnered marketing programs with RTO's, DMOs, cities, attractions, experiences and events is a key component of the program.

## **Ontario Travel Information Centres**

As the welcoming face to Ontario, the Ontario Travel Information Centres (OTICs) provide best in class visitor information services to travellers. Operated by travel counsellors, DO's 11 OTICs offer visitors valuable on-the-spot information on travel ideas in Ontario including accommodations, events and attraction bookings. Two of DO's OTICs are located in ONroute service centres along Highway 401 in Bainsville and Tilbury. Interactive electronic visitor information kiosks are located throughout the network of 20 ONroute service centres and are designed to provide travellers with self-service tourism and highway information. Ten OTIC staff also act as social media ambassadors promoting tourism highlights around the province.

# CORPORATE SERVICES

The Corporate Services team oversees business operations, financial management, procurement, human resources, legal, facility, and information technology services management for DO. This program area is also responsible for business continuity planning in the event of an emergency.

# PRESIDENT'S OFFICE

The President's Office provides executive support to the President and CEO in the operational planning, management and implementation of the agency's initiatives. Staff also manage activities related to the Board of Directors and Advisory Committees. A key function is liaison with the Ministry of Tourism, Culture and Sport (MTCS), to whom the agency reports.

Corporate communications staff work closely with other areas of the organization to develop and implement targeted, strategic communications and public relations programs that enhance DO's profile and promote tourism's contribution to economic prosperity. This area is also responsible for corporate documents such as the strategic plan, annual business plan and annual report.

# CORPORATE GOVERNANCE

## **Board of Directors**

Destination Ontario is governed by a Board of Directors comprised of business leaders who are appointed by the Lieutenant Governor in Council, based on recommendations from the Minister of Tourism, Culture and Sport. The Minister receives advice on Board membership from the Chair and other interested parties.

The Directors sit on other committees of the Board, including the Executive Committee and the Audit, Finance and Risk Committee. Some board members also sit on the Advisory Committees as a Board representative.

## **Executive Committee**

- The Committee sets priorities and recommends objectives and strategies to the Board.

## **Audit, Finance and Risk Committee**

- The Committee reviews financial performance and ensures that effective operating controls are in place.

## **The Northern Tourism Marketing Committee**

- Serves as a Committee of the Board with representation from Northern tourism industry stakeholders. The Committee develops and monitors marketing strategies, tactics and programs for key Northern Ontario markets.

## **Advisory Committies**

DO also benefits from the wisdom, insight and advice of industry leaders through three Advisory Committees:

### **Regional Tourism Organization Advisory Committee**

- The Committee supports the coordination, collaboration and alignment of RTO and DO marketing programs and the Ontario tourism brand.

### **Sector Advisory Committee**

- The Committee focuses on tourism industry collaboration and promotion of experiences to all markets.

### **Marketing Metrics Advisory Committee**

- The Committee ensures appropriate performance measures for both DO and the tourism industry are in place and reported.

## BOARD OF DIRECTORS

### **Jim Marchbank, Chair**

Tourism Industry Representative  
Sudbury  
September 8, 2014-September 7, 2020  
(Chair)  
September 24, 2008-September 8, 2014  
(Member)

### **Grace Sammut, Vice Chair**

Executive Director  
Resorts of Ontario  
Alliston  
August 7, 2013-March 20, 2021

### **Patrice S. Basille**

Executive Vice President & General Manager  
Brookstreet Hotel  
Ottawa  
August 15, 2012-November 17, 2018

### **Michelle Caine**

Academic Chair, Hospitality, Tourism and  
Culinary Arts  
Centennial College  
Toronto  
February 2, 2017-February 1, 2020

### **David de Launay**

Deputy Minister  
Ministry of Northern Development and Mines  
Toronto  
March 11, 2015-March 10, 2021

### **Peter C. Fullerton**

Finance and Audit Industry Representative  
Toronto  
March 23, 2011-February 22, 2020

### **Anita Gaffney**

Executive Director  
Stratford Festival  
Stratford  
August 31, 2017-August 30, 2020

### **Donna Hilsinger**

Tourism and Hospitality Industry Professional  
Sault Ste. Marie  
February 2, 2017-February 1, 2020

### **William Knowlton**

Vice President  
Jonview Canada  
Toronto  
October 25, 2012-October 24, 2018

### **Leslie Krueger**

Executive Director  
CloudRaker  
Toronto  
August 29, 2012-August 3, 2019

### **David Kuo**

Head of Branch Network - Ontario  
HSBC Bank Canada  
Toronto  
October 20, 2010-October 18, 2019

### **Allan Luby**

President, Captain  
Lake Navigation (Kenora) Ltd.  
Kenora  
July 30, 2007-October 4, 2019

### **Minto Schneider**

CEO  
Waterloo Region Tourism Marketing  
Corporation  
Kitchener  
September 13, 2017-September 12, 2020

### **Leslie Smith**

Tourism and Hospitality Industry  
Representative  
Toronto  
January 9, 2013-January 18, 2020

### **Gregory Treffry**

Communications/Media Industry  
Representative  
Toronto  
February 9, 2011-March 21, 2020

### **Chris Williams**

Vice President, Digital  
Association of Canadian Advertisers  
Toronto  
February 2, 2017-February 1, 2020

### **Hua Yu**

Managing Partner,  
Level5 Strategy Group  
Toronto  
August 17, 2017-August 16, 2020

NORTHERN TOURISM  
MARKETING COMMITTEE

**Carol Caputo, Chair**

Executive Director  
Algoma Kinniwabi Travel Association

**Paul Pepe, Vice Chair**

Manager of Tourism  
City of Thunder Bay

**Brad Greaves**

Owner  
Ignace Outpost

**Meredith Armstrong**

Manager of Tourism and Culture  
City of Greater Sudbury

**Bill Chambers**

Owner  
Pine Grove Resort Cottages

**Ian McMillan**

Executive Director, Tourism Sault Ste. Marie  
Sault Ste. Marie Economic Development  
Corporation

**Marty Kalagian**

President  
Tourism Northern Ontario

**Jonathan Massey**

Sales and Marketing Manager  
Residence Inn by Marriott Muskoka Wharf

**Sue Crane**

Owner  
Crane's Lochaven Wilderness Lodge

**Maclin Williams**

Director, Marketing  
Porter Airlines Inc.

**Eric Lund**

Owner  
Esnagami Wilderness Lodge & Outpost

**Krista Cheeseman**

Owner  
Wilderness North

**Guy Lamarche**

Manager, Tourism, Events & Corporate  
Communications  
City of Timmins

**Donna Hilsinger**

Board Director Representative  
Tourism and Hospitality Industry  
Professional

**Allan Luby**

Board Director Representative  
President, Captain  
Lake Navigation (Kenora) Ltd.

**Jim Marchbank**

Board Director Representative  
Tourism Industry Representative

RTO ADVISORY COMMITTEE

**Nicole Whiting, Chair**

Executive Director  
Ontario's Highlands Tourism Organization  
RTO 11

**Maria Fortunato, Vice Chair**

Executive Director  
Hamilton Halton Brant RTO  
RTO 3

**Jen Moore**

Marketing Manager  
Southwest Ontario Tourism Corp.  
RTO 1

**Anthony Annunziata**

Executive Director  
Tourism Partnership of Niagara  
RTO 2

**David Peacock**

Executive Director  
Regional Tourism Organization 4 Inc.  
RTO 4

**Andrew Weir**

Executive Vice President and Chief  
Marketing Officer  
Tourism Toronto  
RTO 5

**Chuck Thibeault**

Executive Director  
RTO 6 – Central Counties  
RTO 6

**Bill Sullivan**

Executive Director  
RTO 7 – Bruce Grey Simcoe  
RTO 7

**Brenda Wood**

Executive Director  
RTO 8 – Kawarthas Northumberland  
RTO 8

**Bonnie Ruddock**

Executive Director  
RTO 9 – The Great Waterway  
RTO 9

**Beverley Carkner**

Director of Marketing  
Ottawa Tourism  
RTO 10

**James Murphy**

Executive Director  
Explorers' Edge  
RTO 12

**David MacLachlan**

Executive Director  
Tourism Northern Ontario  
RTO 13

**Stephanie Hopkin**

Senior Marketing and Communications  
Coordinator  
Tourism Northern Ontario  
RTO 13

**Rod Raycroft**

Executive Director  
Northeastern Ontario  
RTO 13A

**Ian McMillan**

Executive Director, Tourism Sault Ste. Marie  
Sault Ste. Marie Economic Development  
Corporation  
RTO 13B

**Paul Pepe**

Manager  
Tourism Thunder Bay  
RTO 13C

**Patrice Basille**

Board Director Representative  
Executive Vice President & General Manager,  
Brookstreet Hotel Corporation

## SECTOR ADVISORY COMMITTEE

**Anna Pierce, Chair**

Vice President  
Niagara Helicopters

**Brenda Branch**

Marketing & Promotions Officer,  
Hamilton Civic Museums,  
Planning and Economic Development  
Department  
City of Hamilton

**Scott Davidson**

National Historic Site and Visitor Experience  
Manager  
Bethune Memorial House, Parks Canada

**Rebecca McKenzie**

Executive Director  
Culinary Tourism Alliance

**Gordon Orr**

CEO  
Tourism Windsor Essex Pelee Island

**Beth Potter**

President & CEO  
Tourism Industry Association of Ontario

**Maureen Riley**

Executive Director, Industry Partnerships  
Destination Canada

**Troy Young**

Executive Director  
Attractions Ontario

**Valerie Taylor**

Director, Marketing,  
Communications and Sales  
Shaw Festival

**Donna Bennett**

Founder, Advancement and Marketing Director  
Westben Arts Festival Theatre

**George Offshack**

Owner  
Limerick Lake Lodge and Marina

**Janet O'Connell**

Chief Executive Officer  
Boating Ontario Association

**Rick Layzell**

Chief Executive Officer  
Boating Ontario Association

**Terra Posadowski**

Director, Business Development  
Sudbury Airport Development Corporation

**Patti Kendall**

Director, Marketing and Events  
Blue Mountain Village

**Mark Downing**

President  
Fern Resort

**Vicki Clarke**

Director, Sales and Customer Service  
Jonview Canada

**Minto Schneider**

CEO  
Waterloo Regional Tourism Marketing  
Corporation

**Martin Lacelle**

Director, Economic Development  
Société économique de l'Ontario

**Patrick Leavey**

Manager, Sales, Marketing and  
Communications  
CN Tower

**Ian McMillan**

Executive Director, Tourism Sault Ste. Marie  
Sault Ste. Marie Economic Development  
Corporation

**Jim Marchbank**

Board Director Representative  
Tourism Industry Representative

MARKETING METRICS  
ADVISORY COMMITTEE

**Dr. Marion Joppe, Chair**

Professor  
School of Hospitality and Tourism  
Management  
University of Guelph

**Dr. Alan Middleton**

Executive Director,  
Schulich Executive Education Centre  
Assistant Professor of Marketing,  
Schulich School of Business  
York University

**Andrew Weir**

Executive Vice President and  
Chief Marketing Officer  
Tourism Toronto

**Michael Sullivan**

Partner  
The Strategic Counsel

**Matt Kelly**

Managing Partner  
Level5 Strategy Group

**Dr. Tom Griffin**

Assistant Professor,  
Ted Rogers School of Hospitality and  
Tourism Management  
Ryerson University

**Mike Brown**

Senior Planning Advisor  
Greater Toronto Airports Authority

**Dr. Alex Athanassakos**

Team Leader, Tourism Policy and Research  
Ministry of Tourism, Culture and Sport

**Lauren Yaksich**

Director  
The Greater Toronto Airports Authority

**Allan Luby**

Board Director Representative  
President, Captain  
Lake Navigation (Kenora) Ltd.

**Chris Williams**

Board Director Representative  
Vice President, Digital  
Association of Canadian Advertisers

**Greg Treffry**

Board Director Representative  
Communications/Media Industry  
Representative

# STRATEGIC DIRECTIONS

## THE FOUR STRATEGIC PILLARS ARE:

### 1. Build And Deliver The Case For Investment

- Champion the economic value and impact of tourism industry sectors.
- Create and support inter-ministerial synergies.
- Generate an effective communications strategy that celebrates the tangible benefits of investing in building the Ontario tourism brand.
- Enhance links to and relationships with business industry leaders (e.g. Chambers of Commerce).

### 2. Build A Powerful Brand That Drives Results

- Create and effectively execute the big brand idea – an emotional campaign to drive tourism visits and spend aligned to the brand strategy.
- Focus on key target markets and their audiences using DO marketing insights.
- Encourage the tourism industry to develop content/packages to attract the international market – ‘Ontario Signature Experiences’.
- Identify and measure against key performance indicators.

### 3. Develop And Execute An Effective Partnership Strategy

- Maximize stakeholder investment in DO marketing programs.
- Champion the Ontario brand to partners to adopt into their campaigns.
- Secure new external and private sector partners to participate in DO programs.
- Measure and track brand alignment and partner investments.

### 4. Embrace Organizational Innovation And Effectiveness

#### Board

- Actively participate to strengthen strategic relationships that champion and promote tourism’s value and economic impact.

#### Committees

- Inform and advise on tourism’s value to the economy.

#### Destination Ontario

- Foster a culture of leadership, passion and accountability.
- Encourage and reward fact-based decision making.
- Operate with an investment mindset.
- Be forward looking and find new and innovative products.

# ACTIVITIES AND ACHIEVEMENTS

Destination Ontario's activities for the fiscal year 2017-18 focused on growing tourism visitation and increasing expenditures through targeted marketing campaigns, media relations, travel trade activities, joint marketing and partnerships opportunities, consumer information services, visitor services, market development education, and consumer insights from market research. DO's base allocation for the year was \$36.97 million.

## PRESIDENT'S OFFICE

### **President's Office**

The President's Office strengthened Destination Ontario's relationship and engagement with internal and external stakeholders. Monthly 'Town Hall' all-staff meetings were held highlighting items of importance and interest to staff. It also provided an opportunity for staff to share with their fellow team members activities that they had participated in.

Communication with the Ministry of Tourism, Culture and Sport was enhanced to ensure that all relevant activities were shared with the Ministry colleagues. The President and CEO led a focus on increased stakeholder engagement by participating and presenting at numerous industry events and meetings throughout the year.

### **Board of Directors/Advisory Committees**

Destination Ontario's Board of Directors met four times throughout the year to provide advice, strategic direction and oversight related to agency activities. A significant part of the Board direction this year was their important input into the development of the new three-year *Strategic Playbook 2018-2021*.

The Board members represented DO and the industry at-large to demonstrate support for the tourism industry and championing tourism's importance to the economy. Several members of the Board, along with staff, attended the annual Ontario Tourism Summit to meet with stakeholders and participate in the event's activities.

The Advisory Committee Chairs attended Board meetings on a rotating basis, to ensure on-going communication between the Board and committees and provide the insight and feedback from the industry committee level.

The Advisory Committees continued to serve an important role in providing guidance and strategic feedback to DO on its activities and programs.

### **Destination Ontario – A New Name**

In November 2017, a new corporate operating name for the organization was announced at the Ontario Tourism Summit. Operating as Destination Ontario is a major accomplishment as a first step in creating a dynamic organization.

## **Strategic Playbook 2018-2021**

Under the leadership of the President and CEO, a comprehensive process was undertaken to develop a new three-year strategic plan for Destination Ontario beginning next fiscal, April 1, 2018 until March 31, 2021. A consultative engagement with the Board of Directors, Advisory Committees, employees, industry stakeholders and Ministry colleagues was on-going throughout the development, garnering important feedback and guidance. The result is a strong, compelling plan that will lead the organization in the future with a goal to become the best provincial marketing organization in Canada.

# MARKETING

## **Brand Management and Consumer Marketing**

In June 2017, Destination Ontario built on the successful 'Where Am I?' creative platform launched in the previous year. The goal of the campaign was to grow awareness of Ontario as a travel destination in the Ontario and U.S. near markets. Research indicates that when it comes to travel, people want the unfamiliar; often overlooking Ontario as a destination because they think they know what the province has to offer. The campaign aimed to challenge this belief by showcasing what people don't know – the Ontario that has the power to surprise at every turn.

The business objectives were to increase brand awareness in Ontario for short trips and in targeted U.S. near markets, as well as contribute to a total target of two million leads for industry partners (based on DO's collective activity across fiscal 2017-18). The campaign had a return on investment in the Ontario market of \$28.2:1. The awareness came in at 56% for Ontario and 14% for near U.S. markets. The 'Where Am I?' campaign also delivered an estimated 34.9 million impressions against the Ontario adult population and 5.6 million estimated impressions against the U.S. near markets.

The marketing campaigns in Ontario and the U.S. near market generated 535,000 incremental visits and \$84 million in visitor expenditures. Additionally, DO drove 2.4 million leads to partners.

Overall, the campaign creative performed well. It was emotionally engaging and delivered a clear message of more to discover. The results generated include:

- 9.7 million completed video views
- 126,000 social comments and reactions
- Social Video drove 39% of total leads
- Video completion rates exceeded industry benchmarks (88.41% compared to industry benchmark of 70.6%)
- Brand social influencer campaign supported awareness and aligned well with the intrigue strategy generating more than 34,000 engagements

The 'Where Am I?' campaign also received numerous awards including: Canadian Tourism Awards Marketing Campaign of the Year, Gold and Silver recognitions at the Canadian Marketing Awards, Silver and Bronze recognitions at the Strategy Awards and a Bronze Award at the Cassies. The Campaign was also recognized across numerous other marketing and travel awards. As a result of all the successful awards, DO was also recognized in *Strategy's* "Creative Report Card" as one of the **top 20 brands in Canada (#17 tied with McDonalds)**.

## **Social Media**

Destination Ontario is active on Facebook, Twitter, Instagram and YouTube. With aggressive goals set for community growth and engagement, DO's social media channels experienced a very successful year. For community growth across all social networks, DO's social community grew to 594,300, a 22% increase in community size over the previous year.

Instagram continues to emerge as a top channel with strong growth and 884,489 engagements, an increase of 33% over the previous year, due in part to beautifully curated user-generated content. The #DiscoverON hashtag had a 45% higher volume of content tagged, compared to 2016-17, enhancing the collection of Ontario consumer-generated imagery.

Learnings across all social channels show that 75% of top posts were user-generated content. Passion based blog content drove the most traffic and generated the highest link clicks across all social channels.

DO has begun creating its own long-form video content on both Instagram and Facebook, generating over two million views in its first two months.

## **Consumer Email**

There are 245,000 consumers who expressed interest to travel in Ontario and are captured in Destination Ontario's consumer database. These consumers regularly receive e-mails from DO that include content ranging from brand messaging on the 'Where Am I?' campaign to partner co-branded content regarding regions and associations. These e-mails have proved successful in providing specific travel content to consumers, while also generating leads to partners.

## **Digital Marketing**

Consumers globally are increasingly using digital channels (i.e., websites, search engines, email, social networks and mobile) to select their travel destination and help them with tourism planning and to make travel purchase decisions. Increasingly all digital channels are accessed on mobile devices. Destination Ontario finalized its pixel tracking strategy and began its own re-targeting strategy in summer 2017. Pixel tagging will give DO and partners more insights into what consumers are looking for and more efficient media buying and targeting.

The Tourism Consumer Information System consists of: websites in multi-languages; a contact centre that responds to over 80,000 inquiries each year through phone, email and online chat; a distribution service for Ontario brochures, magazines and maps; and a consumer database that allows DO to stay in touch with 245,000 potential travellers.

In 2017-18, the ontariotravel.net website (all markets) had 4.1 million visits – exceeding the target of four million.

## **Search**

Search is a key component of the digital mix with paid search contributing 40% of visits to the website in 2017-18. As a result of Destination Ontario's internal search engine review, DO enhanced its website content and has implemented technology changes to take best advantage of the search channel overall.

## **Tourism Consumer Information System Redevelopment**

In 2012, Destination Ontario received approval to update and redevelop TCIS to better meet evolving consumer expectations. In 2017-18 the result of this redevelopment provides:

- Consumer website redesigned and mobile responsive
- One global brand site
- Consumers connected experientially and geographically with partner opportunities
- Data asset management with new Image Ontario website
- Location-based mobile app
- Online live chat
- Content management tools
- Tools for consumers to plan their trip to Ontario
- Redesigned industry partner website
- Refined data analysis, optimize to the partner lead

In 2016, the TCIS Redevelopment project received the ministry's Applause Award for Innovation and in 2017 received the Ontario Public Service-wide Amethyst Award in the Digital Disruption category.

DO will continue to assess and make changes to technology and content strategy to provide the best consumer experience.

## **LGBTQ+ Market**

Research has revealed the global lesbian, gay, bisexual and transgender travel market is worth over US\$211 billion in consumer spending per year (*Source: Out Now Consulting 2016*). The lesbian, gay, bisexual, transgender and queer+ market segment travels with greater frequency and demonstrates higher than average patterns of spending.

Destination Ontario has successfully positioned Ontario as a destination of choice for the LGBTQ+ traveller and Ontario has an opportunity to grow the share of this market even further by marketing the vast array of tourism products and destinations the province has to offer.

DO developed and implemented a comprehensive LGBTQ+ marketing strategy with a number of awareness tactics to increase the number of visitors and revenue from the LGBTQ+ market, including an Ontario collateral piece distributed at Pride events internationally and domestically. The magazine highlighted LGBTQ+ events and destinations within Ontario, giving a wide range of information for accommodations, and activities.

The media relations team highlighted Ontario during media familiarization tours for media from Ontario, the U.S., the U.K., Germany, Japan, Brazil and Mexico. Ontario was also showcased at tradeshow and consumer events such as:

- International Gay and Lesbian Travel Association (IGLTA)
- ITB Berlin, ITB Asia
- Travel Gay Canada
- NLGJA (The Association of LGBTQ Journalists)

Destination Ontario in partnership with Tourism Toronto will be welcoming the IGLTA International Gay Lesbian Travel Association 35th Annual Global Conference to Toronto in May 2018, which will include 600 tourism professionals and travel media from approximately 40 countries.

## **Fun Pass**

The *Fun Pass* is a collaboration between Destination Ontario and government agencies and attractions. In 2017, the *Fun Pass* was distributed to approximately 1.5 million school-aged children (4-14 years) in Ontario via school boards in print and online in June. The *Fun Pass* provides two free child's general admissions with one paid adult or senior to 18 Ontario government tourism and culture attractions, plus a discount for a daily vehicle permit at over 300 Ontario Parks.

## **Market Research**

Destination Ontario worked throughout the year to provide tourism research, market intelligence and consumer behaviour analysis that assists tourism businesses and operators to make informed business decisions. Tracking results from marketing campaigns were conducted and results will be evaluated for ongoing planning of activities and programs.

## **Creative Services**

Destination Ontario worked throughout the year to continue to build on beautiful and dynamic photography and video assets. DO completed 13 photography and video shoots, collaborating with partners.

Additionally, the in-house Creative Services team contributed to a number of campaigns including Attractions Ontario ads, Group of Seven itineraries and ads, LGBTQ+ magazine and promotional material, Travel Information Services Conference, Huffington Post campaign, WestJet co-marketing partnership and Ontario Signature Experiences booklets. Additionally, promotional materials for a series of international events including ITB travel events, Rendez-vous Canada (RVC) and lure books and itineraries for a number of international markets.

DO's new *Strategic Playbook* was also designed entirely by the in-house Creative Services team, including many supporting materials throughout the development and consultation process.

This year, DO also took on a winter pilot project for a new approach to video content production, enhancing the consumers' access to discoverable experiences in Ontario. The four videos generated almost two million views and just over 10,000 leads to partners through DO's social channels.

## **150th Anniversary of Confederation**

In 2017, Canada and Ontario celebrated the 150th anniversary of confederation. Destination Ontario worked in partnership with the Ontario150 Secretariat, Ottawa 2017, and other partners to collaborate on promotion of 150th anniversary events throughout the year. DO capitalized on 2017 poised as the year to visit Canada by highlighting special celebration activities and events to Ontarians and international visitors.

DO also led the design, production and management of Ontario's presence at Inspiration Village, a cultural event that took place for four months (May to September) in Ottawa as part of a special feature of Ottawa 2017 celebrations. The event had over 35,300 visitors to the Ontario exhibit and positively generated over 5,250 downloads of the DiscoverOntario App, as well as 2,477 entries into a contest for a trip to Ontario.

DO also produced 1,200 Ontario postcards for athletes, friends and family and international media at the Invictus Games in September 2017. The postcard highlighted tourism specific information on things to do while visitors were in Toronto for the Games.

# INDUSTRY RELATIONS AND INTERNATIONAL MARKETING

## **International Marketing**

In 2017-18, Destination Ontario's international marketing activity through direct bookings with travel company partners, generated more than 35,000 incremental visits with a visitor expenditure of over \$30 million. DO trained more than 5,000 travel trade representatives on Ontario product and facilitated the inclusion of 66 new Ontario experiences or itineraries in sale-able travel company tour offerings. More than \$97 million in earned media (as measured through advertising value equivalency (AVE)) was generated and international consumer websites received nearly a million visits.

Some project highlights that have contributed to the year's success include: sales missions to Germany, Mexico, China, Japan, New York, Boston, and Quebec; participating in key travel trade and media relations marketplaces including Rendez-vous Canada, GoMedia, Canada Media Marketplace, and Travel Blogger Exchange; hosting a trade

'MegaFam' with over 170 of Destination Canada's Canada Travel Specialist agents; partnered marketing and trade programs with Destination Canada; Joint Marketing Agreements with strategically targeted travel company partners; participating in key events such as Top Resa, World Travel Market London and ITB Berlin; and highlighting Canada's 150th in all activities where appropriate.

Over the course of the year, DO hosted more than 350 travel trade and hosted more than 320 media to showcase the diverse experiences that the Province has to offer.

Another exciting highlight was DO's formal commitment to NorthStar22, a joint "Team Canada" effort and a multi-year investment and marketing strategy aimed at achieving 25 million visitors to Canada spending \$25 billion by 2022.

Our China team continued to be recognized by travel trade clients by winning destination awards from top online travel company Tunui and leading industry publications *China Travel Agent* and *National Tourism Magazine*. Looking toward 2018, the Canada-China Year of Tourism, DO has been collaborating with the Ministry, with Destination Canada, and with the project lead, Innovation, Science and Economic Development Canada, to collaborate and plan initiatives.

## **Integrated Consumer/Trade Highlights**

Led by Destination Canada, Destination Ontario partnered on integrated marketing campaigns in all key markets.

In the U.K., German and French markets, the approach combined the creation of engaging content through influencer videos and articles, with a syndication and amplification strategy across social, search and paid digital channels. All together, these projects garnered nearly five million video views, 2.3 million website views of Ontario content with an average dwell time of over two minutes and generated over 180,000 leads to tour operator partner Ontario packages.

In the China market, Ottawa, Blue Mountain Resort, Niagara Falls, and the season of winter were featured. The campaign produced more than 23 million video views and more than 169,000 clicks on call to action links to Ontario itineraries.

In South Korea, alongside Destination Canada, the Korean television show “Travel Around The World” was hosted. The filming was part of an integrated campaign with consumer, travel trade and media tactics. The TV show had an audience reach of more than 40 million and an AVE of \$25.6 million. The campaign resulted in a 15% increase of Ontario product sales over same period (September through December departure) and new itineraries for travel trade.

## **Travel Trade Highlights**

Rendez-vous Canada was held in May in Calgary. Ontario had 49 booths in the Ontario section representing 78 destinations, products and experiences and, overall, there were 113 Ontario-based organizations on the show floor. Destination Ontario staff held more than 325 scheduled appointments. A post-event survey revealed that 98.4% of Ontario participants were satisfied or very satisfied with RVC.

A number of international sales missions were led with nearly 70 Ontario suppliers. For example, in May, a DO-led sales mission to Mexico with five Ontario partners resulted in engagement with 140 sales agents and meetings with seven tour operators. In September, a mission to Germany brought nine partners to Frankfurt, Munich, Zurich, Hamburg and Amsterdam to meet with 24 tour operators and train 224 sales agents. In October, sales missions to China brought 13 partners to Shanghai, Hangzhou and Xi’an to train 450 tour operators and sales agents and conduct media interviews with 16 travel trade media. In September, Ontario-led sales mission to New York and New Jersey with seven Ontario partners to train 90 tour operators and meet with 10 product managers. In March, Ontario-led sales missions to Quebec City and Montreal, and brought 15 partners to train and meet with 120 tour operators/agents.

- A number of Joint Marketing Agreements were also executed throughout the year with key travel trade partners.
- Destination Ontario participated in several international tradeshows, such as: Focus Canada in Japan, IFTM Top Resa, Showcase Canada Asia, World Travel Market, ITB Berlin, and a Destination Canada Roadshow in Brazil.
- Market development activities included export readiness webinars with nearly 100 participants over three sessions.

### **Traditional and Social Media Highlights**

Working with the Toronto Star, Ontario 150 activities were featured in a number of award-winning articles profiling destinations in Ontario including Prince Edward County, Algonquin Provincial Park, Moose Factory and Niagara Falls, Agawa Canyon Tour Train, the Group of Seven, and Pukaskwa National Park resulting in \$35,590 AVE and circulation of more than 1.1 million.

In the U.S., Destination Ontario (in partnership with Ottawa Tourism) executed a Travel Massive event in New York City in June (trended number two on Twitter for over an hour with the potential reach of over two million impressions in New York City) and co-partnered with Tourism Toronto for Travel Massive Chicago in June. Editorial media coverage in the U.S. included Prince Edward County coverage on vogue.com, Hamilton was featured in the Travel section of the *New York Times* and various Ontario destinations were included in coverage on CNTraveler.com (*Conde Nast Traveler*).

DO partnered with Tourism Toronto on an in-market event in Mexico attended by 25 local media to promote tourism across the province. This year Mexico's media relations program generated editorial coverage for key destinations of interest to the Mexican market such as Toronto, Niagara, Ottawa and Blue Mountain.

Alongside Destination Canada, several traditional media outlets and social media influencers were hosted from Europe, discovering new destinations such as Manitoulin Island and Tobermory.

For Asia, DO hosted China's National Geographic Traveler Magazine, generating articles on self-drive experiences and nature, representing an advertisement value of \$2.4 million. Ontario's China social media accounts on Weibo and WeChat experienced a combined increase of more than 53,000 followers over the course of the year, bringing the size of the social community to 300,000 in China. Ontario also partnered with Destination Canada to host a television crew from Japan's BS-TBS station to Niagara Falls and Sault Ste. Marie. The resulting one hour episode was broadcast as part of the "Spectacular Journeys of The World" series in November, garnering \$340,000 in AVE and had a reach of 91 million.

DO participated in the 2017 GoMedia event in Halifax where 119 media from 12 countries gathered to learn about Canada's travel experiences. DO also hosted a five-day pre-event familiarization tour across eastern Ontario with three media from Canada, Germany and Japan.

Destination Ontario also partnered with Destination Canada on several media relations activities.

Responding to changing trends in the media landscape, DO implemented a new Quality Score Index to evaluate earned media results. This tool prioritizes quality over quantity and uses categories to assess an earned article or story's tone, imagery, calls to action, key messages and impact of media outlets. The Quality Score Index also garnered a Ministry of Tourism, Culture and Sport Applause Award for Innovation.

## **Industry Relations**

In 2017-18, staff continued to evolve and strengthen Destination Ontario's Partnership Strategy through the continuation of a quarterly Regional Tourism Organization Activity Dashboard, promoting awareness and conversion marketing opportunities to industry to align with the 'Where Am I?' creative platform; as well as continuing to secure new external and private sector partners to participate in DO programs.

Cooperative marketing partnerships were established with traditional tourism partners such as RTOs, DMOs, associations and attractions, as well as with partners such as Via Rail, WestJet and Best Western. Stakeholder outreach continues to be strong with stakeholder consultations regarding partnership opportunities, product familiarization tours, collaboration meetings with tourism attraction agencies, product showcases for industry and over 250 outreach meetings with industry.

After broad consultation with key RTO and sector association partners, 23 new digital partnerships were implemented to leverage the existing creative platform of 'Where Am I?' and facilitate industry alignment. These were well-received by industry and extended the 'Where Am I?' brand in Ontario, Quebec and into New York State. The co-marketing campaigns generated 1.26M leads to participating partner websites.

Outreach, including speaking engagements at key events, continued and included participation in the Tourism Industry Association of Ontario (TIAO) annual Ontario Tourism Summit, Resorts of Ontario Annual Conference, Hotel Association of Canada Annual Conference, Rural Tourism Symposium, travel trade workshops and webinars, as well as a number of RTOs and DMOs annual general meetings.

## **Tourism Industry Partners Program**

Through the Tourism Industry Partners Program, Destination Ontario approved a total of \$1 million to 14 partner consortiums to co-invest in various marketing campaigns undertaken by 67 tourism partners targeting the U.S., Quebec and international markets. The program co-invested \$1 million and leveraged \$2.1 million from consortium partners. These campaigns promoted visitation to Ontario destinations such as Stratford, Windsor-Pelee Island, Prescott-Russell, Fort Erie and Smith Falls. The program requires a partnership of three or more entities and is for marketing campaigns aimed out of province.

## **Sector/Association Partnerships**

Destination Ontario partnered with Festivals and Events Ontario to produce more than 225,000 copies of the *2017-18 Festivals and Events in Ontario* guide; with Attractions Ontario to produce and distribute more than 700,000 copies of the *2017 Attractions Ontario Passport* magazine and coupon book and send 121,300 leads through a digital co-marketing partnership to their website; and with Resorts of Ontario for print ads in daily publications and digital advertising that sent 79,000 leads through a digital winter co-marketing partnership to the Resorts website.

DO has provided guidance and support to Société Économique de l'Ontario (formerly RDÉE Ontario) to assist them in the development and execution of their Route Champlain initiative. DO has worked with the organization to list the Route Champlain stakeholders on DO's consumer website ontariotravel.net.

DO partnered with TIAO in the execution of the Ontario Tourism Summit in Niagara Falls in November 2017. DO also collaborated with TIAO, the Ontario Culinary Tourism Association and Attractions Ontario to present the Ontario Tourism Awards at the Ontario Tourism Summit. DO specifically presented the Tourism Marketing and Travel Media Awards of Excellence in seven different categories.

## **Industry Education**

Destination Ontario developed a *Content Toolkit* for tourism stakeholders to leverage the 'Where Am I?' brand platform. The *Content Toolkit* is a guide for industry on how to align with the creative platform, provides campaign assets and shares details on how they can implement the brand into the promotion of their own Ontario destination, product or experience. To communicate the use of the *Content Toolkit* to industry stakeholders, DO implemented a webinar series. The concept of the webinars have been well-received with a total of 300 industry stakeholders registering to participate.

To educate industry stakeholders on how to work with travel trade and market to an international audience, DO implemented Export Readiness webinars. Three webinars were provided and over 90 stakeholders participated.

DO conducted pilot workshops with stakeholders to inform them of the marketing assets available to leverage the DO's marketing efforts. Nine workshops across three regions were held and over 100 stakeholders attended.

## **Partnerships with Ministry of Tourism, Culture and Sport and Government Agencies**

Destination Ontario continued to promote heritage, culture and tourism agencies and attractions in various ways, including through the *Fun Pass* coupon book distributed to elementary school children. Additionally, nine Ontario government agencies partnered with DO with co-marketing initiatives and/or purchased advertising in 2017-18, including: the Royal Ontario Museum, Ontario Parks, Huronia Historical Parks and the Ontario Heritage Trust. DO also partnered with the St. Lawrence Parks Commission (SLPC) to produce a 'Where Am I?' themed creative video to showcase SLPC and Kingston. DO also supported Ontario 150-funded festivals and events through designated listings on the consumer website ontariotravel.net.

# NORTHERN PARTNERSHIPS AND VISITOR ENGAGEMENT

## **Northern Partnerships**

2017-18 saw the implementation of the first year of the Strategic Direction for Marketing Tourism in Northern Ontario 2017 to 2020. This document was developed in collaboration with Tourism Northern Ontario (RTO13) and Explorers' Edge (RTO 12). The Strategic Direction for Marketing Tourism in Northern Ontario is utilized to align and coordinate marketing efforts.

2017-18 was also the fourth year for the 'Explore the Possibilities' campaign for Northern Ontario. The campaign focused on providing consumers with engaging urban and regional content to stimulate travel. Ontario's outdoor experiences were actively marketed to consumers in Ontario, U.S. near-border states and Europe. This included; angling, hunting, powersports touring and nature and outdoor.

The 'Go Fish in Ontario' angling program continued to build on partnerships with leading angling influencers found in Ontario and the U.S. They generated 66 television shows and 52 radio shows featuring 118 lodges and resorts. Additional results include three participating operators reporting direct bookings resulting in a combined value of \$62,600.

The angling program continued to target international markets in the U.K. and Germany, specifically targeting avid carp anglers.

In addition and new in 2017-18 was a partnership with Tourism Northern Ontario, 13 operators and the angling television influencer, Al Lindner. This partnership provided the opportunity for an all Ontario 13-episode series, broadcast on the U.S. Sportsman Channel Network. The program partnered for a third year in the Destination Canada-national angling cooperative marketing program, led by Manitoba and joined by Saskatchewan and Yukon. The program featured the operators of the Lindner partnered project and drove consumers to the Northern Ontario website ([northernontario.travel](http://northernontario.travel)) Compared to the previous year; page views were 326,048 an increase of 22%, sessions were 228,059 an increase of 29% and outbound clicks were 24,406 up by 16%. Additionally as a result of the program, after the first airing three participating operators reported direct bookings with a combined value of \$68,600.

The hunting program also utilized television influencers which resulted in eight hunting television shows featuring Ontario lodges.

Three U.S. outdoor consumer sport shows featuring hunting were attended. The largest, The Great American Outdoor Show in Harrisburg, Pennsylvania attracts 180,000 consumers over a nine day period.

In a survey conducted with attendees from all consumer shows, 72% reported that the Ontario booth assisted in their decision to travel to Ontario. 94% indicated fishing as the most popular activity.

In addition, the fishing and hunting side of the Northern Ontario website resulted in the following: page views were 395,967 up 66.5%, sessions were 274,450 up 29% and outbound clicks were 28,204 up 38.5%.

The 'Go Ride in Ontario' powersports touring program, which represents motorcycles, snowmobiles, all-terrain vehicles, boating and RV touring, successfully focused on the development of online content and social engagement that lead in excess of 257,000 leads to industry and partner sites. The program partnered with 85 partners, including RTOs, DMOs and industry operators to undertake 25 media familiarization tours, two specialty television shows and 11 powersports consumer shows with 52 partners. The reach of all campaign elements was an audience of four million people with 133,584 trackable actions. Northern Ontario website page views 362,166 up 3%, sessions were 246,723 up 15% and outbound clicks were 87,636 up 9%.

The Outdoor Adventure program partnered with Destination Canada to deliver the Canadian Canoe Culture program to U.S. outdoor enthusiasts. It utilized the very successful Canadian Canoe Culture program which was developed in 2016-17 and featured the award-winning documentary film, "The Canoe". This documentary has been viewed a million plus times on various platforms including National Geographic's Short Film Showcase. The documentary was instrumental in creating the Canadian Canoe Culture campaign which was a winner of a Ministry of Tourism, Culture and Sport Applause Award for Outstanding Achievement by an Agency in 2017. The campaign connected consumers and partners to five themes. The film continues to be featured in paddling and outdoor film festivals across North America and Europe. Northern Ontario page views were 186,944 up 19%, sessions were 111,506 up 26% and outbound clicks were 32,547 up 4%. The Canadian Canoe Culture, in partnership with Destination Ontario's International team continued to build on previous efforts in the U.K. In partnership with four leading adventure operators from RTO 13 and 12, the program attended the London Adventure show. While in London, the partners had the opportunity to meet with tour operators and U.K. outdoor media. In addition, a contest was held which has generated 10,000 entries. Reported bookings by the four participating operators; Killarney Outfitters, Red Lake Outfitters, Algonquin Outfitters, and Naturally Superior Adventures have been positive to-date, resulting in a combined value of \$195,000.

The Outdoor Adventure program continued to work in partnership to position Ontario as a top cycling destination. The program worked directly with Ontario by Bike and RTO 7. During the summer of 2017 the program was instrumental in the development of a cycling video. The video was showcased at a Federal-Provincial/Territorial Ministers conference and was presented at the Ontario Tourism Summit.

DO was also pleased to work in collaboration with industry leaders to support and fund eight major Northern Partnership initiatives in 2017-18. These included: 'Where Am I?' creative platform partnership with the Agawa Canyon Tour Train; a campaign with Porter Airlines; the Northern Content Campaign; Northern Ontario website; the Group of Seven campaign; Canadian Canoe Culture, a Destination Canada partnered program; the Destination Canada partnered angling program with Al Lindner; and the Tourism Northern Ontario (RTO13) Stay and Play program. In addition, there were 10 other partnered projects. Overall, Destination Ontario invested \$1,210,000 and partners invested \$805,000 for a total collaborative marketing spend of \$2,015,000.

In partnership with Tourism Northern Ontario (RTO13), the Northern Ontario website ([northernontario.travel](http://northernontario.travel)) continued to grow. Thirteen partners are included on the website representing regions, cities, experiences and outdoor avids, all providing content in the form of stories and video. Total sessions for all partners was 2,451,938, up 10% from last year and total outbound clicks were 462,535, up by 4%. Results for the regions including cities included; total sessions were at 918,039, up 29% and total outbound clicks were 160,905, up 23%. For avid outdoors, total sessions were 972,304 up 20% and outbound clicks were 258,118 up 2%.

In 2017-18 the Northern Partnership budget of \$4.26 million triggered an additional \$3.35 million investment from Northern partners resulting in \$7.61 million of overall marketing support in the North.

### **Ontario Travel Information Centres**

2017-18 was a busy year for the 11 Ontario Travel Information Centres, welcoming 825,000 visitors, generating a total of \$1 million in visitor spend for the province and facilitating hotel reservations for 863 room nights worth \$220,489.

The electronic visitor information initiative continues with twenty interactive electronic kiosks active at ONroute service centres across the 400-series of highways. This partnership with the Ministry of Transportation allows visitors to engage directly with [ontariotravel.net](http://ontariotravel.net) to find tourism information in either English or French. For the first full year of operation, the kiosks had 11.7 million impressions resulting in 2.2 million interactions which is 5.6% higher than the industry benchmark. There was 170,000 tourism partner content views and typical interaction time is two minutes with the demographics showing a slight preference for female viewers at 52%. Tourism partners utilized paid advertising opportunities to promote their attractions on the kiosks.

Strong industry stakeholder partnerships continued in the OTICs' regions and were further enhanced by travel centre staff attending product tours (Northumberland, Pelee Island), annual general meetings (Sarnia-Lambton, Brockville Tourism Summit, Tourism Sault Ste. Marie) and regional meetings (Prescott-Russell Tourism, Niagara Tourism Network, Algoma Kinniwabi Travel Association) to engage with operators, DMOs and RTOs.

The Destination Ontario broadcast program calendar included the following social media and media relations activity achievements:

- 1,800 - total broadcasts (television and radio) totalling 6,400 minutes of airtime with 113 media outlets such as CityTV Breakfast Television, CBC, FreshFM, CTV Barrie, CP24, the Weather Network, Rogers, Q107
- 1.8 million - Twitter views through DO's ten social media ambassadors

In October 2017, the OTICs hosted the annual Travel Information Services Conference in Windsor designed as a training opportunity to enhance visitor information services. The conference brought together 120 tourism representatives from across Ontario, seven provincial and territorial delegates and Resorts of Ontario and Attractions Ontario exhibitors at the marketplace.

### **Tourism Week**

While National and Provincial Tourism Week was officially observed from May 28 – June 1 2017 this year's activities and celebrations were executed over several weeks to include Destination Ontario's participation in the "Live with Kelly and Ryan" show and Ontario's 150th anniversary events. OTIC celebrations consisted of several regional launch events at travel centres including St. Catharines (May 26), Sault Ste. Marie (May 30), Windsor (June 7), Barrie (June 9), Hawkesbury (June 23) and five open houses. The Hawkesbury OTIC executed a successful regional launch before Saint-Jean de Baptiste Day (June 24). A total of 33 media outlets, 35 dignitaries and 77 industry partners participated in the regional events across the province. All Tourism Week events consisted of a marketplace where tourism operators from that region highlighted local tourism attractions and establishments and distributed prizes to participants. The events kept with the Ontario 150th theme and included stage performances, tourism activities, and live media coverage on CH Hamilton, Fresh FM/Big 101 radio and the Weather Network, plus additional mentions and stories on CTV News Barrie and Windsor, Magic 106.1FM Guelph, Sunshine 89, XINFLX Media (Chinese media) and the Sault Ste. Marie Star. Cogeco TV also produced pre-promotional segments promoting the Niagara event the week leading up to May 26. Tourism Week highlights included the official launch of Tourism Windsor Essex Pelee Island's Coffee Trail and 1867 Epic Wines in Windsor, high tea and chocolate samplings in St. Catharines, photo screens by Parks Canada in Sault Ste. Marie and family activations in Barrie.

## **Group of Seven**

The Destination Ontario Group of Seven 2017 program and campaign was developed out of a consultative process in 2016 with Northern Ontario stakeholders resulting in a decision to focus on the creative concept: “Connecting the art on the walls to the landscape on the ground”. The objective was to create awareness of the Group of Seven, iconic Canadian artists who formed in Ontario, as a compelling reason to visit Group of Seven-related Ontario destinations across the province. The 2017 campaign was in-market from May 8 to July 23, 2017 with Facebook, Instagram linked ads, video and five Discovery Routes downloadable on ontariotravel.net. Results included over 10 million impressions for social media ads, reaching 2.7 million consumers.

## **Ontario Signature Experiences Program**

The Ontario Signature Experiences (OSE) program was established in 2014 to promote and market must-see travel experiences that will appeal to global target markets. The OSE program is designed to showcase the best and most unique tourism experiences in the province that will motivate more people to visit Ontario. OSE is linked with the Canadian Signature Experiences (CSE) collection, managed by Destination Canada, in order to act as a stepping stone for Ontario tourism operators who aspire to be included in Canada’s international marketing and to highlight the diversity of Ontario experiences.

In August 2016, the application process was refreshed with the addition of a self-assessment tool. From April 2017 to March 2018, there were 25 industry inquiries into the program, with 9 of those completing self-assessments and requesting applications to be an Ontario Signature Experience. Five of the OSE’s expressed interest in applying to become a Canadian Signature Experience. Two of those were successful: Canadian War Museum and Agawa Canyon Tour Train. As of spring 2018, there are 59 Ontario Signature Experiences of which 34 are also in the Canadian Signature Experiences collection. These 59 OSEs are highlighted and marketed by the DO team through a number of activities and campaigns.

# CORPORATE SERVICES

Destination Ontario's Corporate Services continued to provide quality oversight of the agency's corporate services - financial, human resources, administrative, information technology equipment and facilities management. The area achieved many activities that will improve the effectiveness of the organization including:

- facilitated all-staff workshops on Travel, Meals and Hospitality expenses;
- developed new Destination Ontario Expense Claim Guidelines and Standard Operating Procedures and Q&A supporting document;
- updated the Emergency Response Procedures;
- implemented Monthly Finance and Procurement Meetings with each division;
- updated Destination Ontario Orientation Manual;
- implemented a new Destination Ontario Health and Safety Newsletter; and
- finalized a Learning and Development Policy for Destination Ontario.

DO continues to hold regular team meetings throughout the year including the Senior Management Team, Health and Safety Committee, Local Employee Relations Committee, where Corporate Services team members actively participate as advisers.

DO conferred with Infrastructure Ontario (IO) and exercised its option to renew the lease of the organization's corporate office and authorized IO to negotiate at the best rate possible for the government, as required by the Realty Directive, for an additional 5 years. DO and IO executed a Memorandum of Understanding for realty services on a cost-recovery basis that will support DO with the provision of real estate advice and services, such as accommodation, lease administration project management and infrastructure and development services.

## **Compliance with Accessibility for Ontarians with Disabilities Act**

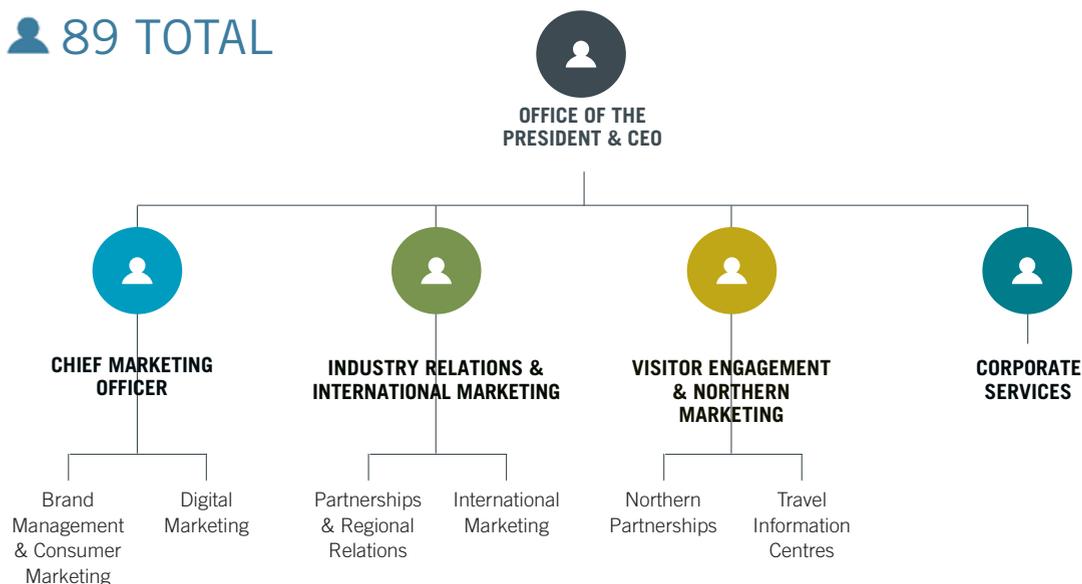
Destination Ontario continues to comply with the Accessibility Standards for Customer Service, Ontario Regulation 429/07 (Customer Service Standard) and Integrated Accessibility Standards, Ontario Regulation 191/11 under the Accessibility for Ontarians with Disabilities Act (AODA), 2005 administered by the Accessibility Directorate of Ontario.

DO's multi-year Accessibility Plan and policies, as well as documentation on training, public notification and individualized workplace emergency response information for employees who have a disability, are available on both DO's public websites.

DO continues to ensure corporation-wide compliance and that all staff are trained and aware of the obligations under the AODA.

# ORGANIZATION STRUCTURE

 89 TOTAL



## PERFORMANCE MEASURES

	2016-17 Actual	2017-18 Goal	2017-18 Actual
<b>Brand Health</b>			
Unaided Destination Awareness - Short Trip			
Ontario	53%	62%	56%
U.S. – Detroit	13%	13%	14%
<b>Overall Rating of Ontario as a Destination (Average)</b>			
Ontario	8.1	7.9	7.9
U.S. – Detroit	7.2	7.2	6.9
<i>Scale 1 to 10</i>			
<b>Marketing Campaign Return on Investment</b>			
Ontario	\$6.7 : 1	\$15 : 1	\$28.2 : 1
U.S. – Detroit	N/A	\$10 : 1	18.9 : 1
<b>Incremental Visitor Spending</b>			
Ontario	\$32.1M	\$50M	\$58M
U.S. – Detroit	N/A	\$6.5M	\$26M

	2016-17 Actual	2017-18 Goal	2017-18 Actual
<b>Industry Partnerships</b>			
Cash	\$2.8 million	\$2.4 million	\$4.1 million
Leveraged Cash	\$11.3 million	\$8 million	\$10.3 million
Leverage in-kind	\$800,000	\$1.0 million	\$1.6 million
# of Visitors - OTICs	1,057,975	N/A	838,000

	2016-17 Actual	2017-18 Goal	2017-18 Actual
<b>TCIS</b>			
Website traffic - # of visits	4,438,233	4,000,000	4,109,845
Lead generation - # of clicks off ontariotravel.net and all verticals to industry plus clicks from direct emails and mobile app	1,152,760	2,000,000	2,394,026
<b>Social Media – Consumer Engagement</b>			
Link Clicks	336,098	450,000	609, 989
Community Size (New Fans Only)	151,538	160,000	123,019
Community Engagement (Applause, Amplification, Conversion)	1,113,658	2,200,000	2,407,187
Reach (Impressions)	81,986,824	90,000,000	103,219,301

	2016-17 Actual	2017-18 Goal	2017-18 Actual
<b>Media Relations</b>			
Earned Media/Ad Equivalency (North America, Overseas)	\$91.5 million	\$60 million	\$97.5 million
<b>Travel Trade</b>			
# of Travel Trade Trained (North America, Overseas)	5,555	2,500	5,394
# of New Products Developed (North America, Overseas)	39	34	66
Trips Booked Via Tour Operators (Overseas only)	43,194	24,000	35,074
Estimated expenditures from trips booked via tour operators (Overseas only)	\$46,320,000	24,000,000	30,600,000

	2016-17 Actual	2017-18 Goal	2017-18 Actual
<b>Operations/Organizational Effectiveness</b>			
Industry satisfaction with DO programs and services	N/A	7/10	6.9/10
Measure degree to which employees feel engaged	81.8%	OPS Survey conducted every two years	N/A

**DEFINITIONS**

**Brand Health**

Unaided Destination Awareness – Short Trip (From the Brand and Advertising Tracking Study: When you think of taking a short getaway trip of one to three nights away from home, which destination first comes to mind? Where is this destination located? What other destinations, if any, come to mind for a short getaway trip of one to three nights away from home?)

Destination rating (From the Brand and Advertising Tracking Study: On a scale from 1 to 10, where 10 is excellent and 1 is poor, how would you rate each of the following places as a pleasure travel destination?)

**Marketing Campaign ROI**

ROI Summary (From the Brand and Advertising Tracking Study - Return to Sample: Converted Revenue / Total Campaign Expenditure = ROI)

**TCIS**

Website Traffic includes: # of visits to main consumer site + verticals + overseas on ontariotravel.net plus external

Lead Generation: # of clicks from website to industry partners from main website, overseas, direct emails and mobile app

**Social Media**

Consumer engagement is measured by Applause (likes), Amplification (shares), Conversation (comments)

**Media Relations**

Advertising Value Equivalency (AVE) is at a 1:1 ratio

**Travel Trade**

Travel Trade Trained: # of tour operators and travel agents trained by DO

New Product Developed: new additional overnight in Ontario, new itinerary / fly-drive or new product is developed

**Industry Partnerships**

Cash – dollar amount received by DO from a partner for participation in DO-delivered programs and advertising sales and revenue sales generated at OTICs

Leverage – dollar amount that DO’s investment in a partner’s program (private and public) triggers in additional investment

Leverage in-kind – the dollar amount that DO partners contributed to partnerships

# FINANCIAL STATEMENTS

## ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION (OPERATING AS DESTINATION ONTARIO)

### For the Year Ended March 31, 2018

Ninety per cent (\$37.2 million) of Destination Ontario's \$41.5 million operating revenue was received from the Ontario government. Most of the remaining \$4.3 million revenue was earned from advertising and product sales to marketing partners and consumers.

Destination Ontario recorded an operating deficit of \$(0.7) million after depreciation of \$2.1 million on capital assets, largely TCIS. Destination Ontario has drawn down its reserve fund for the remaining redevelopment stage of TCIS.

Salaries and benefits for Destination Ontario staff, including its 11 OTICs, comprised 21.7 per cent of its total operating expenses.

### Management Report

The accompanying financial statements are the responsibility of the management of the Ontario Tourism Marketing Partnership Corporation. The financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. The statements include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects.

Management maintains a system of internal accounting and administrative control that is designed to provide reasonable assurance the financial information is relevant, reliable and accurate and that the Corporation's assets are properly accounted for and adequately safeguarded.

The financial statements have been audited by BDO Canada LLP, a firm of independent external auditors appointed by the Board of Directors, whose report follows.

  
Lisa LaVecchia  
President and CEO  
June 12, 2018

  
Ronald Ting  
Treasurer  
June 12, 2018

# INDEPENDENT AUDITOR'S REPORT

## **To the Board of Directors of Ontario Tourism Marketing Partnership Corporation**

We have audited the accompanying financial statements of Ontario Tourism Marketing Partnership Corporation, which comprise the statement of financial position as at March 31, 2018, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Ontario Tourism Marketing Partnership Corporation as at March 31, 2018, and the results of its operations and its cash flows for the year then ended, in accordance with Canadian Public Sector Accounting Standards.

**BDO CANADA LLP**

Chartered Professional Accountants,  
Licensed Public Accountants Mississauga, Ontario  
June 12, 2018

# STATEMENT OF FINANCIAL POSITION

	March 31 2018 (\$ 000)	March 31 2017 (\$ 000)
<b>ASSETS</b>		
<b>Current</b>		
Cash	7,580	4,997
Accounts receivable	857	635
Prepaid expenses	94	124
	<u>8,531</u>	<u>5,756</u>
<b>Capital assets (Note 3)</b>	<u>4,681</u>	<u>6,326</u>
	<u>13,212</u>	<u>12,082</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	5,478	3,563
Deferred revenue (Note 4)	100	86
	<u>5,578</u>	<u>3,649</u>
<b>Obligation for retirement benefits (Note 2k)</b>	<u>1,860</u>	<u>1,722</u>
<b>Deferred capital contributions (Note 5)</b>	<u>325</u>	<u>449</u>
	<u>2,185</u>	<u>2,171</u>
	<u>7,763</u>	<u>5,820</u>
<b>Net assets</b>		
Unrestricted fund (deficiency)	922	(338)
Special projects fund (Note 2h)	171	723
Investment in capital assets (Note 2g)	4,356	5,877
	<u>5,449</u>	<u>6,262</u>
	<u>13,212</u>	<u>12,082</u>

Approved on behalf of the board:



Peter C. Fullerton  
Director



Jim Marchbank  
Chair

The accompanying notes are an integral part of these financial statements

# STATEMENT OF OPERATIONS

For the year ended March 31	2018 (\$ 000)	2017 (\$ 000)
<b>Revenues</b>		
Province of Ontario Grant (Note 6)	37,156	37,097
Advertising sales	2,719	1,458
Travel Information Centres - sales and rentals	1,092	1,098
Trade promotions	208	183
Amortization of deferred capital contribution	186	201
Interest income	90	51
	<u>41,451</u>	<u>40,088</u>
<b>Expenses</b>		
Advertising and marketing	21,394	22,413
Administration (Note 7)	7,915	7,222
Travel Information Centres (Note 8)	5,798	6,005
Tourism Consumer Information System (Note 9(b))	3,852	3,734
Amortization of capital assets	2,101	1,942
Partnerships and sales	592	608
Research	406	818
Board and committee expenses (Note 10)	48	44
	<u>42,106</u>	<u>42,786</u>
<b>Deficiency of revenues over expenses</b>	<b>(655)</b>	<b>(2,698)</b>

The accompanying notes are an integral part of these financial statements

# STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2018

	Unrestricted Fund (\$ 000)	Special Projects Fund (\$ 000)	Investment in Capital Assets (\$ 000)	2018 Total (\$ 000)	2017 Total (\$ 000)
<b>Net assets (deficiency), beginning of year</b>	(338)	723	5,877	6,262	9,526
Excess (deficiency) of revenues over expenditures for the year	1,260	-	(1,915)	(655)	(2,698)
TCIS redevelopment expenses (Note 2h)	-	(158)	-	(158)	(566)
Purchase of capital assets, net	-	(394)	394	-	-
<b>Net assets, end of year</b>	<b>922</b>	<b>171</b>	<b>4,356</b>	<b>5,449</b>	<b>6,262</b>

The accompanying notes are an integral part of these financial statements

# STATEMENT OF CASH FLOWS

For the year ended March 31	2018 (\$ 000)	2017 (\$ 000)
<b>OPERATING</b>		
Deficiency of revenues over expenses	(655)	(2,698)
Add (less) non-cash items:		
Amortization of deferred capital contributions	(186)	(201)
Amortization of capital assets	2,101	1,942
Obligation for retirement benefits	138	(61)
	<u>1,398</u>	<u>(1,018)</u>
TCIS Redevelopment Expenses – Special Project Fund	(158)	(566)
Change in non-cash working capital	1,737	1,116
	<u>2,977</u>	<u>(468)</u>
<b>CAPITAL</b>		
Capital asset additions	(456)	(1,407)
Deferred capital contributions	62	61
	<u>(394)</u>	<u>(1,346)</u>
<b>Increase (decrease) in cash during the year</b>	<b>2,583</b>	<b>(1,814)</b>
<b>Cash, beginning of year</b>	<b>4,997</b>	<b>6,811</b>
<b>Cash, end of year</b>	<b>7,580</b>	<b>4,997</b>

The accompanying notes are an integral part of these financial statements

# NOTES TO FINANCIAL STATEMENTS

March 31, 2018

## 1. NATURE OF CORPORATION

The Ontario Tourism Marketing Partnership Corporation (the "Corporation") was established as a corporation without share capital on November 30, 1998 pursuant to Ontario Regulation 618/98 made under the Development Corporations Act. The Regulation was amended by Ontario Regulation 271/04 in September, 2004 to extend the mandate of the Corporation indefinitely. The Corporation commenced active operations on April 1, 1999. In the fall of 2017, the organization announced a new corporate operating name, Destination Ontario (DO). The Ontario Tourism Marketing Partnership Corporation (OTMPC) will continue to be the official legal name of the organization. The objects of the Ontario Tourism Marketing Partnership Corporation (operating as Destination Ontario) are:

- (a) to market Ontario as a travel destination;
- (b) to undertake joint marketing initiatives with the tourism industry;
- (c) to support and assist the marketing efforts of the tourism industry; and
- (d) in co-operation with the tourism industry, the Government of Ontario, other governments and other agencies of governments, to promote Ontario as a travel destination.

The Corporation enters into agreements with private and public sector partners in order to add value to tourism marketing programs. The Corporation tracks the dollar value (leverage, in-kind) of such agreements to demonstrate the impact of the Corporation's investment on the partnered marketing programs. However, related partner revenues and expenses are not included in the Corporation's financial statements.

The Corporation is a not-for-profit organization, and thus not subject to income tax.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of Accounting

The financial statements are the representations of management and are prepared in accordance with Canadian Public Sector Accounting Standards including the 4200 series of standards contained in the Chartered Professional Accountants (CPA) Canada handbook.

### (b) Revenue Recognition

The Corporation follows the deferral method of accounting for revenues.

#### *Province of Ontario Grant*

The Corporation is funded primarily by the Province of Ontario. Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant is related to a future period, it is deferred and recognized in a subsequent period.

#### *Advertising Sales and Travel Information Centers – sales and rentals*

Revenue from Advertising sales and Travel Information Centres – sales and rentals are recognized in the period in which the service is provided or the program is run, the amount can be reasonably estimated and collection is reasonably assured.

#### *Interest Income*

Interest income is recognized in the period in which it is earned.

#### *Trade Promotions & Other*

Trade Promotions and Other revenue items are recognized in the period in which they relate, when the amount can be reasonably estimated and collection is reasonably assured.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### (c) Partner Support

The Corporation benefits from donated services provided by the tourism industry, such as transportation costs (airline and bus tickets), and accommodation and meal costs (discounted or free hotel rooms and restaurant charges). Because of the difficulty of determining their fair value, donated services are not recognized in the financial statements.

### (d) Inventory

Inventory held from time to time is comprised of merchandise available for sale at the Travel Information Centres.

Inventory is stated at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

### (e) Capital Assets

All capital assets are recorded at cost. Amortization is provided on a straight-line basis over the estimated useful life of the asset, with half a year amortization taken in the year of acquisition and disposition. All capital assets are amortized over three to five years.

### (f) Deferred Capital Contributions

Deferred capital contributions represent amounts received from the Ministry of Tourism and Culture and Sport to finance the acquisition of capital assets. The amortization of deferred capital contributions is recorded as revenue in the statement of operations on the same basis as the amortization of the related assets.

### (g) Investment in Capital Assets

Investment in capital assets represents funds provided for capital assets. The financing of investment in capital assets is transferred from operations and the Special Projects Fund on an annual basis.

### (h) Special Projects Fund

The Board approved the creation of an internally restricted Special Projects Fund to provide for longer term special projects. At March 31, 2018, \$171,000 (2017 - \$723,000) is being held for the Tourism Consumer Information System redevelopment project. Work on this project commenced in the summer of 2013 (Note 9a). During the year, the Board approved \$158,000 (2017 - \$566,000) of redevelopment costs to be charged directly to the fund.

### (i) Use of Estimates

The preparation of financial statements in accordance with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates as additional information becomes available in the future.

### (j) Financial Instruments

Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest, currency, liquidity or credit risks arising from its financial instruments.

Financial instruments are recorded at cost when acquired or issued. In subsequent periods, investments traded in an active market are reported at fair value. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

# NOTES TO FINANCIAL STATEMENTS

March 31, 2018

## 2. SIGNIFICANT ACCOUNTING POLICIES

### (k) Retirement Benefits

The costs of any legislated severance under the Public Service Act of Ontario and earned by employees are recognized when earned by eligible employees. During the year, the obligation was increased by \$138,000 (2017 – reduced by \$61,000) based on assumptions derived from the March 31, 2016 actuarial valuation completed by the Province of Ontario. The liability is calculated using management's best estimate of future inflation rates and other underlying assumptions. The liability calculated using the projected benefit method and the following assumptions approximates \$1,860,000 (2017 - \$1,722,000). The discount factor used was 0.79 (2017 – 0.76) and the estimated average years to retirement was 7.0 years (2017 – 15.07 years).

### (l) Foreign Currency Translation

Foreign currency accounts are translated into Canadian dollars as follows;

At the transaction date, each asset, liability, revenue and expense is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in income in the current period.

## 3. CAPITAL ASSETS

	2018 (\$ 000)		2017 (\$ 000)	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Furniture	396	396	396	396
Leasehold improvements	2,556	2,231	2,495	2,050
Tourism Consumer Information System	15,657	11,301	15,261	9,380
	<b>18,609</b>	<b>13,928</b>	18,152	11,826
<b>Cost less accumulated amortization</b>		<b>4,681</b>		6,326

## 4. DEFERRED REVENUE

	2018 (\$ 000)	2017 (\$ 000)
Ministry of Tourism, Culture and Sport OTICS – Capital assets	93	67
Advertising programs	7	19
	<b>100</b>	86

# NOTES TO FINANCIAL STATEMENTS

March 31, 2018

## 5. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent contributions received relating to acquisition of capital assets:

	2018 (\$ 000)		2017 (\$ 000)	
	Contributions	Accumulated Amortization	Contributions	Accumulated Amortization
Contributions received	1,810	1,485	1,749	1,300
<b>Contributions less accumulated amortization</b>		<b>325</b>		<b>449</b>

## 6. REVENUE: PROVINCE OF ONTARIO

The Corporation received funding that is recognized as revenue from the Province as follows:

	2018 (\$ 000)	2017 (\$ 000)
Core funding	36,968	36,968
Fun Pass	30	-
Ontario Travel Centres Capital	39	-
Summer Experience Program	119	129
	<b>37,156</b>	<b>37,097</b>

## 7. ADMINISTRATIVE EXPENSES

Certain costs of administration such as legal and human resources support services were provided by the Ministry of Tourism, Culture and Sport without charge. All other administrative expenses are borne by the Corporation and are as follows:

	2018 (\$ 000)	2017 (\$ 000)
Salaries and benefits	6,753	6,099
Services	1,012	972
Transportation and communications	129	128
Supplies and equipment	21	23
	<b>7,915</b>	<b>7,222</b>

The Corporation provides pension benefits for all its full-time employees through participation in the Public Service Pension Fund (PSPF) and the Ontario Public Service Employees' Union Pension Fund (OPSEU Pension Fund) which are both multi-employer defined benefit pension plans established by the Province. These plans are accounted for as defined contribution plans, as the Corporation has insufficient information to apply defined benefit plan accounting to these pension plans. Included in salaries and benefits are contributions to the PSPF and OPSEU pension funds for the year of \$470,000 (2017 – \$423,000).

Costs of post-retirement non-pension employee benefits are paid by the Management Board Secretariat and are not included in administrative expenses.

# NOTES TO FINANCIAL STATEMENTS

March 31, 2018

## 8. TRAVEL INFORMATION CENTRES

The expenditures for the Travel Information Centres are as follows:

	<b>2018</b>	2017
	<b>(\$ 000)</b>	(\$ 000)
Salaries and benefits	<b>2,822</b>	3,235
Accommodation	<b>1,344</b>	1,402
Merchandise for sale	<b>818</b>	687
Services	<b>578</b>	474
Transportation and communications	<b>196</b>	131
Supplies and equipment	<b>40</b>	76
	<b><u>5,798</u></b>	<u>6,005</u>

Included in salaries and benefits are contributions to the PSPF and OPSEU pension funds for the year of \$179,000 (2017 - \$180,000).

## 9. TOURISM CONSUMER INFORMATION SYSTEM REDEVELOPMENT AND COMMITMENTS

- a) After a competitive procurement process in 2013, Hewlett Packard has been awarded a five year contract as the service provider for hosting, operations, maintenance and redevelopment of the Tourism Consumer Information System. As at March 31, 2018, in the last year of the five year contract, the last installment of \$4,085,000 was paid out against the total committed amount to Hewlett Packard of \$27,491,000.
- b) During the year, total costs incurred for the Tourism Consumer Information System amounted to \$4,404,000 (2017 - \$5,646,000) of which \$158,000 (2017 - \$566,000) was charged directly to the Special Projects Fund (Note 2h) and \$394,000 (2017 - \$1,346,000) was capitalized to the Investment in Capital Assets. The remaining \$3,852,000 (2017 - \$3,734,000) is recorded in the statement of operations.
- c) The Corporation has various operating leases for its premises and advertising. The minimum annual payments for the next five years are as follows:

	<b>(\$ 000)</b>
2019	840
2020	696
2021	696
2022	741
2023	741
	<b><u>3,714</u></b>

## 10. BOARD AND COMMITTEE EXPENSES

Board and committee members do not receive per diems. Board and committee members are reimbursed for meal and travel expenses incurred to attend board of directors and related committee meetings, consistent with the OPS Travel, Meals and Hospitality directive.