

DESTINATION ONTARIO

An Agency of the Government of Ontario

BUSINESS PLAN

2021-2022

**DESTINATION ONTARIO
BUSINESS PLAN 2021-2022**

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EXECUTIVE SUMMARY

Destination Ontario's Business Plan 2021-2022 reflects strategic activities and programs to support the significant impact that the COVID-19 pandemic has had on the tourism industry. All recovery efforts will continue to be implemented in conjunction with the government's ongoing pandemic response, as well as the Ministry of Heritage, Sport, Tourism and Culture Industries' (the Ministry) released White Paper - *Reconnecting Ontarians: Re-emerging as a Global Leader* - that will inform a five-year plan designed to ensure the medium- and long-term recovery of the heritage, sport, tourism and culture industries. Specifically, Destination Ontario will work in partnership with the Regional Tourism Organizations and industry stakeholders to develop a plan to attract visitation through Ontario's gateway cities and a year-round suite of tourism and cultural experiences. Destination Ontario will also work with the Ministry on modernizing the Ontario Travel Information Centres and evolving the traditional model of delivering visitor information services to meet changing consumer expectations while amplifying pride of people, pride of place and pride of local products.

As an agency of the Ministry, Destination Ontario will support the Ministry's double bottom-line to showcase Ontario's cultural fabric and maximize economic impact of the industry sectors. Aligned to the health situation and if it is safe to do so, Destination Ontario will focus on marketing to promote the '2021 – Year of the Ontario Staycation'. It will be an opportune time to collaborate across Ministry sectors to highlight Ontario's cultural gems, products and experiences, and drive economic recovery for these impacted sectors.

Destination Ontario will work closely with industry stakeholders to ensure that efforts are aligned and effective to deliver direct impact. The agency will collaborate with key partners, ensuring efficient use of resources and delivering strong marketing partnerships.

Destination Ontario's Business Plan is flexible, and adjustments will be made as needed should future impacts to travel occur. Activities undertaken will always be focused on supporting the tourism industry and delivering on Destination Ontario's mandate by driving tourism visitation and increasing economic impact, when it is safe to do so.

MANDATE

Destination Ontario, legally named the Ontario Tourism Marketing Partnership Corporation (OTMPC), is governed by Ontario Regulation 618/98 made 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) Destination Ontario is to lead the marketing of Ontario as a travel destination nationally and internationally;
- (b) Destination Ontario and regional organizations are to work together to market travel within Ontario;
- (c) Destination Ontario is to deliver marketing services that contribute to regional and economic development;
- (d) Destination Ontario is to become a centre of excellence supporting provincial marketing; and
- (e) Destination Ontario is to engage in partnerships to support the above objectives.

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.

ENVIRONMENTAL SCAN

The COVID-19 pandemic has had a massive impact on Ontario, Canada, and the world. It was almost impossible to imagine how this pandemic would unfold with closures, restrictions, and health indicators. The Ontario government's guidelines continue to outline protocols for health and safety and how to support the economy. Destination Ontario's activities and plans will continue to be informed by the latest evolving data and trends.

The following points highlight the current environment.

Tourism Forecasted Outcomes

- In October 2020, Destination Canada maintained its July visitor forecast demands as a result of international border closures and the evolving pandemic situation across the globe. Forecasts estimate¹:
 - 61% drop in tourism revenue in 2020.
 - Expectation of recovery to 2019 levels by 2024.
- As of October 25, 2020, Destination Canada has forecasted Ontario's tourism revenue from international markets in 2020 will be down by 85% compared to 2019².

¹ Destination Canada State of the Industry October 2020 Report, Data up to June 2020.

² Destination Canada COVID-19 Impact and Recovery Report: International Summary, Updated: October 27, 2020.

Perceived Economic Impact³

According to an Ipsos October 15, 2020 report, Canadians are concerned for their financial future and travel is a luxury that many may not take or reduce spending on for this year.

- 94% of Canadians foresee an impact on the financial markets and global economy.
- 35% of Canadians think their job or business is threatened by COVID-19.

Canadian Travel Outlook³

According to an Ipsos October 15, 2020 report, Canadians are cautiously traveling due to the uncertainty around consistent safety protocols and ability to enforce physical distancing.

- 74% of Canadians agree that they will not feel safe until a vaccine is developed.
- 78% of Canadians are not comfortable taking a vacation this year, regardless of when the pandemic ends.
- 25% of Canadians consider travelling within their province as risky.
- Net intent to travel to other provinces remains negative and has worsened considerably within the British Columbia, Alberta and Quebec.
- 51% of Ontarians are likely to avoid travel even within their own province.

Ontario Resident Sentiment⁴:

According to Destination Canada's resident sentiment survey from January 19, 2021, Ontario has been on a continuous downward trend since September 2020 in levels of welcoming visitors. Consistent with not welcoming visitors, Ontarians are at the lowest level of feeling safe travelling within Ontario.

STRATEGIC DIRECTIONS

Destination Ontario's three-year *Strategic Playbook (2018 to 2021)*, approved by the organization's Board of Directors (the Board), continues to support Destination Ontario's work as the lead provincial tourism marketing organization for Ontario. The *Strategic Playbook* outlines key objectives and strategic priorities to grow the tourism industry and support marketing and partnership efforts that will have positive economic growth and job creation for Ontario.

Objectives

- Grow visitor volume and expenditures from Ontario's priority markets.
- Work across the industry through content and partnerships.
- Build a strong Ontario brand and regularly measure its impact.
- Provide content that visitors want and need.

³ Ipsos Coronavirus – Canada Tracking #26 Report October 15, 2020: an online poll between October 9 – 12, 2020, N=1,450 adult Canadians

⁴ Destination Canada Resident Sentiment Survey Report, January 19, 2021, N~1,800 adult Canadians and each minimum N=200 for each province

Strategic Priorities

1) Visitor First Marketing

Destination Ontario will start with an empathetic understanding of the traveller's needs, interests, planning and purchase behaviour. The agency will focus marketing campaigns on inspiring consumers through their passions and interests. Destination Ontario will map out and establish the best possible position in the visitor path to purchase and focus efforts there. The agency will inspire travel to and around Ontario and focus investment on highest return markets, integrate market activity and remain flexible to opportunities. Destination Ontario will have modern marketing campaigns informed by data and consumer insights. Emerging technology and marketing trends will inform the mediums that Destination Ontario markets in and activities the agency undertakes.

2) Re-defining Partnerships

Destination Ontario will lead and collaborate with industry partners toward mutual success, strong return on investment and provide value to industry stakeholders.

In the international markets, Destination Ontario will leverage the Canada brand and Destination Canada's work internationally to put Ontario first and drive economic impact. The agency will place Ontario top of mind in key, high potential markets and measure results driving increased visitation and spend across Ontario.

3) Strong Research, Strong Outcomes

Destination Ontario will continue to develop a holistic research approach and improve how data is mined to incorporate insights into strategic planning and in all marketing activities across the organization. Destination Ontario will strengthen advertising impact tracking and investigate and adopt new, innovative measurement tools.

Additionally, the agency will further enhance understanding of the consumers' path to purchase. Destination Ontario will continue to evolve to an organization that has strong value-for-money evaluation practices and that focuses on campaign performance, insights and investment.

4) Dynamic Organization

Destination Ontario will connect, lead and inspire a team approach within the organization and across the industry. The agency will be nimble, adopt a culture of ongoing program evaluation and regularly evaluate program performance.

Future Strategic Planning

In 2021, Destination Ontario alongside its Board of Directors, will be reviewing the current strategic priorities and developing a new strategic plan. The new strategic plan will be aligned with the Ministry's White Paper and five-year plan in support of recovery from the pandemic.

OVERVIEW OF CURRENT PROGRAMS AND ACTIVITIES

The Business Plan for 2021-2022 is focused on strategic activities and programs to help Ontario's tourism industry recover from the challenging times related to COVID-19. The tourism industry has been significantly affected, one of the industries that has been hardest hit and likely one that will take the longest to recover to pre-pandemic levels. Given that the impacts from the pandemic will continue throughout 2021 and possibly into 2022, Destination Ontario's budget will remain flexible during this fiscal year. Destination Ontario will make in-year adjustments as needed to address changes affecting travel, shifting target markets and to meet the needs of the tourism industry.

As an agency of the government, Destination Ontario will work closely with the Ministry to align recovery efforts with the Ministry's White Paper and five-year plan to assist stakeholders to recover and rebuild. Wherever possible, Destination Ontario will ensure that its work complements the Ministry's priorities and double bottom-line to showcase Ontario's cultural fabric and maximize economic impact for the industry.

As the lead provincial tourism marketing organization, Destination Ontario will work in partnership with tourism stakeholders to re-ignite tourism marketing across Ontario. Destination Ontario recognizes that for Ontarians, tourism will begin at the local and province-wide domestic level. Destination Ontario will also build strategic plans to showcase Ontario as a safe and beautiful travel destination to key markets in Canada, the U.S. and internationally, and be ready for when it is safe to welcome visitors back. The intent of driving economic impact and achieving direct results for the tourism industry across the province will continue to remain a top priority.

Strong and coordinated marketing efforts will be extremely important when travel resumes. The landscape of global tourism competitiveness will be aggressive with tourism destinations all vying for the same tourists. Ontario will need to stand out amongst the competition; first to encourage Ontarians to travel within their own province rather than exporting their tourism dollars elsewhere, and second, when it is safe to do so, inspire and attract visitors from the U.S. and internationally who will have numerous other marketing destinations trying to entice them also.

Corporate Governance

As an agency of the government of Ontario, Destination Ontario is governed by a Board of Directors comprised of business leaders and based on recommendations from the Minister of Heritage, Sport, Tourism and Culture Industries. Board members are public appointments by the Lieutenant Governor in Council. Destination Ontario welcomed a new Board Chair in the fall of 2020, along with several new Board members appointed throughout 2020. Staff will continue to work closely with the Board to ensure they have the necessary briefing materials and information to help them provide informed strategic guidance and direction on key decisions.

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, including corporate communications and management of the board and industry committees. As an agency of the Ministry, Destination Ontario regularly liaises with the Ministry. Through the continuing challenging times of the COVID-19 pandemic, the President's Office will work closely with the Ministry to collaborate on government communications, industry support and recovery programs.

Corporate Services

The Corporate Services team oversees business operations, financial management, procurement, human resources, legal, facility, and information technology services management for Destination Ontario. The Corporate Services team will support Destination Ontario with keeping business operations functioning, including executing agreements efficiently and effectively to support industry recovery efforts.

All activities of the agency are supported by the President's Office and Corporate Services.

Marketing

Destination Ontario's primary mandate, as the lead provincial tourism marketing organization, is to market Ontario as a preferred tourism destination. Destination Ontario builds brand awareness through integrated marketing campaigns within Ontario, across Canada and in priority U.S. and international markets to promote Ontario as a top travel destination.

Destination Ontario's marketing efforts are supported by guidance and collaboration with tourism partners across Ontario, including Regional Tourism Organizations (RTOs), Destination Marketing Organizations (DMOs), sector associations, other provincial agencies, individual tourism operators, and Destination Canada. International marketing efforts are further supported by in-market agencies.

Marketing efforts will continue to be impacted by COVID-19 in 2021-2022; and while the pandemic endures, impacts to consumer mindset, travel behaviour and tourism spending will remain. Destination Ontario will follow the lead of government health authorities and will only market when travel is deemed safe. Destination Ontario will focus on marketing to Ontarians, when it is safe to do so, supporting the '2021 – Year of the Ontario Staycation', the government's travel incentive for Ontarians introduced in the fall 2020 budget, and the Ministry's White Paper and five-year plan. Further marketing plans targeting Canada, key U.S. markets and international markets will be planned and implemented according to border re-openings and easing of travel restrictions.

As part of the content strategy, Destination Ontario will deliver 'AlwaysON' content campaigns that connect travellers with dynamic travel ideas through social channels such as Facebook, Twitter, Instagram, written content, short and long-form video, as

well as WeChat and Weibo for China. Content will be based on the current state of the pandemic and demonstrating experiences that are safe, local travel ideas for Ontarians and inspirational content for future travel. Destination Ontario will also work with sister provincial agencies and the Ministry to collaborate on creating and/or amplifying content that is relevant and important to current Ministry priorities.

Destination Ontario's consumer website (ontariotravel.net), corporate website (destinationontario.com) and the image database (imageontario.com) will be refreshed to provide an enhanced visitor-friendly and focused user experience for consumers and tourism stakeholders in the spring of 2021.

The multilingual consumer website will continue to promote and inspire travellers and provide easy direction to partner content for further information. As the pandemic continues, content on the consumer website will be written through a COVID-19 lens and updated with links to pertinent health information from the Ontario government. The corporate website will provide the tourism industry with information about Destination Ontario, including, marketing content, partnership opportunities, research, and travel media information. The refreshed image database will provide relevant and inspirational photos and videos for use to partners and other interested parties.

Northern Marketing

Destination Ontario has a specific focus on increasing visitation to Northern Ontario. Destination Ontario works with Northern tourism partners to market the North's unique experiences and natural landscapes. While the North as a destination is promoted and integrated across all the agency's work, there is also a specific concentration on avid consumers with a focus on powersports and touring, angling and hunting, and outdoor adventure.

Destination Ontario's Northern marketing efforts are supported and undertaken in collaboration with strong Northern partners, including RTOs 13 and 12, DMOs, sector associations and individual tourism operators.

Marketing Northern Ontario regions and experiences relies heavily on the U.S. traveller. If U.S. travel restrictions remain in place, Destination Ontario will continue to shift the Northern marketing focus to both an avid and leisure Ontario and Canadian traveller, and when appropriate, target the U.S. traveller for future travel. Collaboration with Northern partners will be critical to leverage marketing plans to target new potential consumers.

International Marketing

Destination Ontario promotes Ontario as a travel destination in key international markets. Destination Ontario works closely with Destination Canada and travel companies (tour operators, wholesalers and travel agents) in priority markets abroad to increase awareness of the province and drive sales of Ontario's market-ready tourism products and experiences.

In the context of COVID-19, attracting the international traveller and selling a trip to Ontario is expected to be more challenging as it was in the past, as competition for the international traveller will be fierce and there will likely be a smaller portion of the population willing to travel long-haul in the immediate term. As travel safely resumes, joint marketing with Destination Canada and with key travel trade partners will be essential to international recovery efforts.

While the pandemic continues, promotional activity through in-person tradeshows and marketplaces will remain on-hold; however, Destination Ontario will participate virtually to ensure that Ontario is kept top-of-mind and stands ready to meet the needs for future pent-up demand.

Marketing Intelligence and Business Strategy

Destination Ontario conducts tourism research and data analysis that provides market intelligence and consumer behaviour insights to enable the agency and its tourism partners to make more informed business decisions, be flexible to changing landscapes and deliver results for tourism businesses. Destination Ontario also engages in tracking the success of marketing campaigns to ensure sound return on investment and learnings for future campaigns with a view of maximizing value-for-money. Consumer and resident sentiment research, data and insights will be especially important this year as Destination Ontario implements recovery efforts and a return to travel.

Earned Media Relations and Broadcast Program

Destination Ontario promotes Ontario as a must-see travel destination through its earned media program. Working closely with journalists, editors, influencers and broadcast media outlets, the earned media team works to garner positive media coverage that generates interest and delivers results.

As a result of the COVID-19 pandemic, Destination Ontario's earned media program increased its focus on the domestic market and will inspire future travel in priority international markets when it is safe to do so.

To showcase all that Ontario has to offer, Destination Ontario works in close collaboration with RTOs, DMOs, sector associations, Destination Canada, and in-market agencies abroad to pitch and secure regular print and online articles, and television and radio broadcasts. Customized media tours, media marketplaces and events are key components of the program.

As travel resumes, a Team Ontario approach with all partners will be essential to recovery efforts. Destination Ontario will continue its work to generate positive media coverage that is appropriate and informative for a new travel reality, while focusing on travelling safely.

Partnerships

As the lead provincial tourism marketing organization, Destination Ontario is uniquely positioned to offer industry stakeholders the opportunity to leverage programs and activities to market their experiences and products.

The agency will continue to partner with RTOs, DMOs, sector associations, Destination Canada, and private stakeholders to build upon collaboration to date and use established relationships to assist with recovery efforts across the province. Destination Ontario will steward its role as the lead marketing organization, taking a customized approach to supporting partners, with a focus on driving direct results to local tourism businesses.

Destination Ontario will continue to lend expertise directly to partners by sharing insights, research, communications tools, and marketing support to help the industry regenerate business and bolster economic activity.

Ontario Travel Information Centres

Ontario Travel Information Centres (OTICs) provide a warm welcome to visitors. Operated by experienced and knowledgeable travel counsellors, Destination Ontario's OTICs offer visitors valuable and on-the-spot information on travel ideas in Ontario.

OTIC operations will continue to be guided by government health protocols and safety measures. If needed, OTICs will pause operations and only re-open in tandem with public health guidelines. Staff will provide travel information using safety precautions to ensure the well-being of staff and visitors; and will continue to service other visitors via phone and e-mail. Destination Ontario has also developed an OTIC Strategic Modernization Plan to enhance the delivery of tourism information services to visitors and industry beyond the traditional bricks-and-mortar model, meet changing consumer expectations, and support recovery through delivery of modernized services.

IMPLEMENTATION PLAN

As the lead provincial tourism marketing organization, Destination Ontario will continue its focus on the agency's legislated mandate – to promote Ontario as a travel destination with the goal of increasing visitation and expenditures. This goal will be of the utmost importance to support the recovery of tourism across Ontario. As travel resumes and consumers feel comfortable travelling safely again, it will be necessary to deliver visitor-first marketing with inspirational content, stimulating ideas, and access to travel information. Plans will be adjusted as needed to meet any continued impacts related to COVID-19, such as future waves and/or if health authorities deem travel as a non-essential activity.

Destination Ontario will also align its activities to the Ministry's White Paper, specifically Action Item #14 – “Develop a Year-Round, Globally Competitive Suite of Products” – Destination Ontario will work in partnership with RTOs and other tourism organizations to develop a plan to attract tourists to the province through its gateway cities and to

Ontario's unique rural and remote tourism offerings. Destination Ontario will also work with tourism stakeholders to market a year-round suite of products to ensure tourism opportunities in every Ontario season, as well as promoting product-specific tourism trails.

As identified in Action Item #15 of the Ministry's White Paper – "Open Ontario up for Businesses and Visitors" – Destination Ontario will work with the Ministry to identify options and opportunities to modernize visitor services offered through the OTICs, including evolving the traditional model to deliver information services in a new, modern and customer-focused way that promotes tourism and Ontario-made products. Destination Ontario will continue to drive marketing leadership as the COVID-19 pandemic evolves. The agency will expedite its growth anchored in four key principles to emerge as a stronger marketing organization prepared to win the post COVID-19 traveller. The key principles are:

1. Driving Growth In New Ways - The competition for the post COVID-19 traveller will be fierce. That's why Destination Ontario is taking a strategic, phased approach to business development and media relations. We are starting with a focus on the domestic market, while staying top of mind in international markets.
2. Levelling Up Customer Experience - Consumer expectations of customer service are at an all-time high. That's why we're building a visitor care model to help make the decision to choose Ontario easy. We are working to put the right people, processes, and technology in place to make it happen.
3. Driving Alignment Through Collaboration - Collaboration across industry is critical to our collective success for both the '2021 – Year of the Staycation' and attracting visitors through Ontario's gateway cities for U.S. and international consumers. We have to work together as Team Ontario to bring the traveller back.
4. Disrupting Ourselves - Marketing leaders are spending more time on data and data management than ever before. We have an opportunity to improve our understanding of the traveller in a meaningful way with new MarTech (or marketing technology) tools, refreshed websites, and an opportunity to collectively improve access to data for the Ontario tourism industry.

Marketing

The global pandemic has had a devastating impact on tourism and Destination Ontario will play a critical role in supporting the industry by inviting travellers back to experience the beautiful province of Ontario. Last fiscal, Destination Ontario developed a phased *Roadmap to Recovery* strategic plan to help support the tourism industry during and post the COVID-19 pandemic. The *Roadmap* continues to serve well for the agency's marketing planning for 2021-2022.

All of Destination Ontario's marketing plans will be implemented in conjunction with the government's ongoing pandemic response as well as the Ministry's White Paper and five-year plan to ensure recovery.

Market plans will be guided by the best possible market intelligence available to make timely and responsible decisions while remaining flexible and ready to shift as necessary.

The phased marketing strategy will work to increase consumer confidence, support the industry, and influence consideration of Ontario as a preferred destination starting with Ontarians and building towards welcoming back high-yield international travellers.

Destination Ontario will develop its marketing activities based on strong strategies, effective media planning and inspirational creative ideas to generate incremental visitation and incremental expenditure. Destination Ontario will support the industry by driving consumer leads to tourism businesses through impactful partnership campaigns.

The essence of Destination Ontario's marketing will highlight the province's strengths of inclusiveness and diversity, while also showcasing its beautiful landscapes and scenery. Strategic themes will drive content connected to specific passions, key avids, families, as well as accessible, Indigenous, Francophone, Lesbian, Gay, Bisexual, Transgender, Queer+ (LGBTQ+), and multicultural audiences.

Ontario Market

The return of travel for Ontarians will begin within its own province. Destination Ontario recognizes that as travel resumes, Ontarians will feel safer travelling closer to home. Prior to COVID-19, the Ontario market was economically important for tourism businesses across the province, and it will continue to be significant going forward for the industry's recovery. The agency will support the industry's recovery by focusing its investment on marketing efforts that highlight hyper-local travel within communities and regions, a shop local message to ensure strong tourism communities remain intact and move to a province-wide travel message to encourage staycations and visitor spending in Ontario.

Aligned to the health situation and when it is safe to do so, Destination Ontario will support the government's '2021 – Year of the Ontario Staycation' by delivering a province-wide marketing campaign with a strong Ontario brand that motivates Ontarians to travel within their own awe-inspiring homeplace. In the fall 2020 budget, the government identified that they will provide Ontario residents with support of up to 20 per cent for eligible Ontario tourism expenses to encourage them to safely discover Ontario in 2021. Destination Ontario will ensure through its marketing efforts that the travel incentive is integrated into the travel motivational message. Destination Ontario will utilize Ontarians 'pride of place' to highlight the province's unique assets where visitors can embrace and celebrate the array of culture that exists across the province.

The objectives will be to:

- Influence consideration and generate engagement by leveraging Ontario's tourism brand and highlight the diversity of experiences, heritage and culture of Ontario aligned with consumer passions and interests.

- Implement a collaborative marketing approach with partners that combines regional expertise and partner stories with inspirational stories of Ontario to drive consideration of destinations and experiences across the province.
- Engage travellers with valuable 'AlwaysON' content to drive qualified leads to planning content, partners, and operators for easy planning and/or bookings.

The Ontario marketing campaign will begin in the spring and continue throughout the summer and into the fall and winter to ensure all four seasons of products and experiences are highlighted, pending health conditions and restrictions. Promotion will include a mix of day trips, regional travel and cross-provincial travel and multi-overnight stays, providing Ontarians with an array of travel options meeting the need for a variety of experiences and price points. All marketing will always include a safe travel message.

Outputs

The campaign will use various mediums to communicate the message and all mediums will be integrated within one system to ensure consistency and breadth of promotion.

Destination Ontario may utilize the following activities for the campaign:

- Radio – leveraging a high frequency medium that serves English, French, and multicultural communities.
- Digital video – video is a very strong medium to connect and inspire consumers in a nimble and flexible way that allows for real-time optimization.
- Partner Content – strong, industry-driven regional storytelling that the Destination Ontario media ecosystem can leverage and promote to target audiences.
- Earned Media – featured coverage for television, radio and print told through major media partners.
- Ontario.Live – refreshed content highlighting local businesses, experiences, and attractions from across Ontario.
- Sponsored Content – key impactful stories told through sponsored content on major publications.
- Social Media – dedicated coverage and storytelling through Destination Ontario's owned social channels featuring individual operators and businesses across the province.
- OTICs – modernized, on-the-ground support for travellers within Ontario with personalized trip and itinerary ideas.

Outcomes

With a media investment of \$10 million, the Ontario market campaign is anticipated to generate 292,000 incremental visits and \$37 million in incremental expenditures.

Canada Market

Destination Ontario will look to key Canadian markets as an important part of bringing back incremental visitation and spend, especially if the U.S. and international markets continue to be impacted by COVID-19. When it is safe to do so, Destination Ontario will consider both the drive markets in Quebec and Manitoba as key markets for cross-border travel, and British Columbia as a source fly market. Given that the agency does

not know the long-term impact of the pandemic, these markets will continue to be evaluated over time to ensure higher-yield traveller markets are also targeted.

The objectives will be to:

- Build brand awareness and increase the consideration of Ontario as a destination for visitors from out of province.
- Engage Canadians with motivational content, generating interest in and awareness of noteworthy Ontario products.
- Potentially leverage Destination Canada programming and investments.

The strategic focus will be to:

- Build a share of visitation from across Canada.
- Prioritize near markets and car travel first, catering to rubber-tire access.
- Evolve into air travel markets as industry, health, and economic factors progress.

United States (U.S.) Market

Prior to COVID-19, Destination Ontario's board approved a three-year plan for the U.S. market. Destination Ontario will plan for a return to the U.S. market, recognizing that this will only be plausible should the border restrictions cease. Through an integrated approach, the agency will welcome back the U.S. market by inspiring American travellers to visit Ontario's gateway cities through a strong brand campaign and a partner-driven system. Destination Ontario will build a committed, long-term strategy in key U.S. markets, increasing relevance and reach, while improving cost efficiency and establishing creative focus.

The U.S. market is Ontario's second largest source market, and it will be important to recapture this market share for Ontario's recovery efforts. Destination Ontario will rebuild familiarity and awareness of Ontario as a safe and welcoming destination for U.S. travellers to add to their consideration list when travel resumes.

Destination Ontario will develop creative storytelling relevant for select rubber tire markets and new short-haul flight markets based on consumer insights. The rubber tire markets have slightly higher awareness and familiarity compared to other markets in the U.S. This provides the agency with an opportunity to re-invigorate Ontario as a premier travel destination for the U.S. market. Destination Ontario will also capitalize on seasonality and messaging Ontario as a close-by, must-see destination. While the short-haul fly markets have low awareness and familiarity, they have strong economic indicators which Destination Ontario will tap into to grow these markets.

Outputs

Leveraging learnings from prior campaigns, digital pilots, and the latest consumer sentiment and research, Destination Ontario will be able to better connect U.S. travellers with Ontario content and experiences. The agency will target specific rubber tire and short-haul fly market campaigns to target both spring/summer and fall consideration for a trip to Ontario. Strategic themes will drive content connected to

specific passions and key avids. Media planning for the awareness campaign will be developed, including key insights from the pilot and prior campaigns, but will likely include television, radio, digital, social and content publishers, earned media relations and public relations. In utilizing the broadcast program, activities will be supported by an 'AlwaysON' approach using social, written and video content, influencers, media familiarization tours and consumers shows. The agency will also continue to maintain and grow business development relationships through key trade channels across the U.S.

Outcomes

With a media investment of \$5 million, the U.S. market campaign is anticipated to generate 71,000 incremental visits and \$27 million in incremental expenditures.

International Markets

While the impact of COVID-19 continues to disrupt international travel, Destination Ontario will continue to focus on maintaining strong relationships with travel trade and media in priority markets and inspiring future travel. Throughout 2020-2021, the agency has been successful in engaging trade and media by maintaining a strong voice through ongoing communications, by participating in key business development events and travel shows virtually, and by inspiring future business and travel through virtual training and providing tailored pitches.

Destination Ontario recognizes that preliminary international travel trends indicate a desire for safety, flexibility, nature, a slower pace, RV travel, relaxation, and luxury. Canada – and specifically Ontario – is well-positioned to meet the demand for this type of travel given the open-spaces, natural environments, wide-outdoors, parks and safety that Ontario can offer. Destination Ontario is also hearing that Canadian cities are seen as less congested than cities in other countries and that the LGBTQ+ community might be among the first to travel. Welcoming international travellers back through Ontario's gateway cities and across the province will need to take a balanced approach, given the potential hesitation by local areas to welcome foreign travellers back to their communities following the long period of a global pandemic. Ontario resident sentiment and public health guidelines are some of many key factors to be considered when determining the timing of when international travel should once again be promoted.

The agency has been planning for recovery by including highly visible marketing with trade partners, advertising on trade booking platforms, proactive outreach campaigns to key journalists and editors, in-market activations, influencer programs and celebrity visits. Destination Ontario will review each of its key source international markets (China, Japan, South Korea, United Kingdom, Germany, France, and Mexico) individually to determine appropriate timing and marketing tactics.

Outputs

When approaching the international markets, Destination Ontario's tactics will include:

- Building market strategies using research, data, and insights.
- Continuing with tour operator and travel agent training.

- Building and strengthening industry, partner, and key account relationships.
- Showcasing Ontario at in-market and virtual tradeshows.
- Developing in-market sales programs and meetings.
- Welcoming trade and media through product (familiarization) tours and media visits.
- Developing joint marketing agreements and promotions through trade channels.
- Working with Destination Canada on consumer marketing and trade campaigns.
- Working with international travel media on content.
- Providing industry leadership and support.

Destination Ontario will work closely with Destination Canada as it safely re-starts its marketing efforts. Ontario is well-positioned within Canada, and it will be important to lean on a collaborative partnership as global travel resumes and the competition for international travellers increases.

Outcomes

Destination Ontario aims to generate \$3 million in incremental expenditures as a result of travel trade bookings (includes the U.S.); and train at least 3,500 travel agents on Ontario's travel products. With regards to earned media relations, the target is to generate \$5 million in earned media (includes the U.S.). The agency will market Ontario as a four-season destination internationally and will aim to have more travellers visiting more Ontario destinations year-round, spending more time and money.

Northern Marketing and Partnerships

Destination Ontario will continue to support the Northern tourism industry by working with partners across Northern Ontario. Given the difficult impact on many areas of the North due to the U.S. border closure, it will be vital to collaborate on the return of American visitors or to focus on shifts to an Ontarian/Canadian traveller. The agency will continue to invest in and support Ontario's avid tourism industries of angling, hunting, powersports, touring and outdoor adventure. Additionally, Destination Ontario will promote the entire region as both a destination and unique area to experience the outdoors, arts, culture and heritage.

Due to the closure of the U.S. border, a Pan-Northern campaign was not executed in the U.S. market as originally planned in 2020. Instead, Destination Ontario was able to continue with the spirit of the Pan-Northern partnership with a campaign targeted in Ontario and Manitoba (for the Northwest Ontario region only). Destination Ontario will continue to collaborate with Northern partners using the Pan-Northern concept and with a focus on supporting Northern tourism recovery. Pan-Northern campaigns will be developed in partnership with Destination Northern Ontario (RTO 13) and Northern DMOs, including Sunset Country, Superior Country, Sioux Narrows-Nestor Falls, Kenora, Thunder Bay, Algoma Country, Sault Ste. Marie, Northeastern Ontario, Sudbury, North Bay and Timmins.

The marketing objectives will be to:

- Create engaging messaging that builds consideration of Northern Ontario as a travel destination.
- Promote Northern Ontario leisure (and avid when appropriate) experiences to domestic family and couples/groups of friends through a collaborative brand and content-driven approach.
- Take advantage of a flexible campaign structure in which products are regionally targeted and can adjust according to COVID-19 restrictions and evolving public health guidelines.

Outputs

Operating through a growth market lens, and based on available research and regional product expertise, DMO partners will work with Destination Ontario and Destination Northern Ontario (RTO 13) to identify products/experiences of focus per season and thereby inform partner hero content for the Northern portal (northernontario.travel). Experiences promoted will include soft outdoors, resorts/lodges, family fishing, avid fishing, ice fishing, leisure touring, avid touring, avid snowmobiling, arts and culture and urban attractions.

The campaign will drive awareness through halo advertising (video) and partner hero content focused on seasonal and regional experiences (digital ads, social media).

Outcomes

With an investment of approximately \$1.2 million, the Northern campaigns are expected to achieve the following results:

- 32 million completed video views.
- 452,000 consumer leads to industry partner planning content.
- 38,700 consumer leads to industry partners from content.

Ontario Live

Ontario Live is an online hub where interested travellers can access a range of information and links to Ontario's best in culture, tourism, heritage and sport. This initiative was launched in spring 2020 to support these industries and mitigate the economic toll of COVID-19.

Ontario Live has continued to evolve from offering virtual experiences to including direct access for Ontarians to gain information on local businesses across the province. Through Ontario Live, Ontarians can continue to be inspired and engaged with the array of content according to six categories (The Arts, Film & Television, Accommodations, Attractions, Local Experiences & Sport and Food & Drink). The agency will continue to collaborate with industry partners to evolve Ontario Live.

Industry Partnerships

As a result of COVID-19, it will be extremely important to engage with and support industry partners with recovery activities and programs. Destination Ontario will

continue to work with industry partners to share insights, collaborate on partnerships and work together on activities that will directly support tourism businesses.

Destination Ontario will continue to build and deliver successful partnerships with RTOs, DMOs, sector associations, and Destination Canada, leveraging areas for collaboration and opportunity.

Destination Ontario, as the lead provincial tourism marketing organization, will provide its expertise, learnings, research, and market insights to tourism partners in order to support the industry's capacity to recovery and rebuild. Destination Ontario will participate in stakeholder events, providing knowledge directly to individual tourism operators. The agency will also share information through communication channels in order to provide tourism stakeholders with valuable understandings for their own operations.

Destination Ontario will continue to work with partners on implementing and finalizing results from the \$13 million Destination Canada / Destination Ontario Domestic Recovery Marketing Support Program. Destination Ontario took the unique opportunity to leverage federal dollars from Destination Canada and implement a program that directly supported Ontario communities and businesses to deliver locally-led/locally-focused marketing campaigns encouraging Ontarians to discover their own back yard. This program continues to serve as an important output for the agency, safely reinvigorating tourism economies and delivering a boost to local businesses and tourism in communities.

Through a partnership with Destination Toronto and Destination Canada, the agency will be involved in a multi-year culinary initiative that will support one of the hardest hit sectors of the tourism industry – restaurants. The goal of the initiative is to raise the profile of Toronto, Ontario, and Canada as a world-renowned culinary destination. This initiative will be significant to the international markets, where travellers often seek destinations for their culinary and fine dining experiences. The initiative is planned to bring local and world-wide attention and recognition and deliver benefits for years to come. Once announced, more details of the multi-year culinary initiative will be available.

Destination Ontario will work with its sister agency, Ontario Heritage Trust, through a multi-year partnership to market the annual Doors Open Ontario program. This partnership will provide an opportunity to highlight culture, heritage and tourism collaboratively.

The Ontario Heritage Trust works with communities across the province to open the doors, gates, and courtyards of local unique and most fascinating cultural sites so visitors can explore the stories inside. Since the program was launched in 2002, over 8.3 million visits have been made to thousands of unique buildings and spaces. The Doors Open Ontario program also has a big impact on local communities, with

participants spending more than \$11 million during their travels in 2019 as they learned about heritage conservation, local history and had fun.

Destination Ontario will also support key sector associations with whom the agency has had a long-standing partnership with - the Tourism Industry Association of Ontario, Attractions Ontario, Resorts of Ontario and Festivals and Events Ontario. Working with these partners, Destination Ontario will continue to support marketing efforts that positively impact tourism businesses and experiences across Ontario.

As other opportunities arise, Destination Ontario will remain open and flexible to partnership initiatives that will support the recovery of Ontario's tourism industry.

Ontario Travel Information Centres (OTICs)

Destination Ontario's OTICs provide an avenue for all tourists – whether they be international, U.S., domestic, regional, or local – to receive travel advice and information on destinations, attractions, and product experiences across Ontario.

OTIC operations will continue to be guided by government health protocols and safety measures. If needed, OTICs will pause operations and only re-open in tandem with public health guidelines. An *OTICs Re-Opening Plan* has been developed in alignment with applicable operational safety and public health guidelines to help protect employees and visitors when it is safe to re-open centres. OTICs that are opened (when it is safe to do so) will operate with appropriate days and hours to meet limited travel demand. Travel Counsellors will continue to work remotely and offer travel counselling services by phone and email.

Safety measures in place will include plexi-glass installed at all OTIC counselling pods and the use of Personal Protective Equipment (PPE) such as disposable masks, disposable gloves, hand sanitizer and dispensers, disinfectant wipes. Training has been completed to ensure all OTIC staff are adequately prepared for re-opening and the resuming delivery of services. Additionally, an Employee and Visitor Screening Checklist will be required for entry into an OTIC.

Curbside pick-up will be offered where a visitor calls the OTIC from their vehicle in an OTIC parking lot to request information/materials – a travel counsellor will bring the materials directly to their vehicle (no entry into the OTIC required). For those visitors who still wish to receive in-person travel counselling services, there will be no access to OTIC brochure racks (to avoid high touch points); rather, travel counsellors will pick and pack the brochures per visitor request.

Destination Ontario will determine OTIC re-opening dates in alignment with public health guidelines and individual OTIC operating considerations. The health and safety of OTIC staff and visitors is the top priority.

When feasible, OTICs will continue to partner with tourism organizations and businesses to sell tourism experiences and attractions and offer onsite promotional

opportunities to stakeholders. OTICs will provide customized travel advice on where to go and what to see and do with a view to extending visitor stay and visitor spend.

Destination Ontario will also implement its OTIC Strategic Modernization Plan to enhance the delivery of tourism information services to visitors and industry beyond the traditional bricks-and-mortar model, meet changing consumer expectations, and support recovery through delivery of modernized services. Initiatives include partnering with key RTOs and DMOs to offer roaming tourism ambassadors at major attractions and key festivals and events and mobile visitor information services units (e.g., vans, bicycles etc.). To enhance the provision of visitor information services virtually, Destination Ontario will transfer its 1-800-ONTARIO call centre in-house to the knowledgeable travel centre staff and introduce virtual travel counselling sessions through the agency's social channels and other platforms.

Measuring Results

Destination Ontario recognizes that measuring the results from marketing campaigns is important to demonstrate return on investment. The agency plans to use an output and outcome-based performance measurement process including several tools such as, an annual Strategic Plan Scorecard, a quarterly Corporate Scorecard, a projection model, campaign measurement plans and marketing performance analysis.

INITIATIVES INVOLVING THIRD PARTIES

Partnerships are important to Destination Ontario's work and are an element of many of the agency's strategies and tactical executions. Destination Ontario regularly engages with stakeholders with the overarching goal of increasing tourism visitation and spend in Ontario. These collaborative efforts will be vital for the industry's recovery. Destination Ontario will leverage partnerships to extend market reach and generate economic impact for Ontario. Destination Ontario's partnerships staff will collaborate with RTOs, DMOs, sector associations, other provincial agencies, and industry colleagues to build and grow ongoing partnerships that are mutually beneficial.

As mentioned previously, Destination Ontario partnered with Destination Canada to safely deliver a \$13 million Domestic Recovery Marketing Support Program that supports local businesses and tourism in communities through hyper-local promotions. The agency will continue to work with these partners to fully execute this spending and delivery of its marketing efforts.

The agency will also be working with key partners - Destination Canada and Destination Toronto – on a multi-year culinary initiative that all partners are optimistic will support recovery of the specifically hard-hit restaurant sector.

Finally, the agency is committed to a multi-year partnership with the Ontario Heritage Trust to support the annual Doors Open Ontario program, which has been successful in supporting tourism, culture and heritage sectors across local communities in Ontario.

INFORMATION TECHNOLOGY/ELECTRONIC SERVICES DELIVERY

Marketing Technology, Websites and Data

In 2021-22, Destination Ontario will deliver a refreshed web and digital strategy that places the visitor at the center of design and anticipates the technology needs of the future while remaining flexible and agile. The delivery of a refreshed consumer, corporate and image website will provide a meaningful web experience by employing a content strategy that focuses on search optimization, user journey and consumer insights and performance data.

Destination Ontario will continue to lead the industry in thought leadership and strategies to get a more unified view of the traveller. As privacy and transparency laws change the marketing landscape, first party data is becoming increasingly more important. Marketers cannot rely on third party data to meaningfully target consumers.

Destination Ontario will also continue to leverage a visitor first digital strategy that connects travellers with valuable and relevant content aligned to visitor passions. Travellers will engage with Ontario travel content on Facebook, Twitter, Instagram, Pinterest, YouTube, WeChat, and Weibo.

COMMUNICATIONS PLAN

Destination Ontario will actively work to enhance its corporate communications activities. The objective is to deliver a Corporate Communications Strategy for Destination Ontario that will enhance its corporate reputation as a leader of tourism marketing in Ontario, as well as strengthening the agency's engagement with industry stakeholders by providing them with timely, relevant, and valuable information for their business.

Destination Ontario will review use of its various communication channels, including social media, its corporate website (destinationontario.com) and communication to its partner database (more than 5,000 subscribers). The agency will look at how to more effectively use channels, see where there are opportunities to engage further, and take a progressive approach towards a strategy that incorporates collaboration and sharing of content of other partners. The goal is to generate awareness of Destination Ontario's activities, programs, organizational successes and achievements, while at the same time supporting partners.

Destination Ontario will regularly report its activities and programs through corporate documents such as its Strategic Plan, Business Plan and Annual Report. These documents are posted publicly on the agency's corporate website (destinationontario.com).

PERFORMANCE MEASURES

Business Plan performance measures are complemented by comprehensive metrics for each activity area that are monitored and reported on a quarterly basis through an output and outcome-based lens.

	2019-20 Actual	2020-21 Goal	2021-22 Goal	2022-23 Goal	2023-24 Goal
Incremental Visitor Spending					
Ontario	N/A ¹	\$27M ²	\$37M ³	\$39M ⁴	\$28M ⁵
U.S.	\$64.4M	N/A ⁶	\$27M ⁷	\$36M ⁷	\$45M ⁸
North America and Overseas (via trade channel)	\$22.2M ⁹	\$3M ¹⁰	\$3M ¹¹	\$10M ¹¹	\$15M ¹¹
Media Relations					
Earned Media Relations (Advertising Value Equivalency or AVE)	\$79.7M	\$10M ¹²	\$5M ¹³	\$8M ¹³	\$10M ¹³
Travel Trade					
Number of Travel Trade Trained	7,741 ¹⁴	4,000	3,500	3,500	2,500 ¹⁵
Number of New Products Developed	111 ¹⁴	20	20	20	30 ¹⁵
Industry Partnerships					
Total Leads to Industry Partners	1,453,388 ¹⁶	1,440,000 ¹⁷	1,230,000	1,230,000	1,450,00 ¹⁵
Partners' Cash Contribution Leveraged	\$186,650	\$250K ¹⁸	\$250K	\$250K	\$300K

¹ Marketing activity was cancelled due to business plan review.

² Goal for Ontario based on a media investment output of \$4M that factors in pandemic impact on travel behaviour.

³ Goal for Ontario based on a media investment output of \$10M that factors in pandemic impact on travel behaviour with more weighting towards day trips.

⁴ Goal for Ontario based on a media investment output of \$5M that factors in pandemic impact on travel behaviour with less weighting towards day trips.

⁵ Goal for Ontario based on a media investment output of \$3M assuming return to pre-COVID travel.

⁶ Due to Canada/U.S. border closure in 2020.

⁷ Goal for U.S. based on a media investment awareness-focused campaign of \$5M with gradual return to pre-COVID travel behaviour.

⁸ Goal for U.S. based on a media investment awareness-focused campaign of \$7M assuming travel behaviour returns to 90% of pre-COVID.

⁹ Planned marketing initiatives were not realized in Q4 due to COVID-19.

¹⁰ Due to global COVID-19 pandemic and border closures, Joint Marketing Agreements in 2020-2021 will be mainly focused on trade training, product development and driving bookings for 2021-2022. Target based on an assumption that the borders will reopen for non-essential travel before Q3 2020-2021 – otherwise, Joint Marketing Agreements focused on bookings may not be feasible.

¹¹ Goals are based on delays of border reopening to non-essential travel and encouraging international visitation, due to global COVID-19 pandemic, and an incremental ramp-up in international travel over time.

¹² Due to continued restrictions on travel, AVE is expected to be lower until travel returns to pre-pandemic levels.

¹³ Due to the COVID-19 global pandemic, border closures, and public health restrictions, media relations activities will be focused on maintaining relationships and keeping Ontario top of mind for future travel. Target based on an assumption that the borders will reopen for non-essential travel before Q3 20/21.

¹⁴ Additional programming was able to be delivered that was not anticipated when targets were set.

¹⁵ Returning long-term target to pre-COVID-19 levels.

¹⁶ Decrease from 2018-19 related to business strategy shift due to budget reduction; Ontario market on pause.

¹⁷ Goal reflects planned initiatives in the context of COVID-19 and anticipates travel restrictions from U.S., Mexico and overseas markets.

¹⁸ Reduced due to partners ability to collaborate financially as a result of COVID-19.

Definitions:

Incremental Visitor Spending

Incremental Visitor Spending – Ontario and U.S.

Number of trips taken (outcome) by those influenced by the campaign multiplied by the average visitor spend, as measured through the *Brand and Advertising Tracking Study*, conducted by a third-party research supplier.

Incremental Visitor Spending – North America and Overseas (via trade channel)

Estimated direct expenditures (outcome) from travel trade channel bookings. An expenditure based on estimated number of trips booked as a direct result of campaign or joint marketing initiatives with travel trade and conversion partners internationally. Average per person/night pleasure trip expenditure of visitors to Canada as reported by Destination Canada (based on Statistics Canada's International Travel Survey) is applied to the number of nights reported by trade channel partners.

Media Relations

Earned Media Relations (Advertising Value Equivalency or AVE) – The amount in Canadian dollars a similar size story would cost if it appeared as paid advertising at a 1:1 equivalency ratio (outcome), determined by measuring size/length of the story by the advertising rate of the relevant media outlet. The ability to collect AVE may fluctuate year to year impacting final AVE results.

Travel Trade

Number of Travel Trade Trained – Number of tour operator staff and travel agents trained on Ontario tourism products (output) by Destination Ontario or in conjunction with Destination Canada.

Number of New Products Developed – The actual number of packages, itineraries, experiences incorporated (outcome) by trade channel partners (new additional overnight in Ontario, new itinerary, new experiences added to itineraries, etc.).

Industry Partnerships

Total Leads to Industry Partners – Ad clicks or tracked visits to partner websites (outcome):

- From ontariotravel.net (for markets in Canada, United States, France, India, Brazil, United Kingdom, Mexico, Japan, South Korea, Germany and China).
- From Destination Canada partnered initiatives.
- From Destination Ontario-led campaigns or initiatives.

Partners' Cash Contribution Leveraged – The dollar amount of cash that partners provide to Destination Ontario to execute a Destination Ontario-led campaign or initiative (output).

HUMAN RESOURCES

Destination Ontario's Corporate Services will continue to improve workplace practices and performance through implementation of identified efficiencies, training, advisement, and other supports. Corporate Services will also support the Destination Ontario team with new realities due to COVID-19. For example, it will provide support to staff working remotely and set up approvals processes electronically. Corporate Services will also be a key team in helping support the fast-moving approvals required to deliver on recovery plans.

As government policies and directives are rarely static, and undergo review and changes on a regular basis, Corporate Services will continue to provide guidance and direction on relevant topics. In addition, process improvement measures, such as the Project Approval Form and internal routing document, have been implemented in order to ensure appropriate control measures and Delegation of Financial Authority is adhered to and well documented. Staff will continue to be encouraged to seek opportunities for learning and development via the Ontario Public Service (OPS)-wide platform 'LearnON', as well as internal developmental opportunities, including knowledge sharing and cross-collaboration across the organization.

Destination Ontario's Management team completed Unconscious Bias Training as part of the ongoing OPS commitment to anti-racism and Diversity & Inclusion. Further to this, additional anti-racism education offerings and discussions for all staff are in development and expected to be provided to all Destination Ontario staff in the coming months. Corporate Services will continue to organize relevant and timely workshops for staff to improve efficiencies and knowledge within the organization and to ensure that all employees are following OPS guidelines and directives as required.

Performance plans will be based on the following priorities:

- Continue to take a visitor first approach and inspire travellers through their passions, interests and needs. With a focused lens on the strengths of inclusiveness and diversity, showcase Ontario's beautiful landscapes, big cities and charming towns, festivals and events, and iconic attractions where visitors can embrace and celebrate culture.
- Continue to work with and lead partners to align and collaborate by leveraging marketing and assets in all markets. Build alignment and collaborate across the Ministry's portfolio and specifically with Ontario Creates.
- Continue to develop a holistic research approach, prioritizing how data is used, collected and analyzed to better understand the visitor and grow visitor visitation, expenditures and economic impact for Ontario businesses.

- Connect, lead and inspire a collaborative approach among staff and partners. Continuing to build a culture that is inclusive, modern and forward-thinking, resulting in a dynamic organization.

RESOURCES NEEDED TO MEET GOALS AND OBJECTIVES

Destination Ontario's base allocation for 2021-2022 is projected to remain at \$32,967,500. Budget line items have been strategically aligned to meet the current environment and support recovery. Given the fluidity of the on-going pandemic situation, there may be adjustments needed throughout each fiscal. It will be important to maintain investment in core marketing dollars for Ontario tourism promotion as competition increases amongst global travel destinations.

The budget also reflects the agency's strategic plan and promotes cross-functional teams based on key marketing activities and markets. Destination Ontario will work with Ministry staff to identify future capital needs.

FINANCIAL BUDGET AND STAFFING

Financial Budget

DESTINATION ONTARIO

2021-22 THREE YEAR PROPOSED BUDGET

(\$ 000's)

PROGRAM	PRIOR YEAR	CURRENT	PROPOSED	PROPOSED
	BUDGET	BUDGET	BUDGET	BUDGET
	2020-21	2021-22	2022-23	2023-24
Revenue:				
Province of Ontario Grant	33,210	33,133	33,133	33,133
Advertising Sales	-	628	628	628
Travel Information Centres - Sales and rentals	500	395	970	970
Trade Promotions	-	157	157	157
Interest Income	250	45	45	90
Amortization of Deferred Contribution	45	38	26	11
Federal Payment	6,000 ¹	-	-	-
	40,005	34,396	34,959	34,989
Expenses:				
Advertising and Marketing	12,485 ²	16,534 ³	17,759 ³	16,663 ³
Administration	9,961	10,209	10,308	11,345 ⁴
Travel Information Centres	3,232 ⁵	3,280 ⁵	3,330	3,380
Future Web and Data Strategy	2,540	2,000	1,500	1,500
Partnerships and Sales	9,047 ¹	825	825	825
Marketing Intelligence & Business Strategy	400	750	750	750
Amortization of Capital Assets	820	514	453	492
Tourism Consumer Information Systems	5,036	250 ⁶	-	-
Board and Committee Expenses	34	34	34	34
	43,555	34,396	34,959	34,989
Net Revenue	(3,550) ⁷	-	-	-
Carryover Funds	3,550 ⁷	-	-	-
Surplus (Deficit)	-	-	-	-

¹ Destination Ontario received a one-time partnership contribution from Destination Canada in 2020-21 of \$6M for the Destination Canada-Destination Ontario domestic Tourism Recovery Marketing Program.

² 1) Ontario; 2) Manitoba; 3) Quebec; as planned currently, but subject to change.

³ 1) Ontario; 2) U.S. short-haul/rubber tire [Illinois, Michigan, Minnesota, Wisconsin, Ohio, New York, Pennsylvania, Massachusetts, and District of Columbia]; 3) Manitoba; 4) Quebec; 5) United Kingdom; 6) Germany; 7) France; 8) China 9) Japan; 10) South Korea; 11) Mexico as planned currently, but subject to change.

⁴ Projected costs for re-locating staff to new head office location after current lease expires in June 2023.

⁵ Year-over-year increases due to increasing operating costs and capital needs and measures to improve and modernize the delivery of visitor information services to be explored.

⁶ Reserve fund to pay for transition and termination obligations from decommissioning Tourism Consumer Information System.

⁷ The deficiency of revenue in 2020-21 was offset by surplus funds from deferred and/or cancelled marketing activities in late 2019-20 due to COVID-19.

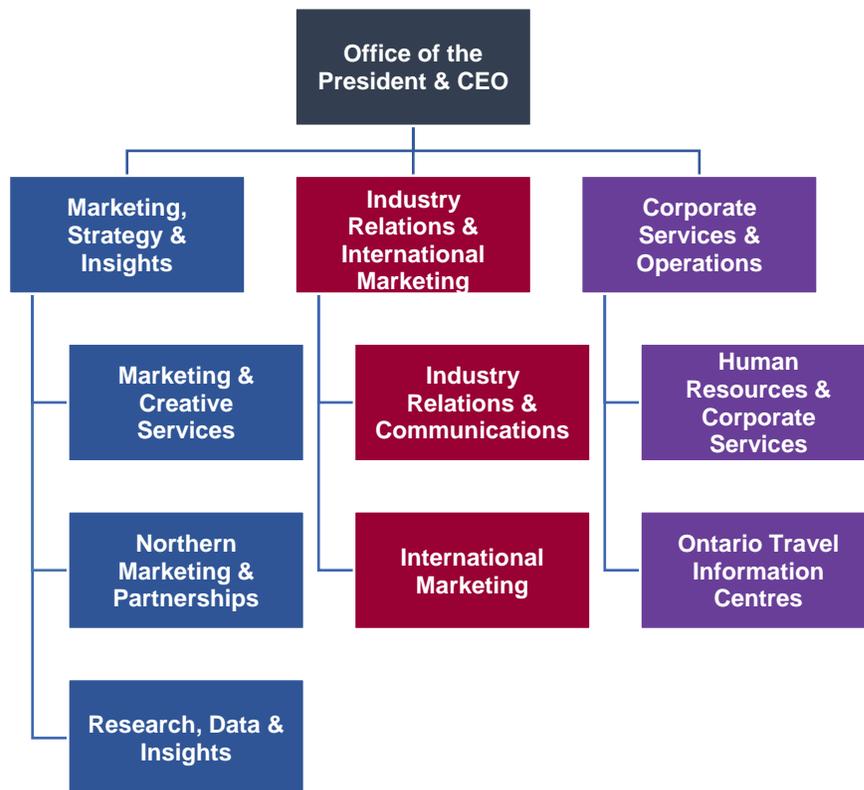
Staffing

Destination Ontario is comprised of 84 Full-Time Equivalents (FTEs) composed of Association of Management, Administrative and Professional Crown Employees (AMAPCEO)-represented positions, Ontario Public Services Employee Union (OPSEU)-represented positions and management positions.

Compensation is negotiated centrally by the provincial government through collective bargaining and management compensation policies.

*Note: Number of FTEs does not include seasonal staff and students employed at the OTICs.

ORGANIZATIONAL CHART



EXPECTED GOVERNMENT APPROVALS

At the time of preparing this document, Destination Ontario is not aware of any expected government approvals, other than what is outlined in this document.

RESPONSE TO THE EXPECTATIONS SET OUT IN THE AGENCY MANDATE LETTER

As per the 2021-2022 mandate letter received from the Honourable Lisa MacLeod, Minister of Heritage, Sport, Tourism and Culture Industries, Destination Ontario will support the Ministry's dual bottom-line of contributing to the cultural fabric of Ontario and delivering a strong economic impact.

Destination Ontario will take a leadership role to continue delivery of its *Roadmap to Recovery* plan to support the Ministry's heritage, sport, tourism and culture industries. Through a strong Ontario brand, Destination Ontario will continue to deliver awe-inspiring marketing and through its programs and activities, invite visitors to travel safely within Ontario, as well as welcome visitors back from the U.S. and around the globe when it is safe to do so. The agency will showcase experiences to Ontarians and visitors from around the world and integrate the synergies of heritage, sport, tourism and culture together, aligning efforts to the Ministry's White Paper and five-year plan once it is launched. This will be achieved by continuing to build partnerships and collaborating with RTOs, DMOs, sector associations, Destination Canada, and other partners.

The agency will continue to exercise good governance and effective oversight and make improvements wherever possible to ensure value for money to taxpayers. Destination Ontario will work the Ministry to meet the outlined areas of the mandate letter that speaks to this, including:

1. Competitiveness, Sustainability and Expenditure Management
2. Transparency and Accountability
3. Risk Management
4. Workforce Management
5. Data Collection
6. Digital Delivery and Customer Service

Destination Ontario values being a key partner of the Ministry, the Government of Ontario, other governments and agencies and the tourism industry at-large. The agency will help to rebuild the tourism industry to bring it once again into a period of economic growth that supports the diversity and strength Ontario communities.

RISK IDENTIFICATION, ASSESSMENT AND MITIGATION STRATEGIES

Likelihood Definitions:

Assessment	Level	Description
Rare	1	This event is very unlikely to occur (less than 5% chance).
Unlikely	2	This event is unlikely to occur (5% to 20% chance).
Possibly	3	This event is unlikely, but possible to occur (21% to 50% chance).
Likely	4	This event is very likely to occur (51% to 89% chance).
Almost Certain	5	This event is almost certain to occur (90% or greater chance).

Impact Definitions:

Assessment	Level	Description
Insignificant	1	<ul style="list-style-type: none"> The impact can be absorbed through normal oversight activity with no senior management effort needed. The achievement of objectives will not be impaired. No impact on continuity of operations. No impact on reputation.
Minor	2	<ul style="list-style-type: none"> The impact can be absorbed with minor senior management effort in order to achieve objectives. Minimal impact on continuity of operations. Minimal impact on reputation.
Moderate	3	<ul style="list-style-type: none"> The impact can be endured with active senior management effort in order to achieve the objectives. Continuity of operations is somewhat affected. Reputation is somewhat impacted.
High	4	<ul style="list-style-type: none"> The impact can be endured with active and ongoing senior management effort and may impair the ability to meet objectives. Continuity of operations is visibly affected. Reputation is visibly impacted.
Very High	5	<ul style="list-style-type: none"> The impact, even with senior management effort, will most likely lead to long-term or permanent damage to the ability of meeting objectives. Continuity of operations is significantly impaired. Reputation is significantly impacted.

Risk Rating = Likelihood x Impact

Level	Score	Description
High	20+	Significant management attention required.
Medium – High	11-19	Ongoing management review and discussion is necessary.
Medium	7-10	Limited management review required.
Low	1-6	Risk can be managed through existing oversight/routine procedures.

Risk Statement	Risk Category	Existing Controls	Likelihood	Impact	Risk Rating	Mitigation Strategies
<p>Due to external/environmental factors and global events (i.e., pandemic), there may be a negative impact on global travel patterns.</p>	<p>Delivery / Operational - Environmental</p>	<p>Destination Ontario employs a balanced portfolio approach to international marketing, focusing on a number of markets of greatest opportunity for return on investment. This means that the risk is spread out across source markets.</p>	<p>Likely - 4</p>	<p>High - 4</p>	<p>Medium - High</p>	<p>Destination Ontario has some program flexibility to shift strategy according to current conditions. Depending on the issue/event, there would still be an impact to results due to changes to, or even a pause on destination marketing.</p>
<p>Coming out of the pandemic, there will be difficulty in determining suitable timing for tourism and travel related marketing activities. Destination Ontario is dependent upon broader government direction on timing and will need to align to current public health and safety guidelines.</p> <p>Initiating tourism marketing efforts will be dependent on both traveller's behaviour data (when people will feel safe and confident with travelling domestically and/or internationally), and market research about tourism and acceptance to inbound travellers to their communities.</p>	<p>Delivery / Operational - Environmental</p>	<p>Destination Ontario will ensure marketing collateral educates travellers on safety guidelines while travelling.</p> <p>Marketing focus aligns with government guidelines of travel (i.e., encouraging localized travel, regional travel, national or international travel, when it is safe to do so).</p>	<p>Possibly - 3</p>	<p>Moderate - 3</p>	<p>Medium</p>	<p>Destination Ontario will follow closely the direction of public health authorities, all levels of government, industry partners and leading research organizations, to get the most current and expert data related to how COVID-19 is impacting travel and the tourism industry not only in Ontario but worldwide.</p>

<p>Destination Ontario's web presence exposes it to cyber-attack and external privacy breach.</p>	<p>Delivery / Operational - Technology</p>	<p>All data is encrypted, and monitoring and logging is in place to allow for visibility into the solutions security and access posture. Permissions are assigned using the least privileged principle.</p> <p>Application components and packages are routinely scanned for possible vulnerabilities. All endpoints are accessed through HTTPS.</p>	<p>Possibly - 3</p>	<p>Moderate - 3</p>	<p>Medium</p>	<p>Any new technology developed is reviewed by Provincial Government Privacy Impact Specialists; and revisions are made based on their recommendation.</p> <p>The applications are designed and deployed within tier architecture for a logical separation of web and app/data components for better security control.</p>
<p>COVID-19 pandemic is putting a strain on technology (e.g., internet, social media) and there is a potential for negatively impacting project development and implementation.</p>	<p>Delivery / Operational - Technology</p>	<p>Destination Ontario has simplified access to its remote-work services to ensure staff can perform the duties and responsibilities necessary to continue the organization's essential functions during any type of threat or emergency from a telework location, including the introduction of more cloud-based services such as SharePoint, Google Data Studio, etc.</p>	<p>Unlikely - 2</p>	<p>High - 4</p>	<p>Medium</p>	<p>Destination Ontario's Corporate Services and HR teams work with staff and management to identify gaps and subsequent technology solutions.</p> <p>Destination Ontario is in the final stages of upgrading equipment, technology, and technical support and ensuring they have been tested.</p>

<p>Delays in programming approvals, may result in a negative impact on stakeholder relations.</p>	<p>Delivery / Operational - Timeline</p>	<p>All projects have developed critical paths that partners are consulted on as much as possible. Regular communications exist with the Ministry on key initiatives. Project management discipline is applied to project deliverables.</p> <p>Where Ministry or inter-Ministry concurrence is required, Destination Ontario works through the Ministry's Agency Relations and Accountability Office to do so.</p>	<p>Possibly - 3</p>	<p>Moderate - 3</p>	<p>Medium</p>	<p>Where issues are identified, stakeholder management strategies are engaged so that partners are up to date on government direction.</p> <p>Despite best efforts in terms of communication and outreach, some stakeholders will remain dissatisfied if projects are discontinued, and direction does not align with business needs/business planning timelines.</p>
<p>Ineffective or inappropriate performance measures can negatively impact program management and results.</p> <p>Without the appropriate investment and funding, Destination Ontario's Key Performance Indicators (KPI's) are at risk.</p>	<p>Delivery / Operational - Information</p>	<p>A dedicated marketing metrics committee of the board reviews and provides direction on performance measurement, setting targets and reporting tools.</p> <p>Destination Ontario conducts stakeholder surveys, monitors and responds to comments throughout the year. A performance dashboard is completed for all campaigns.</p>	<p>Possibly - 3</p>	<p>Moderate - 3</p>	<p>Medium</p>	<p>Destination Ontario's Management team has reviewed and revamped its Corporate Scorecard to align with the agency's Strategic Pillar #3 – Strong Research, Strong Outcomes, in order to better measure success.</p>

<p>Uncertainty on the performance of marketing activities designed to carry out recovery of the tourism sector as data on the impact to the economy, public attitude and behaviour studies on travel is evolving and dependent on the fallout, length and severity of the pandemic.</p> <p>Travel behaviour may be more difficult to influence due to economic insecurity and fear of contracting COVID-19.</p>	<p>Delivery / Operational - Environment</p>	<p>Destination Ontario works with FCB (its Advertising Review Board procured Agency of Record for marketing and creative services) to develop research insights informed impactful marketing campaigns.</p> <p>Destination Ontario works with its Agency of Record for media planning and buying services to balance audience reach with scale of media buy budget, however, Ontario's tourism profile is reduced. Destination Ontario uses a collaborative approach with the Ministry and industry as a whole: Management works with internal and external clients to best deliver on ministry direction and its corporate mandate.</p>	<p>Possibly - 3</p>	<p>Moderate - 3</p>	<p>Medium</p>	<p>To better understand the impact of COVID-19 on the economy, the changing consumer mindset and to inform marketing recovery strategies, Destination Ontario consults various on-going proprietary tracking studies on consumer attitude and behaviour, specific to the COVID-19 pandemic.</p>
<p>Inability to function effectively due to strict OPS I&IT standards created for protecting government and personal information.</p>	<p>Delivery / Operational - Technology</p>	<p>Destination Ontario seeks supplementary I&IT approval and exemption for access to OPS restricted applications in order to proceed with required marketing business activities.</p>	<p>Possibly - 3</p>	<p>Minor - 2</p>	<p>Low</p>	<p>Where barriers are identified, Destination Ontario works with Ministry colleagues to enhance permissions for digital marketing and data collection.</p>

<p>Inability to enter into agreements for purposes of planning, measuring, analyzing and purchasing online advertising space on digital and social media platforms due to the agreements having clauses that increase Destination Ontario's contingent liabilities or indebtedness.</p>	<p>Policy - Policy Direction</p>	<p>The costs related to the contingent liabilities cannot be quantified or estimated at this time; however, the overall risk of any liability materializing as a result of this request is low.</p>	<p>Unlikely - 2</p>	<p>Minor -2</p>	<p>Low</p>	<p>Destination Ontario is working with the Ministry and Treasury Board Secretariat staff on a path forward to ensure compliance with Section 28 of the <i>Financial Administration Act</i> ("FAA"). Potential solutions being explored include pursuing a class-based approval for a range of agreements on the basis of sample terms (or a generic description of terms) with the conditions that the interpretation according to foreign law does not increase the liabilities more than when interpreted under Ontario law; and that the quantification of the liabilities would be specific to Ontario.</p>
<p>Reluctance from industry stakeholders and partners as Destination Ontario evolves to using new marketing technologies.</p>	<p>Delivery / Operational - Technology</p>	<p>Destination Ontario has regular communication with key stakeholders like RTOs, DMOs and sector associations</p>	<p>Unlikely -</p>	<p>Minor -2</p>	<p>Low</p>	<p>Destination Ontario provides support and guidance by means of education and licencing tools to support and enhance digital growth to its industry partners.</p>

<p>Due to Bargaining Unit (Union), salary caps, fixed headcounts (FTEs) and Ontario Public Service hiring restraints, challenges exist in creating an organization that is structured to meet evolving needs of a marketing organization which includes attracting and retaining the best-qualified staff in a dynamic marketing and media environment. This may result in lower staff morale and less confidence from stakeholders.</p>	<p>Delivery / Operational - Human Resources</p>	<p>Destination Ontario's Corporate Services team has in-house HR services and liaises with key Ministry partners to ensure agency needs are met in a timely manner, in addition to providing direct staff support and counseling.</p>	<p>Possibly - 3</p>	<p>Moderate - 3</p>	<p>Medium</p>	<p>Ontario Shared Services, HR Advisory Services and Labour Relations provides enterprise-wide HR advice and services that enable the achievement of government priorities and business objectives by promoting strategies and practices for building an engaged and productive workforce.</p> <p>Dedicated Strategic Business Units (SBUs) provide Destination Ontario senior executives with advice, plan and broker services to support attraction and retention of diverse talent, build capacity to sustain a world class organization and engage employees to achieve results.</p>
<p>Insufficient budget to execute effective campaigns due to constrained annual allocation.</p>	<p>Financial - Forecast</p>	<p>Destination Ontario management works with an Agency of Record for media buying services to balance audience reach with scale of media buy budget. There would still be an impact on results and would be relative to budget shortfall.</p>	<p>Likely - 4</p>	<p>High - 4</p>	<p>Medium - High</p>	<p>Destination Ontario undertakes a value for money assessment of all business lines as part of annual operational planning.</p> <p>Potential marketing investment reduction in some or all markets.</p>
<p>Higher media buying and production costs in traditional, yet effective, media channels such as TV.</p>	<p>Financial - Market</p>	<p>Destination Ontario management works with its Agency of Record for media buying services to balance audience reach with scale of media buy budget, however, Ontario's tourism profile is reduced.</p>	<p>Likely - 4</p>	<p>Moderate - 3</p>	<p>Medium - High</p>	<p>Destination Ontario strategically targets markets of highest return, allowing for a focused approach.</p>

<p>The risk of direction change for Destination Ontario due to reframing of tourism strategy in the Ministry's five-year plan.</p>	<p>Policy - Policy direction</p>	<p>Collaborative approach with the Ministry and tourism industry as a whole: Management works with internal and external clients to best deliver on Ministry direction and its corporate mandate.</p>	Likely - 4	Moderate - 3	Medium - High	<p>Destination Ontario continues to align its recovery efforts with the Ministry's White Paper and remains flexible in order to ensure that marketing initiatives can be adjusted as the five-year plan is established.</p>
<p>Uncertainty of the outcomes of government response to COVID-19 and the impact on tourism.</p>	<p>Policy - Outcomes</p>	<p>Collaborative approach with the Ministry and tourism industry on COVID-19 response.</p>	Possibly - 3	High - 4	Medium - High	<p>Destination Ontario's recovery activities will be designed with maximum flexibility to appropriately adapt and complement other government initiatives that are being delivered in parallel.</p>
<p>Falling stakeholder satisfaction and failure to meet the expectations of the public, other governments, ministries, or tourism industry stakeholders will negatively impact government's and Destination Ontario's reputation.</p>	<p>Public Perception / Stakeholder - Reputation</p>	<p>Destination Ontario has regular communication with key stakeholders like RTOs, DMOs and sector associations</p>	Possibly - 3	High - 4	Medium - High	<p>Collaborative approach: Destination Ontario undertook extensive consultations with industry and partners in the development of its three-year Strategic Playbook. Engaged stakeholder advisory committees to share industry intelligence. Industry surveyed annually, and responses analyzed to address identified issues through Destination Ontario programming and/or communications activities. Stakeholders are notified of changes to operations or programs.</p> <p>Due to budgetary reductions, Destination Ontario has streamlined financial contributions to various partner programs.</p>

Social media presence exposes Destination Ontario to negative external comments or inadvertent misuse by staff leading to public embarrassment.	Public Perception / Stakeholder - Reputation	Clear guidelines are posted for public and staff and social media is monitored on a regular basis and posts that do not meet the guidelines are removed.	Possibly - 3	Moderate - 3	Medium	Destination Ontario works with the Ministry's Communications team when potential public issues are identified to proactively address potential issues.
COVID-19 has seen a significant negative economic impact causing noticeable changes in public behaviour and Canadians are worried about their finances, job prospects, and are delaying major purchases including travel. Community sentiment toward tourism visitation may be low.	Public Perception / Stakeholder - Performance	Destination Ontario is using proprietary market research tracking to understand public attitudes and behaviours in Canada and other countries to inform strategic and tactical planning.	Likely - 4	Moderate - 3	Medium - High	Destination Ontario has some program flexibility to shift strategy and adjust marketing tactics to address environmental conditions. Depending on the issue/event, there would still be an impact to results due to change to or even pause of destination marketing.
Risk posed by programmatic media buys by DMOs who use "Ontario Yours to Discover" when inadvertently purchasing ad placement on websites with controversial content may pose an attribution risk to the Ontario brand and Destination Ontario's reputation.	Public Perception / Stakeholder - Reputation	Destination Ontario assists and advises tourism stakeholders on how to minimize risk when buying programmatic ads.	Possibly - 3	Moderate - 3	Medium	Destination Ontario works with the Ministry Communications team when potential public issues are identified to proactively address potential issues.
Failure to meet deadlines and requirements could contravene regulations and directives.	Governance / Accountability - Controllership / Compliance	Collaborative approach with the Ministry and tourism industry on COVID-19 response.	Unlikely -	High - 4	Medium	Destination Ontario works with the Ministry to meet timelines and reporting criteria.

<p>Non-compliance with established policies and directives may result in issues for: financial accounting, employee relations, accountability requirements, and reflect negatively on the organization.</p>	<p>Governance / Accountability - Controllership / Compliance</p>	<p>The board's Audit, Finance and Risk Committee reviews risk, quarterly management report and year-end and in-year audits.</p>	<p>Unlikely - 2</p>	<p>Moderate - 3</p>	<p>Low</p>	<p>Destination Ontario's Corporate Services team continues to educate all agency staff by means of 1:1 trainings, attendance and regular unit meeting and mandatory workshops on financial processes and business processes.</p> <p>Contract Management and OPS Legal review all new and existing agreements in order to minimize risks and ensure maximum accountability.</p>
<p>Negative attention from stakeholders due to failure to address the recommendations of external reviews (public servant expense claim audits, mandate reviews).</p>	<p>Governance / Accountability - Controllership / Compliance</p>	<p>Board appointees receive Public Appointments Secretariat training on governance and accountability for public boards. Board and staff expenses are carefully reviewed for proper documentation and compliance with directives and Destination Ontario expense claim policy. Training is provided as needed.</p> <p>Mandate review recommendations are implemented as and when appropriate.</p>	<p>Unlikely - 2</p>	<p>Moderate - 3</p>	<p>Low</p>	<p>Destination Ontario takes a proactive approach in addressing and documenting Board and staff expense claims.</p> <p>Destination Ontario works with Ministry colleagues to address any recommendations coming out of reviews.</p>

<p>Capital upgrades are not undertaken because premises are leased. Historically, capital needs have been limited and no capital funding has traditionally been provided to Destination Ontario.</p>	<p>Delivery / Operational - Infrastructure</p>	<p>All Destination Ontario property arrangements continue to be managed by Infrastructure Ontario.</p> <p>Where substantial capital needs are identified, Destination Ontario works with the Ministry to apply for incremental funding through the Treasury Board.</p>	<p>Likely - 4</p>	<p>Moderate - 3</p>	<p>Medium - High</p>	<p>Third-party private lease at the 10 Dundas St. East head office expires June 30, 2023. Toronto and Sarnia OTICs are also under third-party private leases managed by Infrastructure Ontario. Destination Ontario will continue to review and manage its realty needs within its budget and in alignment with OPS-wide direction.</p> <p>Threat Risk Assessments (TRAs) are undertaken under the guidance of Infrastructure Ontario. Identified threat risks are mitigated as appropriate through capital repairs and or adjustments to premises.</p> <p>Capital funding for leasehold improvements will continue to depend on availability of funds from the Ministry. Due to the limited availability of funding, the Ministry prioritizes capital investments in projects that are considered currently critical (health and safety), that address code and legislation compliance, and that are considered at risk of imminent breakdown.</p>
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