

The Newfoundland and Labrador Tourism Marketing Council



Annual Report 2006-07

September 30, 2007



Message from the Chair of the Council

I am very pleased to present the 2006-07 Annual Report of the Newfoundland and Labrador Tourism Marketing Council (NLTMC). The establishment of the NLTMC in 2003 marked a new era of partnership and cooperation for the province's tourism industry. By working closely together, government and industry can effectively deal with both the challenges and opportunities of the future.

The mandate of the Newfoundland and Labrador Tourism Marketing Council is to advise on the preparation of strategic marketing and annual marketing plans; monitor the implementation of marketing programs; assist the department with developing industry marketing partnership programs; and report annually to the minister and to industry on the marketing programs and their results. The NLTMC supports government's strategic directions that the province becomes a multi-season tourism destination.

In 2004, the Newfoundland and Labrador Tourism Marketing Council (NLTMC) presented its five-year *Strategic Marketing Plan for Newfoundland and Labrador Tourism*. This Plan defined the vision for tourism marketing, identifying the key strategic priorities for the future.

In 2005-06, the Council continued to advise the Department of TCR on strategic priorities including the implementation of a new creative strategy, the province's new tourism brand positioning and creative platform which strengthened Newfoundland and Labrador's image as a tourism destination, differentiating it from other destinations.

On behalf of the NLTMC, I thank our industry colleagues for their efforts in promoting Newfoundland and Labrador. The 2006-07 annual report is submitted in accordance with the Provincial Government's commitment to accountability. It was prepared under the direction of the council, and addresses the NLTMC's activities from April 1, 2006 to March 31, 2007. My signature below is indicative of the entire council's accountability for the preparation of this report and the results reported therein.



Sincerely,
Judy Sparkes-Giannou
Chair, Newfoundland and Labrador Tourism Marketing Council

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1. Overview

The Newfoundland and Labrador Tourism Marketing Council (NLTMC) is an industry-government team committed to ensuring that tourism continues to grow in Newfoundland and Labrador.

Vision

To be globally recognized as a uniquely exotic, multi-season tourism destination that realizes Newfoundland and Labrador's full tourism potential.

Mission Statement

The Newfoundland and Labrador Tourism Marketing Council offers advice on tourism marketing investments that increase visitations and revenue to the province.

Revenue and Expenditure

The council itself does not have any revenue or nor does it authorize expenditures. All revenue and expenditures are included under the government's allocation to the Department of Tourism, Culture and Recreation for tourism marketing. The role of the council is advisory only.

Lines of Business

The Council is responsible for advising the Minister of Tourism, Culture and Recreation in establishing, implementing, evaluating and managing the Newfoundland and Labrador Tourism Marketing Strategy. Council members help prepare strategic marketing and annual marketing plans, and monitor their implementation. The role of the council is advisory only.

Number of Employees

The Newfoundland and Labrador Tourism Marketing Council has no employees. The council includes eight industry leaders and two government representatives. Industry members are selected through an application process and are chosen based upon their expertise in tourism marketing and business experience. Council members are selected on the basis of the following criteria:

- Recognized as an industry leader
- Owner operator or senior manager of a tourism enterprise (mandatory for being on the council - 'enterprise' includes tourism businesses operations, for-profit, not-for-profit or government operated)

- Not officially representing a provincial, regional or sectoral tourism association's understanding of the external provincial marketplace
- Committed to taking a "big-picture" view
- Appropriate marketing-related skills and experience
- Participate in provincial co-op marketing programs
- Committed to making the partnership a success
- Ability to attend meetings.

The Council chair and members are as follows:

Council Chair:

Judy Sparkes-Giannou, President Maxxim Vacations.

Council Members:

John Fisher, Owner/Operator Fishers' Loft Inn

Cathy Lomond, Owner/Operator Hotel Port aux Basques

Roger Jamieson, Owner/Operator Kilmory Resort

David Snow, Owner/President Wildland Tours

Gudrid Hutchings, Owner/Operator Rifflin' Hitch Lodge

Sue Rendell, Owner/Operator Gros Morne Adventures

Tineke Gow, Owner/Operator Campbell House B&B Retreat and Artisan Inn

Mark McCarthy, President McCarthy's Party Ltd

Carmela Murphy, Director Tourism, Department of Tourism, Culture and Recreation

Mary Taylor Ash, Assistant Deputy Minister, Department Tourism, Culture and Recreation.

2. Shared Commitments

The Newfoundland and Labrador Tourism Marketing Council carries out its mandate in association with the Department of Tourism, Culture and Recreation.

3. Highlights and Accomplishments

Budget 2006-07 invested \$4.5 million to further develop the tourism industry. This increased investment included a \$2.1 million infusion into the marketing and product development budget, bringing the total budget to \$10 million.

In 2006-07, the council advised the department on such strategic priorities as the January 2007 launch of the new Newfoundland and Labrador tourism website and the new Internet Marketing which was combined with traditional advertising

to develop heightened brand awareness in the key markets of Ontario and the Maritimes and the secondary markets in the northeastern United States.

4. Activities

The Newfoundland and Labrador Tourism Marketing Council influences tourism marketing investments that increase visitations and revenue to the province as measured by the levels of tourism marketing investments. The council advocates for increased investment in tourism destination marketing and provides advice on how this investment should be spent.

In Budget 2006-07, the Provincial Government invested an additional \$4.5 million to further develop the tourism industry. This included a \$2.1 million infusion into the marketing and product development budget, bringing the total budget to \$10 million, in order to enhance the province's tourism potential and remain competitive.

In 2007-08, Newfoundland and Labrador Tourism will take a growth-strategy approach to marketing Newfoundland and Labrador as a tourism destination. Advertising will reach and persuade visitors to come to Newfoundland and Labrador, rather than to other destinations in their evoked set. Public and media relations will reinforce the key messages, delivering a consistent and relevant brand image of the province, while sales and online initiatives will "close the loop."

5. Opportunities and Challenges Ahead

The new creative strategy will bring Newfoundland and Labrador to the forefront of travel intention and a new Internet marketing strategy will bring innovation to how we communicate with our key markets. Both initiatives will encourage continued partnership among all industry stakeholders.

Travel distance, travel time, travel cost, and travel access are significant barriers for visitors, and a significant competitive disadvantage for the tourism industry in Newfoundland and Labrador. The challenges do not end there. A short peak season, capacity constraints during peak season, infrastructure and facility deficiencies, the increasing cost of travel, and increasing problems and delays at border crossings and in airports make a tough job of increasing tourism visitors and revenue even more difficult. Competing with well-known tourism destinations that are well funded and heavily advertised makes the job even tougher.

Despite these formidable barriers, there are significant opportunities open to Newfoundland and Labrador Tourism. The large demographic group represented by the baby boom generation has money, time, and a keen interest to explore destinations like Newfoundland and Labrador that are off the beaten track, unusual and unspoiled.

6. Financial Statements

The Newfoundland and Labrador Tourism Marketing Council incurs no expenses and expends no revenue.