

CANADA

CHAPTER

2



CANADA

NATIONAL TOURISM ORGANIZATION (NTO) – LED IN SUSTAINABLE TOURISM MANAGEMENT AND DEVELOPMENT

I.0 GENERAL INFORMATION

Official Name of “Best Practice” Initiative	National Tourism Organization (NTO)-Led In Sustainable Tourism Management And Development.
Name of Contributor/ Organization	Canadian Tourism Commission (CTC)
Address/Contact Details	Suite 1400, Four Bentall Centre 1055 Dunsmuir Street, Box 49230, Vancouver, BC V5P 1L2 Canada Tel: +60 4 638 8300 Fax: +60 4 638 8425 Email: gomediacanada@ctc-ctc.ca Website: www.canadatourism.com
Year The Initiative Was Started & Completed	1995
Location of Best Practice Project	Canada
Awards/Recognitions	<ul style="list-style-type: none"> ● Granted Approved Destination Status (ADS) by China in 2005 for obtaining approval to allow CTC to market broadly to the Chinese population. ● Collaboration with APEC on ‘Best Practices in Tourism Accessibility for Travelers with Restricted Physical Ability’, 2003. ● International Culinary Tourism Association (ICTA) Stewardship Award 2000 for its exemplary leadership in the development of culinary tourism.

Awards/Recognitions	<ul style="list-style-type: none">● 'Platinum Partner' Award 1997 for their efforts to promote Canadian locations as business and incentive destinations.● 'World's Best Country' and ranked 5th as 'Best Places To Live' by the United Nations' Development Program.● CTC's Organization Structure as a model for replication.● Tourism Satellite Account for being the first country in the world to publish a tourism satellite account, which is a statistical tool to measure tourism contributions with other sectors in the national economy.● Election to the World Tourism Organization's Executive Council, and Executive Council of the Organization for Economic Cooperation and Development.
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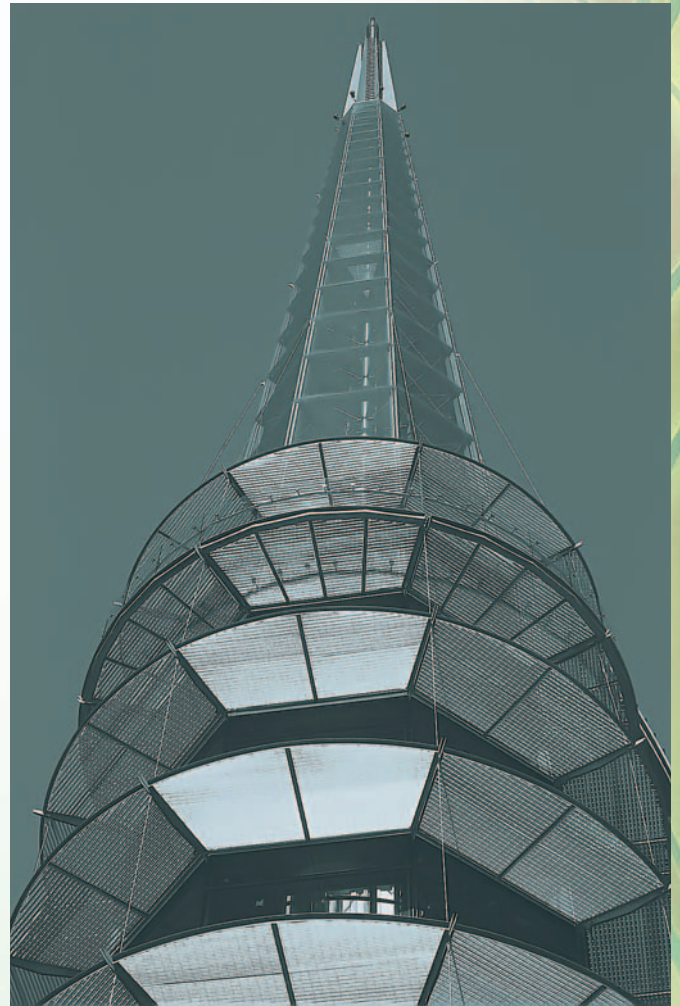
2.0 KEY SUMMARY

- 2.1 The Canadian Tourism Commission (the 'CTC' or the 'Commission') as an NTO was created in 1995 as a federal 'special operating agency' within the department of Industry. Within 6 years, in 2001, it was elevated to a Crown Corporation with more independence and flexibility to respond effectively to tourism industry's needs and opportunities.
- 2.2 CTC is highly respected in the fraternity for its dynamism, leadership role and ground-breaking initiatives to promote Canada as a top tourist destination. It has helped stakeholders remain competitive and guided the industry towards sustainable development. The thrust in its strategy in leading the industry towards sustainable tourism is in 2 key areas, namely research information and tourism partnership.
- 2.3 The importance of research information lies in supporting industry players with timely and accurate information to help them make good decisions in the wake of a very competitive global tourism industry where, many competitive economies (like Australia) have more resources to promote their economies than them. The success of tourism partnerships lies in the priority placed on industry-wide synergy gained through alliance with the private sector.



2.4 Combining research information and tourism partnership with innovativeness, creativity and risk taking strategies, CTC has successfully crafted out the 'best practice' initiatives to help support its bold vision of 'creating awareness and interest in Canada as a 4-season tourist destination and also in becoming the leading destination organization in the world'. Some of these successful strategies deployed are:

- Investing in marketing resources which have the greatest likelihood of increasing international and domestic tourism receipts;
- Enticing industry and government participation in CTC programs; and
- Producing and disseminating quality research and product information that enhance industry performance and increase tourism revenues.



3.0 THE OBJECTIVES

- 3.1 Sustain a vibrant and profitable tourism industry with a maximum return on investment (ROI);
- 3.2 Promote Canada as a desirable tourist destination that will surpass competing markets;
- 3.3 Build a strong 'Brand Canada' for excellence in domestic and international tourism;
- 3.4 Assist the Canadian tourism industry to develop products and services that satisfy international demands;
- 3.5 Support a cooperative relationship among the private sector, federal, provincial and territorial governments in Canada with respect to Canadian tourism;
- 3.6 Optimize industry performance by providing information about Canadian tourism to the private sector, federal, provincial and territorial governments in Canada; and

- 3.7 Use research capability and in-market staff to provide information on global markets to the Canadian tourism industry.

4.0 THE MODEL

- 4.1 CTC has a public-private organizational model. It is industry-led, market-driven and research-based. The private sector component is at the core of its operations with 17 of its 26 board members being here. There are 2 key strategic thrusts in its operations and delivery system.

4.1.1 Marketing And Sales Partnerships

- a) Activities are directed by the working committees of the Board to develop strategies and action plans to increase industry receipts from the specific geographic sectors in the 6 markets namely Canada, United States, Japan, United Kingdom, France and Germany. These encompass the 5 product clusters of tourism, comprising of outdoor tourism, culture and heritage tourism, aboriginal tourism, culinary tourism, winter tourism.
- b) It is worthy to note that in this partnership, 96.6% of the 160,000 tourism-related businesses are small-medium enterprises (SMEs) who are well recognized as the backbone of Canada's economy.
- c) The key mission is to market 'Brand Canada' as a top tourist destination and to increase tourism-sector revenues by attracting more and higher yield tourists from international markets and by encouraging Canadians to travel at home.

Together with the public-private sector partners, CTC undertakes these key activities:

- Macroeconomics, market and industry research;
 - Refreshed product and industry development, and
 - Advertising and other promotional and relationship marketing activities across the globe.
- d) Some innovative and successful case studies are:
- In the year 2005, it unveiled a unified communication message on 'Brand Canada' called 'Canada. Keep Exploring' – a simple and compelling message that connects everybody to everything in Canada.





- Deployed alternative marketing and forged alliance with non-traditional partners like TV stations in Japan and Australia's Scenic Tours on TV talk shows, with Toyota (on domestic travel within Canada), with Expedia and Travelocity (on electronic consumer tourism information) and with the Whale and Dolphin Conservation Society in Munich (to promote Canada as a country devoted to whale protection).



4.1.2 Tourism Research

- a) This is the cornerstone of the entire organization for it provides a wealth of invaluable and detailed information on every aspect of the industry. Its mission is to create the best data and research for the Canadian tourism industry for informed decisions. It is founded on these beliefs:
 - Research will always be relevant to the tourism industry and in its sustainable development and management;
 - It can generate real high value and practical benefits for the industry; and
 - It is the key success factor of CTC.
- b) Research has guided CTC in identifying industry developments and consumer trends, its impacts and opportunities. Marketing decisions, strategy formulation and policies are made and based on this solid research information machinery.

Refer to Appendix I on some of the areas of tourism research undertaken.

5.0 THE IMPACT

- 5.1 Generates more than C\$83 million worth of partnership investment. Together with the CTC core budget of C\$83.7 million, it contributes a potential of C\$166.7 worth of business activity with a high return on investment. For instance, acting on research information after 9/11, CTC developed campaigns to invite U.S citizens to hit the highway and see Canada's sights, of which resulted in 8% increase in road trips by Americans to Canada.

5.2 There is consensus among partners that they enjoy greater economies of scale in doing things that would not otherwise be deemed affordable. They are now able to leverage on the existing dollars to be involved both in the media and programs that they could not normally afford. The most to gain are the 'smaller boys' who benefit from the CTC resources in marketing intelligence, research, marketing, media expertise and human resources.



5.3 Being associated with the CTC gives the partners broader audience coverage and broader exposure geographically.



5.4 A climate has been created where co-competitors can make a larger impact by jointly taking their products into the market. In this regard, CTC lends credibility to their product offerings.

5.5 A heightened presence and awareness for Canada in international markets. It now maintains an international presence in 15 countries, with 25 regional offices that provide on-the-ground sales and marketing support.

5.6 Data has helped CTC to make important advancement which has resulted in the change of its marketing direction to focus on 'experiential' product offering as opposed to 'geographical' offering to meet the needs of the modern day tourists.

6.0 LESSONS LEARNED

6.1 There is a need to exploit the value of domestic tourism, which has strategic importance to the national tourism industry as an effective and reliable anchor in the unpredictable and uncertain times the world is facing. In the case of Canada, it was domestic tourism which has 'rescued' in the wake of 9/11 and today it accounts for 70% of its tourism revenue and 80% of total visitors.



- 6.2 Public-private sector partnership is a key engine to tourism growth. CTC's partnership model has resulted in many world class initiatives that have brought great positive impact to the industry. There are spin-offs in close partnership which often can result in foreign partners joining in, thus reaping more benefits for the partners and the industry.
- 6.3 In the same light, where the partnership model is replicable like in the case of CTC and Toyota, it allows for the leveraging of strong brands to profile their products and services in unique and innovative ways for brand enhancement. This offers another 'window' where vertical strategy in partnership can be extended to include a horizontal strategy in partnership which spans several markets for greater global reach.
- 6.4 The importance of research leading to useful, timely and accurate data and information is another key driver in guiding decision makers into 'getting it right' in order to exploit the potentials and opportunities in the tourism market place. CTC has leveraged on this to their maximum advantage.