

# Destination Cape Breton

**STRATEGY** 2019-2020



  
CAPE BRETON  
ISLAND  
Your Heart Will Never Leave

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# I. SITUATIONAL ANALYSIS

## A. INTRODUCTION

Since 2011, Destination Cape Breton Association (DCBA) has been fulfilling its mandate as the destination marketing organization (DMO) for Cape Breton Island. Within this role, DCBA actively markets the destination to potential visitors, while also taking strategic steps with industry partners to develop the destination to position it for optimal success. Following is an overview of this track record:

- **Research**  
Beginning with visitor research conducted for the Atlantic Canada Opportunities Agency (ACOA) Tourism Strategy and complemented with key research conducted by Destination Canada, Tourism Nova Scotia (TNS), Parks Canada, DCBA's own research, and other analytics and sources, a comprehensive profile of the visitor to Cape Breton Island has been developed with data on the experiences they are seeking, the optimal messaging to appeal to them, and the most effective channels to reach them. As a result of this research, DCBA makes all of its decisions based on evidence.
- **Product Innovation**  
With a focus on market-readiness, DCBA employed the ACOA Toolkit to conduct a wide range of product development initiatives including best practices missions, the Accelerated Market Readiness (AMR) for operators, the Sustainable Tourism Expansion Plan (STEP) for communities, and numerous other programs. The result is that the vast majority of the industry has achieved market-readiness and is striving toward the development of world-class experiences.
- **Brand**  
A powerful and emotive brand has been developed for Cape Breton Island with the slogan, "Your Heart Will Never Leave". This brand image has been supported by a significant investment in content that has been designed to appeal to the target Explorer Quotient segments, as defined by Destination Canada: Authentic Experiencers and Cultural Explorers.
- **Marketing**  
From the establishment of a strong Maritimes base for the Cape Breton Island brand, the marketing campaign then extended outside the region to target key out-of-region markets, primarily Ontario, Quebec, and the Northeastern United States, with the addition of Alberta and British Columbia in 2018. By harnessing the increased awareness and website traffic from the "Trump Bump" in 2016, DCBA qualified and re-targeted the qualified audience. Through usage of data and research, DCBA has honed its marketing program to focus on the channels with the strongest return on investment. This has included an ever-increasing focus on digital marketing.
- **Niche Products**  
DCBA has taken a strong leading role in the development and promotion of key niche products for the Island, including golf, small ports cruise, and meetings and events. DCBA has also supported the development and enhancement of product clubs for the Gaelic/Celtic, Mi'kmaq and Acadian cultures.
- **Visitor Servicing**  
DCBA led the coordination of visitor servicing across the Island, providing training and

support for the operation of the Island's visitor information centres (VICs). With diminished provincial funding for this role and the wish of community organizations to manage their respective centres, the management of visitor information centres was henceforth transferred to municipal and community groups.

- **Partnerships**

Strong partnerships have been developed for the advancement of the Island's tourism industry that include ACOA, Tourism Nova Scotia, Destination Canada, Parks Canada, the Island's municipalities and Indigenous communities, Celtic Colours International Festival, Bay Ferries, Marine Atlantic, WestJet, One Ocean Expeditions, Snowmobile Association of Nova Scotia, and cultural ambassadors Natalie MacMaster & Donnell Leahy and the Barra MacNeils. These partnerships have added tremendously to the overall investment in the industry and extended the reach of the Cape Breton Island brand.

- **Financial Stability**

With the successful implementation of the Cape Breton Island Marketing Levy, the establishment of funding contributions from ACOA, Parks Canada, and the Island's municipalities, and matching funding through Tourism Nova Scotia's Digital Marketing Program, DCBA has a stable financial base to continue to promote the Island and support tourism experience development. The organization strives to maximize the return on investment of all of its activities, thus ensuring continued stability and growth.

This systematic approach has delivered tangible results for the Cape Breton Island tourism industry.

## **B. RESULTS**

DCBA tracks its progress with respect to the following indicators:

- Room nights sold;
- Visitation to experiential icons;
- Qualified traffic to the cbisland.com website; and
- Social media insights.

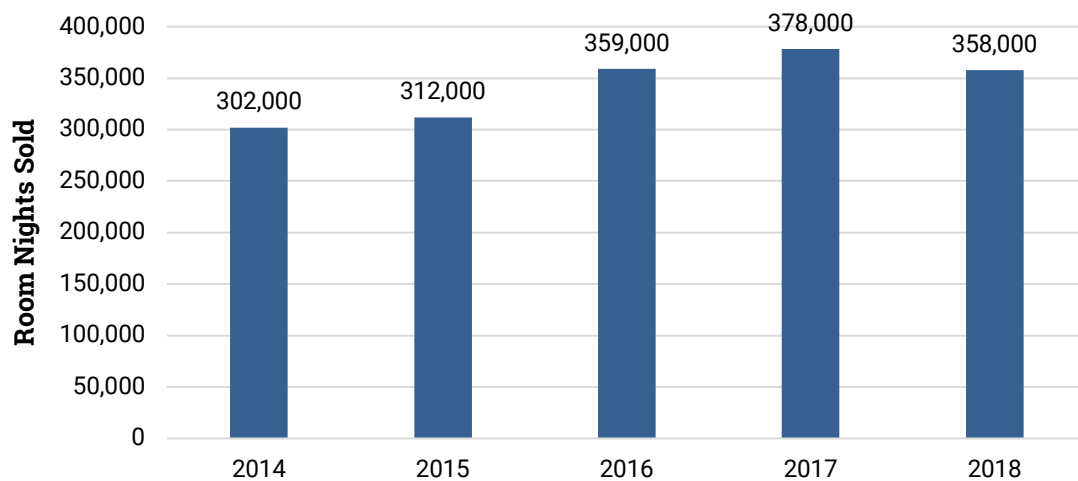
The results of each are provided on the following pages.

### **Room Nights Sold**

The chart on the following page shows the five-year trend in total room nights sold on the Island during the main tourism season from May to October. The numbers clearly indicate that the past three seasons have been strong and, although 2018 was down from 2017 due in large part to the boost in visitation from free admission to Parks Canada sites in 2017 for the Canada 150 celebrations, it was comparable to 2016 and significantly stronger than 2014 or 2015.

As well, the impact of the sharing economy, which experienced a 90% increase in Nova Scotia in 2018, has likely had an impact. An estimated 75% of the Airbnb units offered on Island are non-licensed.

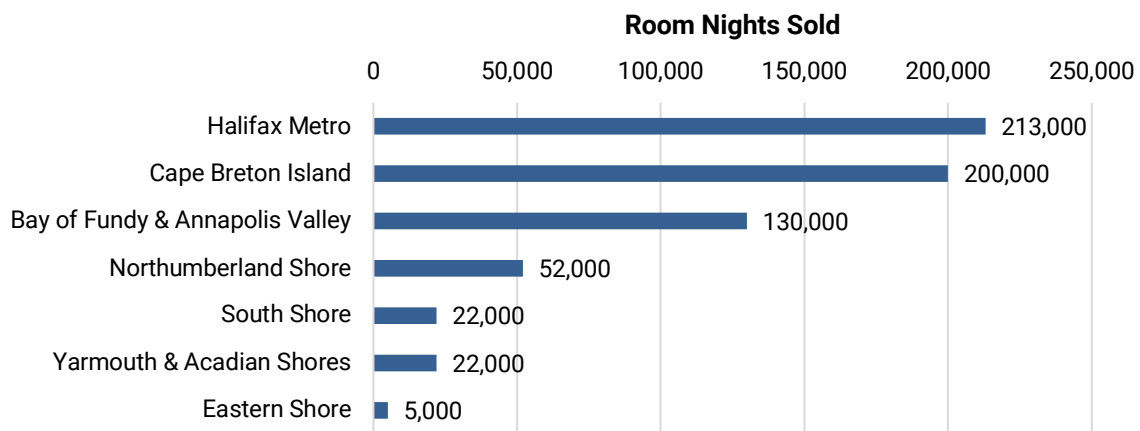
### Cape Breton Island Room Nights Sold May-October, 2014-18



Source: Tourism Nova Scotia

When viewing incremental room night sales growth in all regions of Nova Scotia, Cape Breton Island has performed well comparatively over the past four years, and especially the past three. As shown on the chart on the next page, Cape Breton Island has seen 200,000 incremental room nights sold over the past four years and is second only to Halifax. Given that Halifax has a room inventory that is 2.3 times larger than Cape Breton's, the Island has achieved strong results on a per inventory basis.

### Incremental Room Nights Sold by Region 2015-18

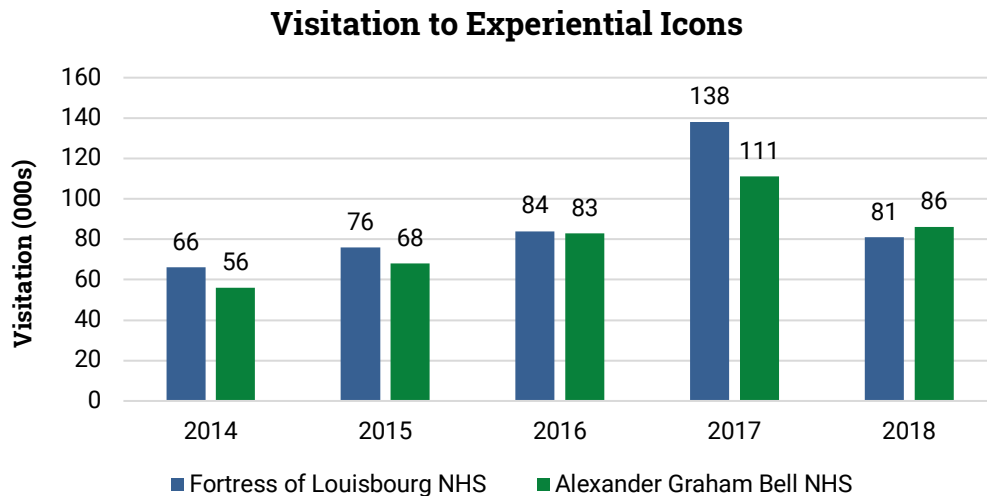


\* Incremental room nights sold figures are determined using May-October 2014 numbers as a benchmark.

Source: Tourism Nova Scotia

## Visitation to Experiential Icons

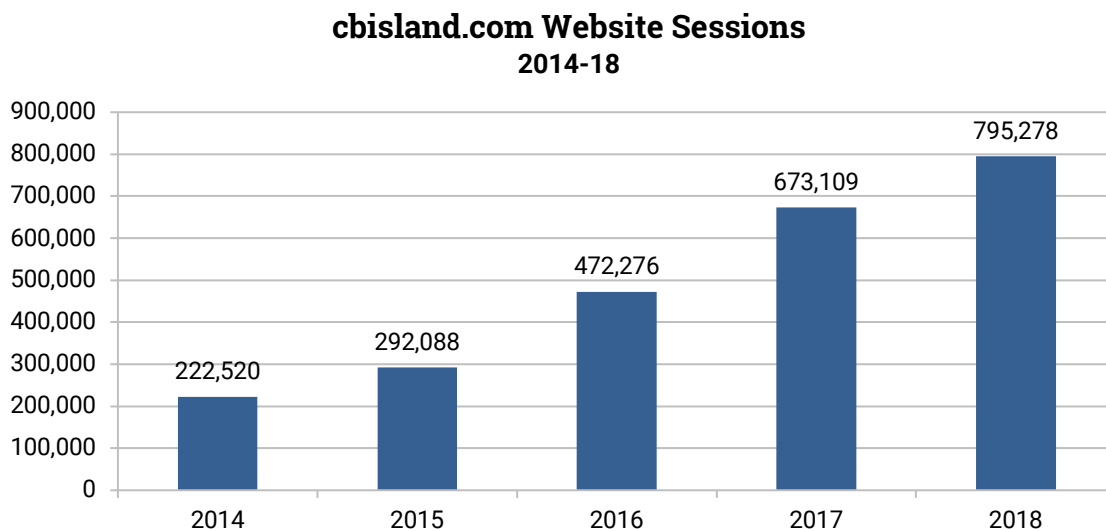
Visitation to both the Fortress of Louisbourg National Historic Site and the Alexander Graham Bell National Historic Sites were understandably down in 2018, compared to 2017 when visitation was significantly boosted by free Parks Canada admission as part of the Canada 150 Celebrations. When using 2016 as a comparison, the Fortress of Louisbourg was down 3.6%, while the Alexander Graham Bell National Historic Site was up 3.6%.



Sources: Tourism Nova Scotia

## Website Results

Visitation to cbisland.com has been on a strong growth trend over the past three years. As indicated in the chart below, the growth trend continued in 2018 with an 18% increase in sessions to over 795,000 sessions.

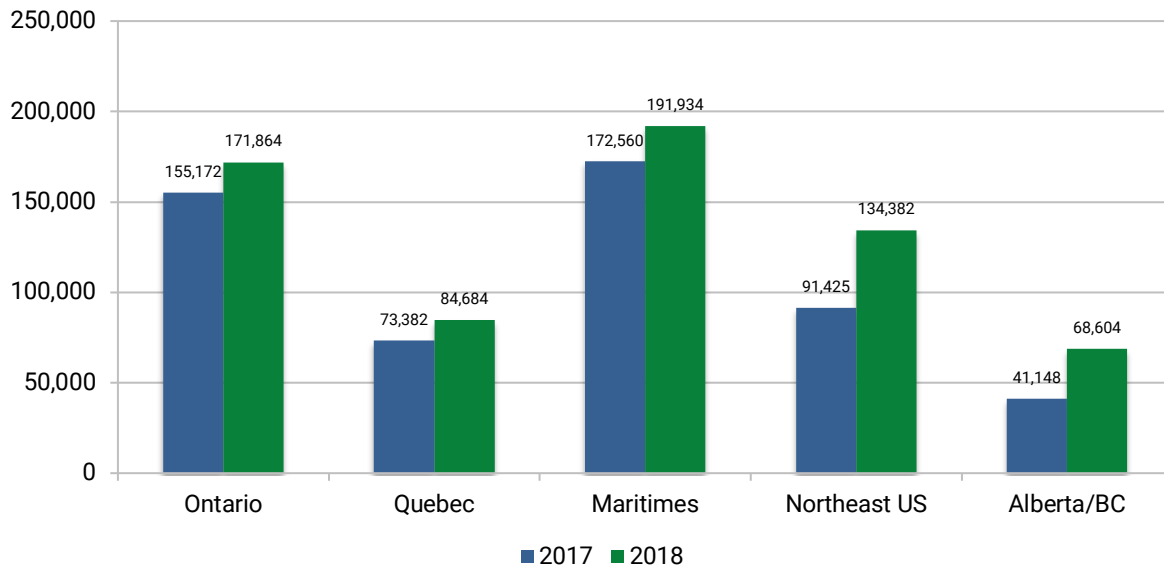


Source: Google Analytics for cbisland.com

Note: 2016 sessions have been adjusted to remove non-qualified Trump Bump sessions.

In terms of website visitation to cbisland.com by key market, the chart below indicates the website sessions for each market. Ontario saw an 11% increase, Quebec saw a 15% increase, the Maritimes saw an 11% increase, the Northeast US saw a 47% increase, and Alberta and British Columbia, targeted for the first time in 2018, saw a 67% increase.

**cbisland.com Sessions by Key Market**  
2017-18



Source: Google Analytics for cbisland.com

Additionally, a number of website indicators and goals are tracked to qualify traffic to the site. Leads (clicks through to operator websites) increased 19% to 106,962. These indicators are positive, however, pages per session decreased from 2.72 to 2.32 and average session duration decreased from 2:24 to 2:05. This indicates mixed results in terms of the quality of traffic to the site.

### Social Media Insights

As indicated in the table below, there was strong follower growth on all three social media channels utilized by DCBA. The total social media footprint, or combined following, eclipsed 82,000 and saw an increase of 38%.

Social Media Channel	Followers at December 31, 2017	Followers at December 31, 2018	Increase
Facebook	43,786	58,012	32%
Instagram	8,023	15,200	89%
Twitter	7,942	9,105	15%
<b>Total</b>	<b>59,751</b>	<b>82,317</b>	<b>38%</b>

The social media engagement rate (total reactions, comments and shares / reach) increased slightly from 5% in 2017 to 6% in 2018. Reactions were down 14% and shares were down 20%, mainly impacted by the Facebook algorithm change, while comments increased 17%.

The #ExploreCB hashtag was used over 16,000 times in 2018, an increase of 34% over 2017. Total usage of the hashtag is now in excess of 34,000. Additionally, the #HikeCapeBreton hashtag was used 4,400 times and the #ExploreCBWinter hashtag was used 691 times.

Total video views across all social platforms eclipsed 4 million in 2018, up from 3.1 million in 2017.

### **Summary of Results**

The 2018 results indicate a strong season that was on par with 2016. There are numerous positive indicators that demonstrate that the Cape Breton Island brand as a tourism destination continues to be strong and is generating interest. However, there were signs that there is room for improvement, specifically to generate more qualified interest and to build on shoulder season visitation.

As a result, the 2019-20 Strategy is designed to build upon what has worked effectively and to make strategic adjustments to address the areas for improvement.

## **C. OVERVIEW OF ACTIVITIES**

Following is an overview of activities undertaken by DCBA within the past five years, with a specific focus on 2018.

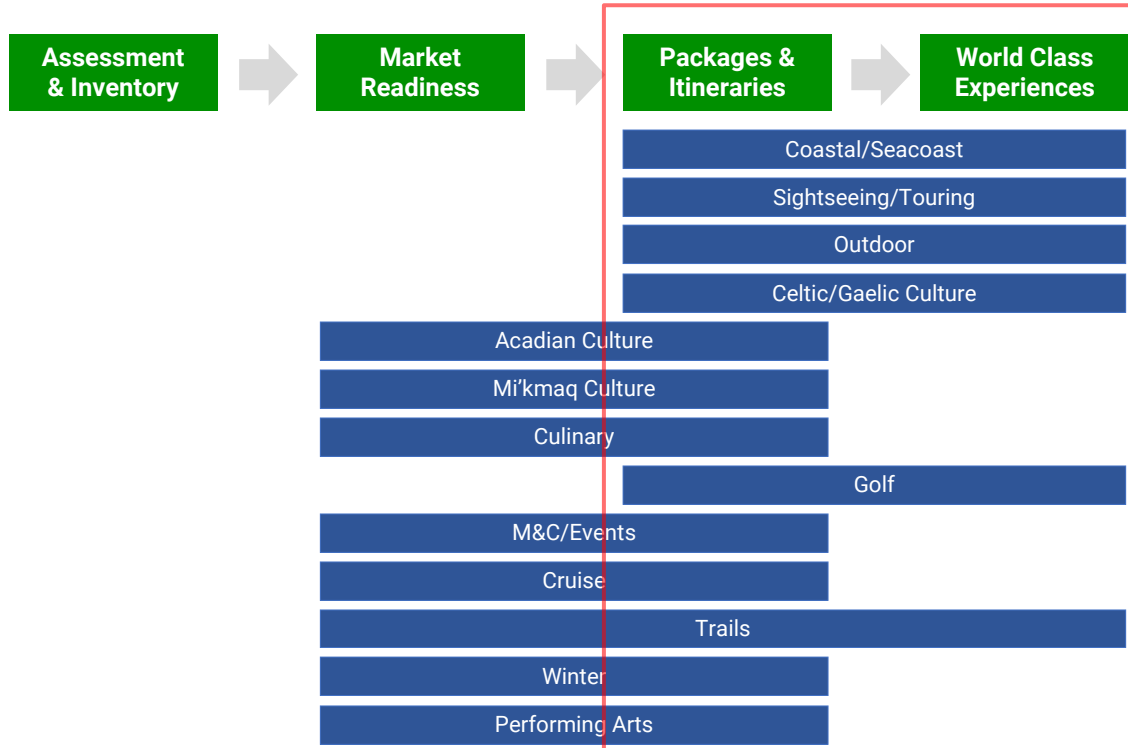
### **Product Innovation**

Over the past seven years, DCBA has led a research-based approach to product innovation that has been based on the ACOA/Tourism Atlantic Strategy, which defined the core experiences for the region, and the accompanying ACOA Toolkit for product development. This was complemented by specific product development initiatives led by TNS.

The product innovation process has followed a systematic approach from Assessment and Inventory of the product, to Market Readiness, to Packages and Itineraries, and finally toward World Class Experiences. The following chart provides an overview of the current product innovation status for various product types along that progression.



## Product Innovation Phases



As the chart indicates, the product innovation work of DCBA, industry and other supporting partners over the past seven years has taken all of the product types to the Packages and Itineraries phase, with a growing number at the World Class Experiences phase.

A key partnership was established in 2018 related to Product Innovation with the signing of a Memorandum of Understanding with Cape Breton University. This MOU outlined eight areas of focus that mainly relate to the education, training, and development of the Island's tourism industry, but also to co-branding initiatives and travel trade opportunities.

### Brand/Place DNA

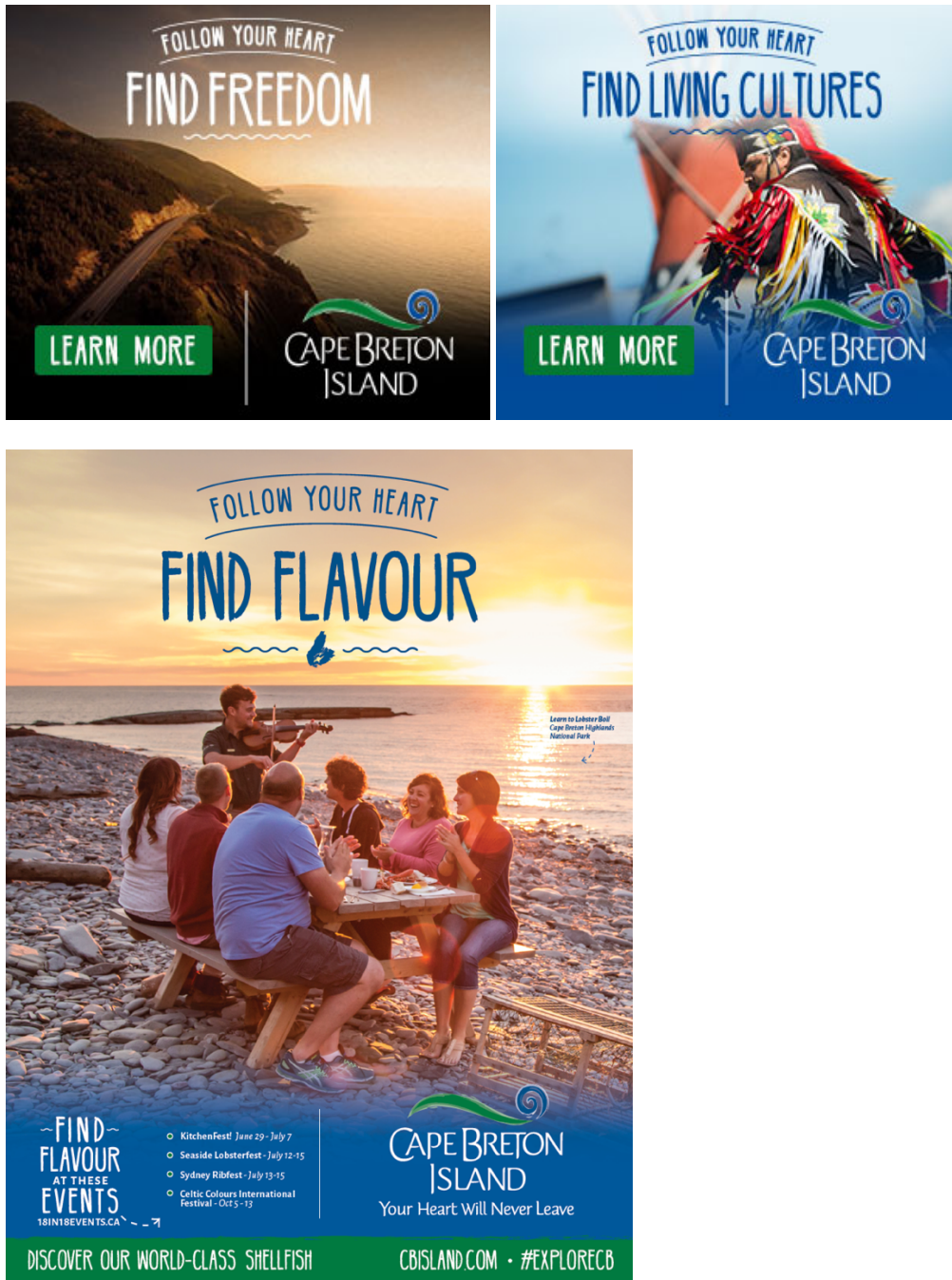
The brand for Cape Breton Island is built upon its Place DNA, a set of variables from biography to geography to history, that combine to form the authentic core of a destination. When developing the brand theme, it was important that the theme reflect the DNA and have resonance with both locals and visitors. Building upon the immense sense of pride and fierce Island spirit of Cape Bretoners by birth or by choice, it was determined that the DNA revolved around the heart. A comprehensive review of TripAdvisor reviews and social media comments provided strong evidence that many visitors also felt deeply connected to Cape Breton on a heart level. As a result, the "Your Heart Will Never Leave" theme was developed. This theme continues to hold meaning and resonance.

In 2017, a new creative theme was developed that followed this brand statement:

Every day we are bombarded with ads and messages, telling us what we need, what we should desire, who we should be.

Quietly beneath the noise, our hearts long for something more – for sublime beauty, adventure, real connection, and true freedom. It's time to listen. It's time to follow your heart, to find what you've truly been looking for...

Following this brand direction, creative was developed. Examples are provided in digital display and print ads below.



This creative theme was continued in 2018 with minor adjustments.

To reflect the DNA, the brand voice was selected to be authentically Cape Breton. Renowned journalist and Cape Breton native, Linden MacIntyre, continued to provide the voiceover for the television ads. Music for the television ads was composed by Jamie Foulds and Colin Grant and the recording comprised Celtic, Mi'kmaq, and Acadian artists.

In 2018, DCBA worked with industry partners to develop a pilot Content Program. Within this program, ambassadors for the Island were featured highlighting a specific aspect of the destination. These videos will be released in 2019.

## **Marketing**

The marketing program for the past few years has included a combination of advertising, social media, consumer shows, collateral material distribution, travel trade and media relations. To effectively drive demand, the marketing strategy was structured around The Travel Micro-moments Path to Purchase model developed by Think with Google, which brought the target audience through dreaming, planning, booking, and experiencing phases.

### ***Dreaming***

Dreaming or “I want to get away” moments happen when people are exploring destination options and ideas with no firm plans. They are looking for inspiration. To reach potential visitors at this stage, a number of channels were utilized, as follows:

- **Advertising**

Advertising focused on the Ontario, Quebec, Northeast US and Alberta/BC markets, with a secondary focus on the regional Maritime market. In all markets, the campaign had a strong digital focus that included Google (search engine marketing, video, display, and remarketing), Facebook, and TripAdvisor. The digital campaign was supported by the TNS Digital Marketing Program in markets outside of the Maritimes. In Ontario and the Maritimes, the advertising campaign included television. Additionally, in the Maritimes, print advertising was placed in Saltscapes and the Motorcycle Guide to Atlantic Canada.

- **Experience Guide**

For the third year, in conjunction with Saltscapes Publishing, a Cape Breton Island Experience Guide was produced with a distribution of 300,000 copies. This included distribution in Saltscapes Food & Travel Guide throughout Atlantic Canada and Ontario, insertion in the Bay Ferries and Northumberland Ferries guides found onboard their vessels on their three ferry routes, insertion in Good Taste Magazine in select Sobeys stores in Ontario and Atlantic Canada, distribution at the Saltscapes Expo, and distribution at VICs Island-wide. This year, the layout of the guide was changed to be organized by experience categories rather than touring regions and a pilot was conducted to distribute copies of the guide on-Island to subscribers of the Chronicle-Herald and Cape Breton Post.

- **Saltscapes Expo**

DCBA once again organized a Cape Breton pavilion at the Saltscapes Expo in Halifax in partnership with industry organizations and operators.

- **Travel Media**

Through DCBA's direct efforts and in partnership with TNS, a number of media fairs were organized in recent years. In 2018, a specific focus was placed on partnering with One Ocean Expeditions to bring in media for both their Fins & Fiddles and Fiddles & Sticks cruises. The travel media effort included attending the 2018 Travel Media Association of Canada (TMAC) Conference in Victoria.

- **Artist Ambassadors**

DCBA continued its partnership with Natalie MacMaster & Donnell Leahy which included partnering on their 2018 Celtic Family Christmas Tour and working with them to highlight Cape Breton Island at their GreenBridge Festival. This year, the artist ambassador program was expanded to work with the Barra MacNeils on their 2018 East Coast Christmas Tour.

### ***Planning***

Planning moments happen when people have chosen a destination. They're looking for the right dates, the right flight, the right place to stay, and all the things they'll do while they're there. This included the following tactics:

- **Website**

The primary channel for engaging the audience is the destination website. In this case, there is the dedicated Cape Breton Island site (cbisland.com) and the Cape Breton content on the Nova Scotia site (novascotia.com). A terms of reference document was developed and a request for proposals issued for the new website to be developed and launched in 2019.

- **Social Media**

DCBA maintains social media channels for Cape Breton Island on Facebook, Twitter, Instagram, YouTube, and TripAdvisor. Key performance indicators for social media show that the total number of followers, or social media footprint, increased by 37% to 81,800. The level of engagement (likes, comments, shares) was on par with 2017 at 560,000+. There were over 4 million video views on Facebook and YouTube, an increase of 29%. The #EXPLORECB hashtag was used over 33,000 times.

### ***Booking***

Booking moments happen when the research is done, and people are ready to book their tickets, reserve their accommodations, and book their experiences. This included the following tactics:

- **Travel Trade**

DCBA attended Rendezvous Canada and made contact with numerous tour companies. Collateral materials in Mandarin were developed for the benefit of tour operators serving the Chinese market. Through a relationship with WestJet, materials were provided for travel trade shows in London and Paris to support their direct flight to Halifax from those markets.

- **Packages and Experiences**

Through the Experience Guide, operators were invited to provide packages and experiences which populated the guide and were placed on the website as featured listings. These packages were promoted through social media channels and served as a basis for concierge offerings.

### ***Experiencing***

Experiencing moments happen when the trip is underway. Travelers are ready to live the trip they've been dreaming about – and share it with others. This included the following tactic:

- **User-generated Content**

As mentioned under Social Media, the #EXPLORECB hashtag was continued in 2018 to facilitate the posting of user-generated content by visitors and residents. The hashtag was promoted on visitor maps, the Experience Guide, the website, and social channels.

## Community of Interest – Hiking Pilot Project

In 2018, a new concept in tourism marketing was introduced in Atlantic Canada – Communities of Interest (COIs). COIs are groups of travelers who share a common interest or passion and exchange ideas and thoughts about their passion on social media (i.e., cruising, cycling, hiking, food, motorcycling, golf, etc.). The COI marketing approach, which was conceptualized by ACOA/Tourism Atlantic, combined the on-the-ground knowledge of local advocates and the vast reach of social media influencers. These socially active groups are harnessed through a COI project to create targeted content to appeal to a particular interest group.

DCBA, in collaboration with ACOA, Parks Canada and Destination Canada, conducted a pilot initiative focused on one of its interest groups - hiking enthusiasts. This pilot project aimed to validate the use of the COI approach to bring Cape Breton Island's hiking and trail network to hiking enthusiasts through the engagement of local hiking advocates, social media and travel influencers. The outcomes and lessons learned from this pilot study may be applied to other DCBA experience groups to broaden destination appeal, and to inspire product innovation and industry investment.

The project included four phases:

1. Discovery – research on the hiking enthusiast audience to develop a profile of hiker segments;
2. Mobilization – the identification of local hiking advocates and the development of an ambassador network;
3. Motivation – development of a content strategy and training for the local ambassadors; and
4. Action – implementation of the content strategy, including social media influencer visits, and measurement of results.

A summary of the project results is provided in the following table:

Indicator	Results
#hikecapebreton hashtag usage	5,664 uses
Traffic to and engagement with cbisland.com/hiking	33,233 pageviews (12% increase) 9,023 website goal completions (26% increase)
Leads to operator experiences/packages	1,558 leads (13% increase)
Influencer engagement and impressions	Engagement: 107,061 Impressions: 1,222,736
Local Ambassador Network collective social following	Following: 179,161 (27% increase)
Social media conversation volume and sentiment related to "Cape Breton Hiking"	Volume: 11,010 conversations (+27%) Sentiment: 48 (unchanged from 2017)
Conversion to visits	76% of conversion survey respondents

## Golf

The 2018 golf season saw decent results despite a 40% reduction in the marketing budget. Bookings through the golf concierge were \$427,000, an 11% decrease over 2017, much higher than the budget reduction would indicate. This speaks to the strong brand position of Cape Breton Island as a golf destination.



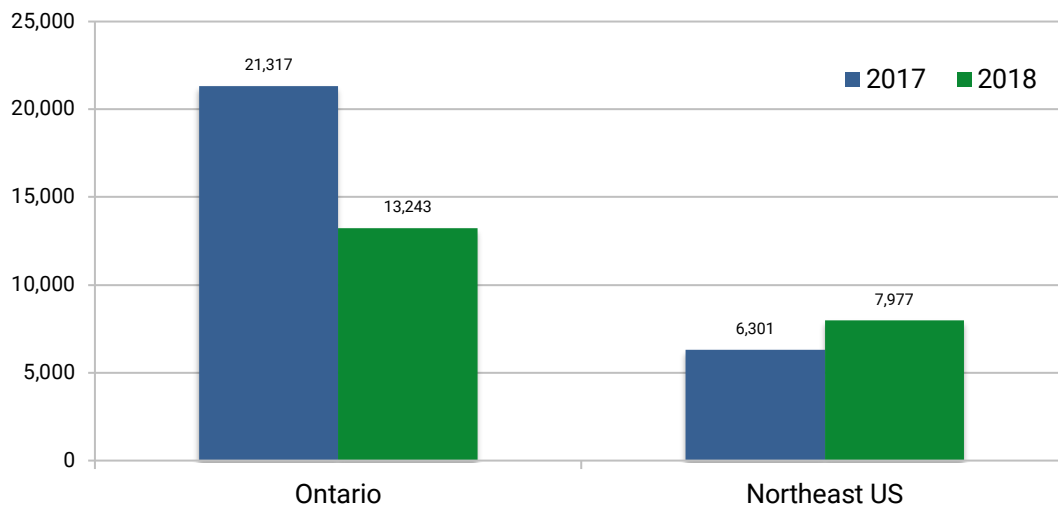
Based on key market intelligence on golfers who travel, Golf Cape Breton employed the following tactics in 2018:

- Targeted advertising during The Masters on pgatour.com in the Northeast US;
- Digital marketing through the TNS Digital Marketing Program;
- A website and social media presence (Facebook, Twitter) that promotes the courses and golf packages; and
- A concierge service that assists in travel planning and books golf vacations.

The overall goal of the 2017-18 Golf Cape Breton marketing plan was to increase off-Island green fee rounds by 10%. The program achieved this goal with a 50% increase in off-Island green fee rounds.

In terms of key markets, the following chart indicates the web traffic growth in Ontario and the Northeastern US. Ontario was down 38% due mainly to the lack of a targeted promotion through TSN Golf as there had been in 2017. The Northeast US was up 27%, with increases attributed to promotion through pgatour.com and the TNS Digital Marketing Program.

**golfcapebreton.com Website Sessions by Market**



It should be noted that this was the last year in the current funding agreement for the Golf Cape Breton project. Options for sustaining the program are currently being explored, although the project will no longer fall within the direct management of DCBA.

### **Small Ports Cruise and Super Yachts**

DCBA continued its leadership role in the development of the small ports cruise market and represented the Island's three niche ports (Baddeck, Louisbourg, and Chéticamp) within the Atlantic Canada Cruise Association (ACCA). DCBA provided ACCA with content and information required to promote the Island's niche ports through their activities. Through its association with ACCA and its Small Ports Strategy, 16 small vessel visits occurred in 2018, up from 11 visits in

2017. Many visits were by the same ships returning, such as One Ocean Expeditions. There are 13 scheduled visits for Louisbourg alone in 2019 and already four scheduled visits to the Island for 2020.

A key milestone took place in Sydney in October 2018 when One Ocean Expeditions hosted a recommissioning ceremony of the RCGS Resolute. This is further to its 2017 announcement that Sydney will serve as One Ocean Expedition's home port and its gateway to Atlantic Canada and Eastern Arctic departures.

DCBA also continued the development of its partnership with the Develop Nova Scotia (previously the Waterfront Development Corporation) to attract super yachts to Cape Breton Island. In a study commissioned by Waterfront Development, this market was deemed to have significant economic potential for Nova Scotia. A 2012 Global Super Yacht Economic Impact Study revealed that a 180 ft vessel generates an average of approximately \$4.75 million in expenditures annually, which includes many benefits to destinations such as purchasing provisions, on-shore spending by passengers and crew, fuel, dockage fees, etc.

### **Meetings and Events**

Events Cape Breton, which falls under DCBA, continued to implement its plans with a focus on its three pillars:

- Attracting meetings and conferences that are the optimal size for our market;
- Building the customized corporate and incentive groups market for the Island; and
- Targeting sports events that fit with the Island's facilities and capabilities.

Initiatives were focused on sales efforts targeting the regional meetings and convention markets directed specifically to the government, corporate and association segments and the growth of sports tourism for the region. Relationships continue to be nurtured with the Halifax Convention Centre, Events Nova Scotia and other partners in Halifax.

Quarterly meetings with local hotels and facilities representatives were expanded to include new partners CBU, Canadian Coast Guard College and Port of Sydney, continuing to encourage stronger collaboration with the aim to bring larger conferences to Cape Breton. Development of the sports tourism market continued in collaboration with local, municipal and federal partners and in support of the new provincial events strategy released in November. Bids have been submitted for four national sporting events, including:

- Super Channel Canadian Boxing Championships 2020/21;
- Quebec Major Junior Hockey League Draft 2021;
- 55+ Games 2021; and
- Mobility Cup 2021.

Events Cape Breton and industry partners attended:

- Tête-à-Tête exhibition, the annual meeting of the Canadian Society of Association Executives (CSAE), in Ottawa-Gatineau in January;
- Canadian Sports Tourism Alliance Sports Events Congress;
- Society for Incentive Travel Excellence (SITE) Gain InSITE Atlantic Canada Conference; and
- Incentive Works tradeshow held in Toronto in August.

Some major achievements in 2018 include the awarding of the three national bids to Sydney: the 2020 U SPORTS Women's National Soccer Championship, the 2020 National Darts Championships, and the 2019 STIHL Timbersports Canadian Champions Trophy. The 2020 Nova Scotia Federation of Municipalities Conference was also awarded to CBRM.

## E. PESTLE ANALYSIS

A PESTLE analysis is a tool that is used to analyze the environment within which an organization operates. The analysis looks at the following factors within the PESTLE acronym:

- P – political
- E – economic
- S – social
- T – technological
- L – legal
- E – environmental

Each of these factors is explored below for Cape Breton Island.

### Political

The federal government continues to provide strong support to the tourism sector through Destination Canada and through ACOA within the region. The federal government has invested in the Connecting America program that allows Destination Canada and its partners (including Tourism Nova Scotia as an investor) to target key air connector cities in the US for increased visitation to Canada. A strong relationship has been developed between DCBA and Destination Canada that saw the national organization invest in a communities of interest program for the Island in 2018 that focused on hiking.

ACOA provides significant funding to the tourism sector in Atlantic Canada and operates Tourism Atlantic, which nurtures and supports the development of the sector. Under its Atlantic Growth Strategy, ACOA is focused on implementing its new Tourism Strategy for the region, which has a strong emphasis on influencers and communities of interest. Cape Breton Island was selected by Tourism Atlantic/ACOA to conduct a communities of interest pilot project focused on hiking in 2018. Destination Canada and Parks Canada were also federal partners contributing to the project.

ACOA has contributed significantly to the marketing of the Island through DCBA with annual funding. It also supports a festivals and events project administered by DCBA and invests significantly in product innovation within the industry.

The Parks Canada – Cape Breton Field Unit is a key partner to DCBA and plays a pivotal role on the Island in the operation of the Cape Breton Highlands National Park, Fortress of Louisbourg National Historic Site, Alexander Graham Bell National Historic Site, Marconi National Historic Site, and the St. Peter's Canal. Within its various sites, the Cape Breton Field Unit has been a leader in product innovation and created numerous popular experiences for visitors, including Learn-to-Lobster-Boil, the Parks Canada Perfect Picnic, Fire a Musket – Have a Blast, Rum: The Spirit of Louisbourg, Alexander Graham Bell White Glove Tour, to mention just a few. The Cape Breton Field Unit was recognized with the "Innovator of the Year" award at the 2017 Canadian Tourism Awards. Parks Canada is also in the implementation phase of a \$66 million investment in infrastructure at its Cape Breton Island sites.

The Government of Nova Scotia is involved in the tourism sector mainly through Tourism Nova Scotia, a crown corporation, that is responsible for marketing the province; through the Department of Communities, Culture and Heritage (CCH), which invests in projects related to culture and heritage tourism as well as festivals and events through Events Nova Scotia; and through the recently formed Develop Nova Scotia, which, among other things, is responsible for developing the Provincial Icons funding program and promoting the province as a cruise, boating, and super yacht market.

Tourism Nova Scotia offers three programs: Digital Marketing, Inspiring Content, and the World Class Experience Excellerator program. DCBA has partnered with TNS in the Digital Marketing Program in 2018 for both leisure and golf, which has been a significant component of DCBA's marketing plan. DCBA has made application to participate in Digital Marketing and Inspiring Content programs in 2019. TNS also supports the industry through a research department that provides data on tourism indicators such as tourism revenue estimates and room night sales per region, which are valuable sources of measurement data for DCBA. They also provide industry education and advice on marketing and business development efforts (information is available on their website at <https://tourismns.ca/development/experience-development>).

DCBA continues to have strong relationships with the five municipal governments on the Island (Cape Breton Regional Municipality, Inverness County, Richmond County, Victoria County, and the Town of Port Hawkesbury), each of which administers the Marketing Levy. Each municipal unit provides representation to the DCBA Board of Directors and DCBA provides regular reports to the respective municipal councils.

The five Indigenous communities on the Island have a relationship with DCBA through the Unama'ki Tourism Association (UTA), which provides representation on the DCBA Board of Directors. Indigenous representatives also sit on DCBA's Industry, Marketing, and Product Innovation committees, offering a strong voice for Indigenous Tourism. Membertou First Nation is a significant player in the meetings and conventions niche market with its trade and convention centre.

## **Economic**

Forecasts call for continued growth in tourism – the number of international travellers is projected to reach 1.8 billion by 2030. With a 10-year positive outlook for international tourism arrivals, the UNWTO's forecast is for tourism to continue to be a strong, healthy industry globally over the next decade and beyond. From January to October in 2018, overnight arrivals from Destination Canada's target international markets increased 18.6%. In particular, China was up 8%, which is closing in on the UK as the second largest market behind the US.

After leading the G7 nations in growth in 2017, GDP growth in Canada slowed a bit to 2.1% in 2018. With production cuts in the oil patch, CIBC World Markets is projecting a GDP increase of 1.8% for 2019 and 1.5% for 2020. British Columbia and Alberta are projected to lead growth, followed close by Saskatchewan, Manitoba, Ontario and Quebec, all projected to grow between 1.7 to 2% in 2019. In the Maritimes, New Brunswick is projected to lead growth at 1%, while Nova Scotia and Prince Edward Island are projected to be 0.9% and 0.8% respectively. Given these projections, DCBA should continue to focus on Ontario, Quebec, and Western Canada.

The US economy outpaced Canada in 2018 with growth of 2.9%. TD Economics forecasts the New England regional economy to grow by 2.2% in 2019, while the Mid-Atlantic regional economy will grow 2%. In both regions, the economies are forecast to have slower growth at 1.4 to 1.6% in 2020. With growth rates slightly better than in Canada, this data suggests that the Northeast US will continue to be a positive market for tourism spending; however, continued political uncertainty in the US could impact these forecasts in the near term.

CIBC is projecting the Canadian dollar to be relatively stable at \$0.75 US to \$0.76 US throughout 2019. TNS has previously stated that research shows that American travelers are not aware of the favorable exchange rate when they choose to visit; however, it could provide an incentive for Canadian travelers to stay within the country, rather than traveling to the US.

## Social

The primary demographic for Cape Breton Island has been empty nest couples aged 45-64, with a significant portion of this demographic comprised of baby boomers. Boomers are now aged 54-72. They are the most active, physically fit and wealthy generation, compared to any previous generation. Recent research by Visa forecasts that by 2025, travellers aged 65+ will more than double their international travel to 180 million trips, accounting for one in eight international trips globally. Given this trend, DCBA should consider adjusting its targeting to empty nest couples aged 45-70.

Following research conducted by Destination Canada, DCBA started targeting millennials that fell within the target psychographic categories, Cultural Explorers and Authentic Experiencers. This demographic group values travel and takes an average of 4.2 overnight trips per year. The 2017 Travel Intention Survey indicated that the proportion of millennials visiting cbisland.com grew from 14% in 2015 to 19% in 2017, and Google Analytics showed that the percentage of website sessions conducted by those aged 25-34 increased from 16% of all sessions in 2017 to 18% in 2018.

The sharing economy is having an increasing impact on tourism. Airbnb continues to grow and the number of units listed on Cape Breton Island is estimated to be around 1000, with approximately 75% unlicensed. TNS has reported that the sharing economy unit nights sold in 2018 increased 90% over 2017. An AirDNA report for the Cape Breton Regional Municipality in July 2018 reported a 117% growth rate over the previous year. To analyze this phenomenon and provide recommendations to the Nova Scotia Government, a Minister's Working Group on Short-term Rentals was formed and developed a report. The report is currently being reviewed by the Government and further steps are likely to take place in 2019.

With cannabis becoming legal in Canada in October 2018, there has been an interest in its potential impact on tourism. Some 82.4 million travelers visited Colorado in 2016, two years after the state became the first in the US to legalize marijuana. Colorado Tourism conducted a survey in 2016 that found 15% of those visitors (about 12 million) participated in a marijuana-related activity, and 5% reported it as a motivation for their trip. This indicates that there is a significant niche market. However, Colorado benefited initially by being the only state where cannabis was legal, giving it a key differentiator. With cannabis being legal in the entire country of Canada, as well as numerous US states, it is no longer a differentiator for the destination.

Some jurisdictions have seen product innovation with cannabis tourism. In Napa, California, "wine and weed" tours are becoming popular where party buses take visitors to tour wineries and cannabis dispensaries. Seattle-based Kush Tourism provides tours on the history and growth of cannabis that take visitors to glass blowers, dispensaries, and grow operations. Another operator offers a "Ganja Goddess Getaway" to women who already love cannabis or want to try it for the first time in a safe environment. There is even a website called budandbreakfast.com that promotes cannabis friendly accommodations.

The UNWTO recently released a report titled "Music is the New Gastronomy" that speaks to the increasing importance of music to tourism in many destinations. The report states:

Music tourism works primarily because of the undisputed fact that music (in the same way as food) can automatically trigger the chemistry of the brain's reward system. It



makes people feel good and helps deliver meaningful experiences that leave lasting memories.

Cities such as Liverpool, Nashville, and New Orleans utilize music as part of their tourism draw, while other destinations, including Cape Breton Island, have distinct musical traditions that become part of the visitor experience.

## Technological

Within tourism, artificial intelligence (AI) and big data is having an impact on customer service and personalization. In its report, *Beyond bots and robots: Exploring the unrealized potential of cognitive computing in the travel industry*, IBM states:

...examples of true cognitive computing using bots and robots can be found in many areas of the travel ecosystem. Airlines, such as KLM, are interacting with travelers using robots that scan passenger boarding passes, evaluate airport conditions and offer suggestions about what to do before departure. Expedia is taking chat-bots to the next level by enabling customers to use natural language to conduct complicated travel searches and then returning personalized results based on customer-specific preferences and patterns.

Through big data, the consumer's path to purchase can be personalized by identifying and delivering customized products and experiences based on their online behavior. Arrivalist, Wayblazer and Bound are just a few of the platforms that utilize AI and big data within the travel space.

Blockchain or a distributed ledger is a disruptive technology that typically eliminates the middlemen. In tourism, that could mean a more direct route to purchasing travel outside of OTAs or the traditional travel trade. In Skift's 2018 Megatrends Report, they state:

"One small company called Winding Tree is aiming its sights on Priceline, Expedia, and travel management companies by creating a decentralized repository of travel content. Think of Winding Tree as a self-sustained, commission-free global distribution system. Picture the world's travel content such as flights and hotel room listings floating around in the ether (the Winding Tree blockchain), accessible free of charge by enterprises, individuals, and travel managers via custom-built interfaces. If companies like Winding Tree can power the back end and promise commission-free bookings, then those same companies will build the interfaces that connect them with air and hotel supply."

Another technological trend that will impact tourism is the growth of voice activated search. From the use of Siri on iPhones to the proliferation of smart home devices, ComScore predicts that 50% of all searches will be accomplished through voice search by 2020. This may not have a significant impact on DMOs, but accommodation operators may want to consider adding smart home devices in their rooms.

## Legal

There are a number of regulatory issues that impact the workforce of Cape Breton's tourism industry. A number of tourism operators have stated that they are having difficulty maintaining a stable workforce, particularly in the shoulder and winter seasons. The Employment Insurance program may be providing a disincentive to work for some potential employees for a portion of the year and university students are typically only available from May to August.

Through the Atlantic Immigration Pilot Program, operators may be able to hire foreign workers when a labour shortage exists. A number of hospitality careers have been classified as “High Opportunity Career Options” by Nova Scotia Immigration, such as chefs, cooks, food and beverage servers, front desk clerks, and sales and service occupations. However, operators must offer the employee a full-time position for a full year. While laudable, this program does not work for many operators in the tourism sector, particularly in rural areas. Even operators striving to open year-round may have difficulty providing full-time work during the months of November, December, and April.

Adding to these concerns is the lack of regulation of the shared economy for accommodations. Numerous operators in rural areas have reported concern that, even if they are able to find employees, they have difficulty finding housing for them, as previous options are now being rented through Airbnb.

Nova Scotia continues to have a Seasonal Tourist Business Designation that provides accommodations and campgrounds with a tax rebate if closed for at least 120 days of the year. This can be a disincentive to open to extend the season, particularly for winter tourism.

### **Environmental**

Mass tourism is a major concern in some destinations, such as Barcelona, Venice, and Amsterdam, where the high volume of visitors has created numerous issues surrounding sustainability and environmental concerns, not to mention the daily impact on the quality of life of local residents. While this may not be a significant issue for Cape Breton Island yet, there are initial signs that some popular areas, most notably the Skyline Trail, are experiencing unsustainable traffic volumes during peak periods. Parks Canada is taking steps to address the concern at Skyline by developing a new trail, Blueberry Mountain, which has comparable views and could spread the visitation over the two trails. Other high traffic areas should continue to be monitored.

Climate change, which is bringing strong and more frequent storms, has had an impact on some coastal areas of the Island. Some beaches have been severely impacted by storm surges and have lost significant amounts of sand. The prediction of sea level rise could further impact many coastal areas and communities around the Island.

## II. STRATEGIC DIRECTION

### A. GUIDING PRINCIPLES

The 2019-20 strategy for DCBA is based on the following guiding principles:

**1. It is developed in alignment with the ACOA Tourism Action Plan and the TNS strategy to drive export revenues.**

Given that DCBA attributes much of its success to adopting the ACOA Tourism Strategy over the past seven years, it will continue to align to the new action plan that is based on season expansion, increasing yield, influencer and advocate marketing, and innovation, all in pursuit of incremental tourism growth. From leveraging TNS research, EQ data and analysis, and marketing programs and channels, DCBA will continue to align with the TNS strategy to drive export revenues.

**2. It adheres to the Research/Product Innovation/Marketing Continuum.**

The Research/Product/Marketing Continuum is a process that was formulated by Harvey Sawler of Forerunner Creative and Tourism Strategies, an Atlantic Canada-based tourism specialist who has worked extensively within the region's tourism industry. Sawler defines the Continuum as follows:

*The Research/Product/Marketing Continuum is a never-ending process of investigation, invention and intervention. All three of these energies must work in concert to achieve optimum results in order to arrive at a true tourism economy. The Continuum illustration elaborates on the fact that tourism operators and organizations too often leapfrog from research to marketing without thinking the product challenge through. Forerunner believes that it is product – not marketing – that generates true demand: Product Drives Brand, which Drives Marketing, which Drives Demand.*

**3. It continues to build on the established core assets/motivators.**

ACOA/Tourism Atlantic conducted extensive research to identify the reasons why visitors choose to come to Atlantic Canada. DCBA subsequently adopted the following key core experiences as they aligned with Cape Breton Island's current product offering:

- Coastal/Seacoast Experiences
- Sightseeing and Touring
- Culture, Entertainment and Heritage
- Outdoor Activities
- Major and International Events
- Experiential Accommodations

Further to the ACOA-led research findings, Tourism Nova Scotia conducts visitor exit surveys to understand travel motivation and trends. The findings identified cuisine as a key core experience, and henceforth, DCBA adopted Cuisine as a seventh and final key core experience for visitors to Cape Breton Island.

**4. It continues to utilize Destination Canada's award winning and proven Explorer Quotient (EQ) psychographic profiles.**

Destination Canada invested significant resources in understanding the psychographic profiles of various traveler types, which resulted in the Explorer Quotient segmentation process. In 2011, DCBA began utilizing this work to define and understand its target audience and make strategic decisions based on its target EQ types, Authentic Experiencers and Cultural Explorers, for the past seven years.

**5. It bases all decisions on the best evidence, wherever possible.**

All product development, marketing, and other activities are driven by research, analytics and available data to make the best-informed decisions.

## **B. GOALS AND OBJECTIVES**

To generate incremental growth in Cape Breton Island's tourism economy, there are two main methods of doing so:

- **Maximizing plant capacity**  
For a destination, this essentially means extending the season and working toward maximizing capacity within all periods of the season.
- **Increasing yield**  
This means to increase the revenues generated within the destination from each visitor.

Using these two methods of growth, DCBA will establish goals that reflect the maximization of plant capacity and increasing the revenue yield per visitor. This will include room nights sold at licensed accommodations, as reported by Tourism Nova Scotia, and marketing levies per room night sold. Using 2018 as a benchmark, the goal targets will be:

1. **An overall 2% increase in room night sold on Cape Breton Island (from a projected 451,000 in 2018 to 460,000 in 2019) with the majority of the increase coming in the shoulder and winter seasons; and**
2. **A 2% increase in levy revenue yield per room night sold (from \$2.20 in 2018 to \$2.25 in 2019).**

### **Strategic Objectives**

In pursuit of these goals, a number of strategic objectives have been defined using the Research/Product Innovation/Marketing Continuum and other elements of the DCBA mandate:

#### **Research:**

1. To conduct research to gain deeper market intelligence on Cape Breton Island's target audiences.
2. To measure and report on key performance indicators (KPIs).
3. To monitor global travel research for trends that may aid or impact Cape Breton's tourism economy.

#### **Product Innovation:**

1. To work with industry and partners to identify, innovate, and increase the inventory of value-added experiences that can be classified as 'world class'.
2. To prioritize and implement next steps based on niche product inventories and assessments.
3. Facilitate the expansion of the tourism season in the shoulder and winter seasons.
4. Feature festivals and events as key motivators of visitation (signature events) or experiences that can enhance the visitor experience and lengthen stay.
5. Continue to work with Cape Breton University to enhance industry education, training, and development.
6. Conduct a comprehensive destination assessment and long-term plan.

**Brand/Place DNA:**

1. To enhance Cape Breton Island's brand based on emphasizing its Place DNA.
2. To tell the Cape Breton Island brand story through a comprehensive content strategy utilizing influencers, local ambassadors, artist ambassadors, industry partners, and visitors.

**Marketing – Leisure:**

1. To expand the Communities of Interest approach to target three additional interest categories.
2. To align with TNS to target key markets of high return.
3. To grow Cape Breton Island's market share within the regional Maritimes market.
4. To enhance and expand the Artist Ambassador program to key musical ambassadors for the Island who regularly tour within target markets.
5. To increase website traffic on cbisland.com by 7% to reach 850,000 sessions, while increasing the engagement rate on the site to 35%, indicating a larger portion of qualified traffic.
6. To increase the social media footprint (combined number of followers on Facebook, Twitter, and Instagram) by 10% to a total of 90,000, while increasing the total number of engagements (likes, comments, shares) by 10%.
7. To expand the reach of Cape Breton Island packages and share of itinerary through travel trade partners.
8. To increase the sales and conversion of packages and experiences.
9. To mobilize visitors into advocates for Cape Breton Island.

**Marketing – Niche:**

1. To support the growth of Cape Breton Island's three niche ports through Ports Cape Breton.
2. To support the development of Sydney as a home port.
3. To pursue the lucrative superyacht market in partnership with Develop Nova Scotia.
4. To attract right-sized sports events for Cape Breton Island.
5. To grow the regional meetings and conventions business on Cape Breton Island.
6. To build the customized corporate and incentive groups business on the Island.

**Industry and Community Mobilization:**

1. To enhance existing communication channels with industry to ensure active engagement and mobilization.
2. To build confidence in the tourism industry by promoting tourism as an economic driver for the Island and increasing awareness of the tourism product.



### III. RESEARCH

#### A. RESEARCH OVERVIEW

The Continuum begins with research to define the target audience and what they are seeking in a destination. The target audience can usually be defined in psychographic, demographic and geographic terms.

##### Psychographic

Destination Canada's Explorer Quotient™ (EQ) market segmentation tool has changed the way that tourism experiences are developed, marketed, and sold. DCBA will continue to target the EQ types that match the Island's core experiences: Authentic Experiencers and Cultural Explorers. These EQ types, characterized as Learners, are also the two largest EQ segments of current visitors to Nova Scotia and Cape Breton Island. Each of these EQ segments is defined in greater detail below (Source: Destination Canada).

EQ Type	Authentic Experiencers	Cultural Explorers
Percentage of Nova Scotia Visitors	26%	16%
Percentage of Cape Breton Island Visitors	33%	24%
Description	<p>Authentic Experiencers appreciate the understated beauty of both natural and cultural environments and try to keep a foot in both worlds. They enjoy using all of their senses when they explore their chosen destination and really get to know the places they visit. They quickly adapt to personal challenges and risks, easily figuring out how to make the most of every situation. Authentic Experiencers want to be fully immersed in their travel experience and tend to stay away from group tours and rigid plans.</p> <p>While Authentic Experiencers are not constant travelers, they are also not reluctant travelers. Travel is seen as enriching life, not escaping from it. Authentic Experiencers travel to better understand the world around them and value the nature and culture found everywhere, including their own backyard. Authentic Experiencers tend to visit a wider range of destinations and prefer longer trips to weekend getaways. They are more likely than others to add time before or after business trips.</p> <p>Authentic Experiencers have a strong ecological and societal ethic, being very conscious of the environment and those around them. Generally, they are more socially reserved and are not interested in crowds or status seeking. Authentic Experiencers are skeptical of advertising and tend not to impulse shop. When they decide to purchase, they are guided by ethical concerns and social equality.</p>	<p>Cultural Explorers seek constant opportunities to embrace, discover and immerse themselves in the entire experience of the culture, people and settings of the places they visit. Not content to just visit historic sites and watch from the sidelines, they want to participate in the modern-day culture as well. They often attempt to converse with locals, attend cultural festivals or go off the beaten track to discover how locals truly live.</p> <p>For Cultural Explorers, travel is seen as the only way to truly experience life and the world. Experiencing the world first-hand can never be replaced by secondary methods such as TV or the Internet. Travel tends to have an element of escapism for Cultural Explorers, as they get away from their everyday lives. Cultural Explorers prefer spontaneous events and unique discoveries; they avoid mainstream, touristy locations. They are not intimidated at all by unfamiliar locations or situations and are willing to endure uncomfortable transportation and amenities to "live" a different culture. Cultural Explorers avoid skimming the surface of their destinations and are more interested in deep, meaningful experiences than seeing all of the "must-see" attractions.</p> <p>Cultural Explorers feel some time pressure, trying to meet all of their goals and responsibilities. They are willing to take risks to reach their goals and are confident in their ability to adapt to change. Cultural Explorers are egalitarian and progressive in their societal views and feel little need to adhere to societal norms. They seek fun and</p>

		excitement and are attracted to crowds and social events. When shopping, Cultural Explorers place little importance on brand names and status purchases and are skeptical of advertising. They are ecologically and ethically aware, which their carefully thought-out and researched purchases reflect.
Travel Values	<ul style="list-style-type: none"> <li>• Learning travel – they like to learn everything about a place, time or culture</li> <li>• Nature – they enjoy vast natural settings and wonders</li> <li>• Cultural immersion – they prefer integration into the local culture</li> <li>• Personal development – they seek self-improvement through understanding others</li> </ul>	<ul style="list-style-type: none"> <li>• Companion experiences – they prefer traveling with like-minded people</li> <li>• Living history/culture – they enjoy ancient history and modern culture</li> <li>• Learning travel – they like to learn everything about a place, time or culture</li> <li>• Constant exploration – they're always planning for the next outing</li> </ul>

### Communities of Interest

While a portion of the audience targeting will follow traditional segmenting principles (psychographic, demographic, geographic), DCBA will continue to pursue the new form of targeting that is based on a Communities of Interest approach. This approach, which is key to the direction being shaped by Tourism Atlantic, has been defined as follows (Source: Tourism Atlantic):

Tourism marketing continues to evolve to respond to the changing marketplace and media environment. A new mix of traditional and non-traditional media is demanded of destination marketing campaigns with a unique opportunity to leverage social media through communities of interest (COIs). Audiences naturally segregate themselves by interest on social media and online platforms, providing opportunities for these like-minded individuals to connect like never before. Capitalizing on the capacity of paid and unpaid travel influencers in this space is quickly becoming mainstream marketing with social media even surpassing digital advertising. There is a growing sense that an opportunity exists to indirectly mobilize and motivate consumers through COIs.

There are currently wide-ranging interdependencies in the social media/social marketing milieu – an infinite number of things, activities or concepts which are shared and correlated, including such common variables as age, gender, marital status, hobbies, genealogy, chain of command, location, ideas, financial transactions, trade relationships, political affiliations, club memberships, occupations, education and economic status. The people who are linked together exchange ideas and thoughts about a given interest or passion but may know little about each other outside of the subject of their shared interest. Participation in a community of interest can be compelling, entertaining, learned and create a community where people return frequently and remain for extended periods. This concept operates upon the principle that the tourism marketing world is flat and no longer bound by geography. Therefore, COIs cannot be easily defined by a particular geographical area. In contrast to a spatial community, a 'community of interest' is defined not by space, but by some common bond (e.g. feeling of attachment).

This approach is backed up by research. A study by McKinsey found that marketing-induced consumer-to-consumer word of mouth promotion generates more than twice the sales of paid advertising.

As indicated in the Overview of Activities section, DCBA conducted a communities of interest pilot project in 2018 focused on hiking enthusiasts, in partnership with ACOA, Destination

Canada, and Parks Canada. As a result of the positive results of this pilot project and learnings from the process, DCBA is planning to launch new community of interest projects for 2019.

## Demographic

The primary visitor audience, as defined through the 2017 Cape Breton Island Travel Intentions and Conversion Surveys, has the following demographic characteristics:

- The travel planning process is conducted mainly by women (64%).
- 47% of the audience is in the 45 to 64 years old age range.
- 53% are employed full-time and 23% are retired.
- 38% have an annual household income in the \$50,000-\$100,000 range, while 34% have an annual household income in excess of \$100,000.
- They travel mainly as couples (51%).

As stated in the PESTLE Analysis, baby boomers are now aged 54-72 and are moving through DCBA's traditional target demographic of those aged 45-64. Given that they are generally active, physically fit and wealthy and that Visa is forecasting that by 2025, travelers aged 65+ will more than double their international travel to 180 million trips, DCBA will extend its demographic targeting of this core audience to those aged 45-70.

Given that a significant number of Cultural Explorers and Authentic Experiencers are millennials, and that Destination Canada and Tourism Nova Scotia have both identified millennials as a key demographic, DCBA added this demographic to its target audience in 2017. There was an increase in the 25-34 age category (largely millennials) from 14% in 2015 to 19% in 2017 as a percentage of all visitors. In 2018, the 25-34 age group grew from 16.7% of all cbisland.com website visitors to 18.5%, further indicating that the secondary focus on millennials is working.

Millennials have the following travel characteristics:

- Canadian millennials take an average of 4.2 trips per year.
- 84% state that experts, peers or personal contacts influenced their travel decisions.
- 42% are influenced by photos shared by friends and family.
- 87% use Facebook for travel inspiration.
- 18% select a destination after seeing it in a movie.
- 75% post at least once a day while traveling.
- Seasonality is less important than timing travel around friends' availability.

Sources: Destination Canada, Expedia, TripAdvisor, Skift

## Geographic

From a geographic perspective, DCBA will continue to place greater emphasis on markets outside the Atlantic Canada region, while seeking to gradually increase its market share within the Maritimes. In terms of priority, DCBA will prioritize the following markets, aligning with the TNS key markets in most cases:

- **Ontario**  
Ontario has continued to show strong growth as a key market since DCBA began actively targeting the market in 2014. In 2018, web visitation from Ontario increased by 11% and represents 22% of all website sessions. From a conversion standpoint, 24% of visitors to the Cape Breton Highlands National Park and 19% of visitors to the Fortress of Louisbourg were from Ontario. The Ontario economy is projected to have solid growth in

2019, which reinforces the decision to continue to target this key market. Within Ontario, a greater emphasis will continue to be placed on the Greater Toronto Area.

- **Quebec**

Quebec has become a key market for DCBA and, in 2018, website visitation from Quebec increased 15%. From a conversion standpoint, 11% of visitors to the Cape Breton Highlands National Park and 18% of visitors to the Fortress of Louisbourg were from Quebec. While 78% of the Quebec market is primarily Francophone, approximately 43% of the population is bilingual with a significant English-speaking population in the Montreal metropolitan area. An emphasis will be placed on the Montreal area.

- **Northeast US**

The Northeast US has been targeted in recent years, with greater emphasis on Boston and New York City. In 2018, web visitation from this market increased 47%. From a conversion standpoint, Massachusetts and New York were the top sources of US visitors to the Cape Breton Highlands National Park and 5% of visitors to the Fortress of Louisbourg were from the Northeast US. In aligning with TNS, DCBA will continue to target this market.

- **Maritimes**

DCBA will seek to continue to increase its market share within the Maritime region. An emphasis will be placed on the Halifax market, which has the largest portion of visitors to the Island, but New Brunswick and Prince Edward Island will continue to be targeted as well. Web traffic from the region increased by 11% and represented 24% of all website traffic, with Nova Scotia representing 21%. From a conversion standpoint, 21% of visitors to the Cape Breton Highlands National Park and 17% of visitors to the Fortress of Louisbourg were from the Maritimes, with the vast majority from Nova Scotia.

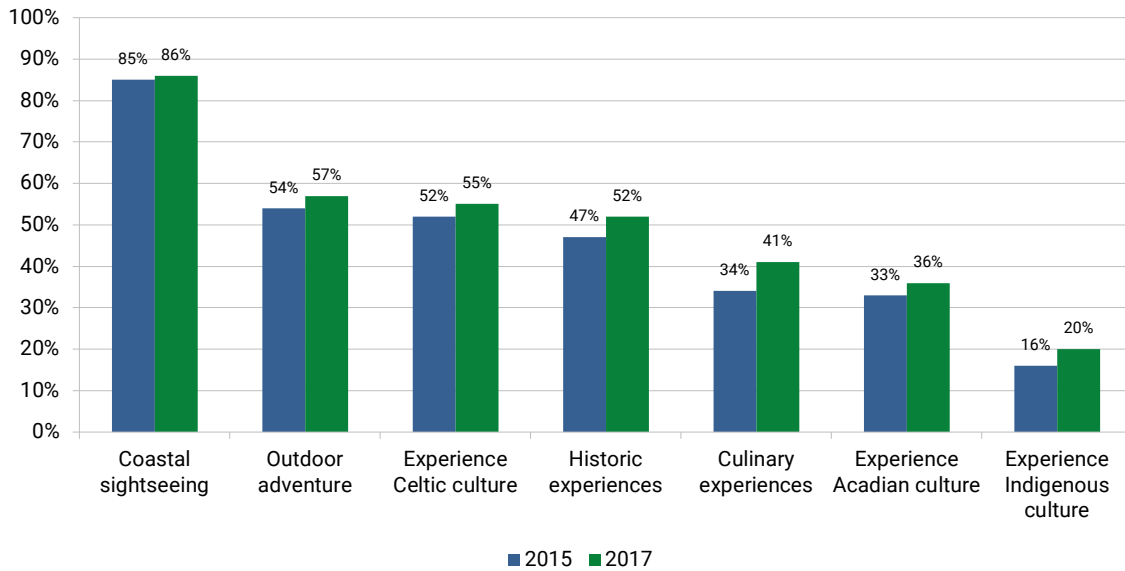
- **Western Canada**

DCBA began targeting Alberta and British Columbia in 2018, which resulted in strong website growth of 87% in Alberta and 47% in BC. From a conversion standpoint, 7% of visitors to the Cape Breton Highlands National Park and 13% of visitors to the Fortress of Louisbourg were from Alberta and BC. With this market included in the eligible markets for the TNS Digital Marketing Program, the projection of strong economic growth despite the current issues in the oil patch, this market should be pursued as a secondary target. An emphasis should be placed in the Calgary market which was the largest source of website traffic.

## **Travel Motivators**

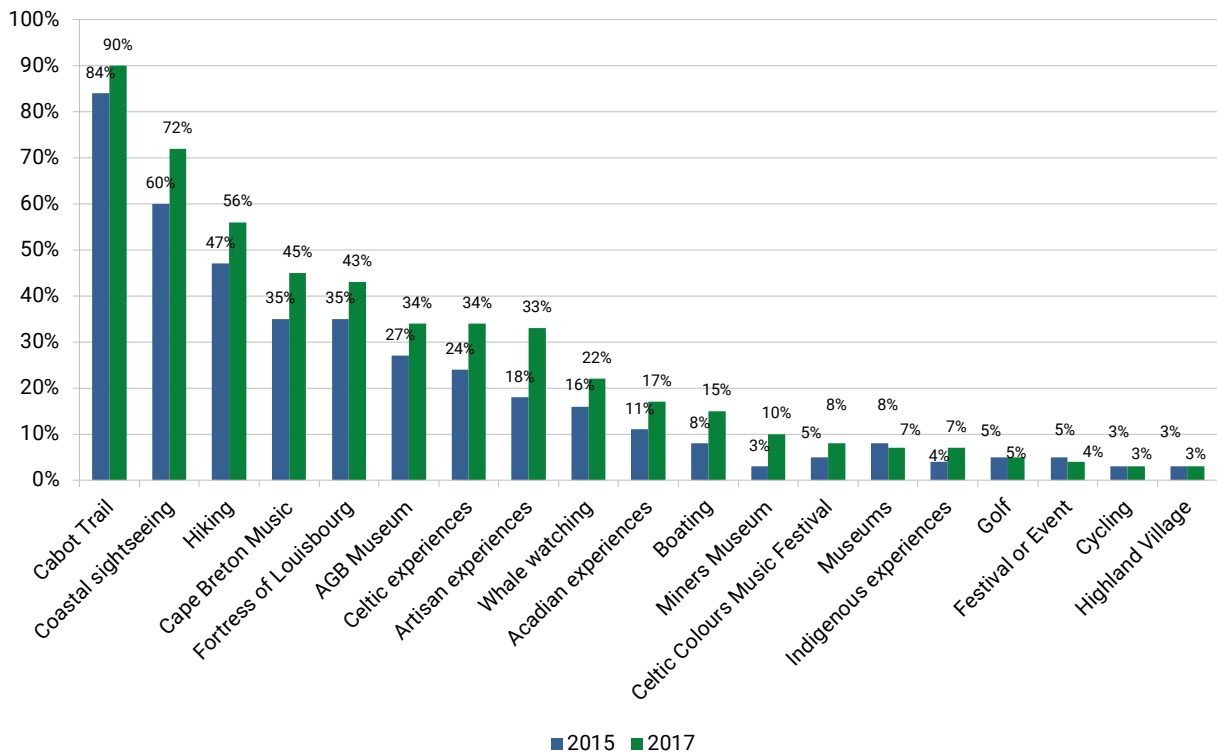
In looking at why the target audience is interested in visiting Cape Breton Island, the following chart indicates the top travel motivators from the 2017 Travel Intention Survey. As illustrated, coastal sightseeing, tied to the Cabot Trail, continues to be the top motivator, followed by outdoor adventure, Celtic culture, historic experiences, culinary, Acadian culture, and Indigenous culture. These motivators line up closely with the core experiences from the ACOA Tourism Strategy.

## Cape Breton Island Travel Motivators



In terms of the experiences visitors actually experienced during their vacation, the chart below shows the top experiences as per the 2017 Conversion Survey. These also line up very closely to the core experiences from the ACOA Tourism Strategy. It is interesting to note that, overall, visitors are experiencing more activities.

## Top Experiences during Trip





## Tourism Sentiment Index

This past year, DCBA was one of the first destinations in the world to participate in the Tourism Sentiment Index (TSI) developed by Destination Think!. The TSI is a comprehensive analysis of a destination's ability to generate positive word of mouth online about its tourism offering. Insights from the report can aid in strategic decision-making regarding marketing and destination development.

The benchmark report based on 2017 data gave Cape Breton Island a Tourism Sentiment Score of 34. Similar to a Net Promoter Score, this score is based on subtracting the percentage of negative comments (2%) from the percentage of positive comments (36%), while disregarding the percentage of passive comments (62%). In total, there were approximately 130,000 conversations about Cape Breton Island and its tourism offering. Both the Tourism Sentiment Score and the volume of conversations were above average when compared to a set of similar destinations.

Overall, the top drivers of conversations for Cape Breton Island were Nature Viewing, Beaches and Shoreline, and Hiking. Attractions and Landmarks, Golfing, Sailing, Fishing, Music and Performance Art, and Camping all performed well in sentiment and volume.

The research strategy will focus on enhancing this base of knowledge on the target audience.

### Research Objectives:

1. To conduct research to gain deeper market intelligence on Cape Breton Island's target audiences.
2. To measure and report on key performance indicators (KPIs).
3. To monitor global travel research for trends that may aid or impact Cape Breton's tourism economy.

## B. RESEARCH TACTICS

To achieve the research objectives, a number of tactics will be implemented, as follows.

### Research Objective 1:

**To conduct research to gain deeper market intelligence on Cape Breton Island's target audiences.**

- **Explore alternative options to travel intention and conversion surveys**  
DCBA has conducted travel intention and conversion surveys on a bi-annual basis, following the Atlantic Canada Agreement of Tourism (ACAT) model. This year, ACAT is exploring alternative options to these surveys as the provincial marketing organizations felt they no longer provided the same value. DCBA will work closely with ACAT to align with their new approach, if feasible.
- **Conduct quarterly deep dives of Google Analytics and social media insights**  
Through Google Analytics and social media insights, existing profiles of each target market segment may be analyzed to look for changes in online behavior. This may

provide valuable intelligence in terms of messaging, conversion triggers, and channels to reach each segment.

- **Monitor TNS, Destination Canada, Tourism Atlantic/ACOA, and Parks Canada research activities**

These federal and provincial partners regularly conduct research regarding market segments, which can often provide valuable insights that may be utilized by DCBA. For example, Destination Canada has developed a relationship with Visa to conduct research on travel purchases in Canada and both Destination Canada and TNS are using Arrivalist, a location-based app to accurately track visit conversion. DCBA should continue to nurture its relationships with each of these partner agencies and monitor their respective research activities.

#### **Research Objective 2:**

**To measure and report on key performance indicators (KPIs).**

- **Continue existing KPI tracking procedures and monthly reporting**

Current KPIs should continue to be tracked, including:

- Room night sales;
- Google Analytics on cbisland.com;
- Online advertising stats (clicks, impressions, views);
- Social media insights for Facebook, Instagram, and Twitter (including measuring engagement volume in addition to the engagement rate);
- Video views; and
- Branded hashtag usage.

A monthly KPI report should continue to be developed for the DCBA team and key partners.

- **Continue participating in Destination Think!'s Tourism Sentiment Index**

The Tourism Sentiment Index will be utilized to measure the volume and sentiment of online word of mouth conversations about the destination and aspects of its tourism offering. By participating in the index each year, growth and trends may be observed to determine if specific efforts are having an impact on overall perceptions.

#### **Research Objective 3:**

**To monitor global travel research for trends that may aid or impact Cape Breton's tourism economy.**

- **Attend key destination focused events**

DCBA has attended destination focused events such as the annual convention of Destinations International, annual meetings of the Destination Marketing Association of Canada, and the Destination Think! Forum. Such events provide opportunities to hear from tourism experts on emerging national or global trends, new technological advances, and their implications for DMOs.

- **Monitor global tourism research sources**

There are a number of organizations that are actively engaged in conducting research for the global tourism industry, including research focused organizations like the United Nations World Tourism Organization (UNWTO), Skift, Phocuswright, Destination Analysts, the Conference Board of Canada, etc. or private sector travel firms like Expedia and Airbnb. Google has conducted extensive tourism/travel related research in recent years through its Think with Google division and Visa is conducting research on travel related

spending. All of these sources should be monitored to review new findings that may have implications for DCBA.

## IV. PRODUCT INNOVATION

### A. PRODUCT INNOVATION OVERVIEW

The investment in product innovation on Cape Breton Island over the past seven years has been significant. Numerous initiatives have been implemented, mainly following the ACOA/Tourism Atlantic Toolkit, to raise the product offering on the Island to a new level. Product assessments have been conducted on many facets of the industry from Indigenous Tourism to Culinary to Trails, and steps have been taken to implement many of the recommendations in those reports. The result is that, by and large, Cape Breton Island has gone beyond the market readiness phase of product innovation and is in the packaging/itinerary phase and the world-class experiences phase.

#### Product Innovation Objectives:

1. To work with industry and partners to identify, innovate, and increase the inventory of value-added experiences that can be classified as 'world class'.
2. To prioritize and implement next steps based on niche product inventories and assessments.
3. Facilitate the expansion of the tourism season in the shoulder and winter seasons.
4. Feature festivals and events as key motivators of visitation (signature events) or experiences that can enhance the visitor experience and lengthen stay.
5. Continue to work with Cape Breton University to enhance industry education, training, and development.
6. Conduct a comprehensive destination assessment and long-term plan.

### B. PRODUCT INNOVATION TACTICS

To achieve the product development objectives, a number of tactics will be implemented, as follows:

#### Product Innovation Objective 1:

**To work with industry and partners to identify, innovate, and increase the inventory of value-added experiences that can be classified as 'world class'.**

- **Introduce experience innovation sessions**

Working with innovative experience providers on the Island, a product innovation specialist will design and conduct a program that guides the operators through an experience development process. This will include identifying new value-added experiences or innovating existing experiences to add to or enhance the current product offering on the Island. The program will be designed to guide the operators from conceptualization through to the commercialization stage. As winners of the Innovator of the Year Award at the Canadian Tourism Awards, the Parks Canada Cape Breton Field Unit may serve as a model for this program and share insights.

- **Work with industry to identify experiences for the TNS Experience Excellerator program**  
Through the innovation sessions, experiences may be identified that would be candidates for the TNS Experience Excellerator Program. With a combination of one-on-one coaching, access to experts, and professional development, the TNS program works directly with operators to develop and enhance new experiences.
- **Explore opportunities to participate in best practice missions**  
Tourism Atlantic/ACOA and the Gros Morne Institute in Sustainable Tourism (GMIST) plan annual best practice missions for Atlantic Canada operators and organizations. Plans for 2019 should be monitored to determine appropriate fit.

#### **Product Innovation Objective 2:**

**To prioritize and implement next steps based on niche product inventories and assessments.**

- **Continue to mobilize industry partners to prioritize and implement the next steps in niche products inventories**  
The product inventories and assessments for culinary, winter tourism, trails, performing arts, and outdoor adventure will continue to be moved forward. DCBA will serve as a catalyst in working with key industry partners to assess, prioritize and implement the recommended tactics.

#### **Product Innovation Objective 3:**

**Facilitate the expansion of the tourism season in the shoulder and winter seasons.**

- **Continue to build and enhance the winter season program**  
DCBA has implemented its third winter tourism campaign in the first quarter of 2019 to highlight snowmobiling, snowshoeing, Alpine and Nordic skiing, and winter events. A partnership has been developed with the Snowmobiling Association of Nova Scotia to promote the Cape Breton Highlands as the snowmobiling destination. Local advocates have been utilized to develop itineraries and blog posts. The campaign has evolved from a pilot program focused mainly on the local Cape Breton market to a more robust regional campaign.
- **Mobilize advocacy efforts to support winter season development**  
The winter season is impacted by a number of factors, including a Seasonal Business Tax Credit for businesses that close for four consecutive months or more, labour force shortage issues, and snowmobile access to northern communities that are separated from the Highland trail system by Cape Breton Highlands National Park. While it is the industry's role to advocate for such issues, particularly through the Tourism Industry Association of Nova Scotia (TIANS), DCBA can continue to encourage and support advocacy efforts.
- **Continue late fall "Taste of Autumn" program and promotion of late October travel**  
In response to feedback that dining options were difficult to find after the Celtic Colours International Festival ended, the "Taste of Autumn" program was developed to promote dining establishments that stayed open around the Island from the end of Celtic Colours to the end of October. The fall colours are still brilliant during this time and a growing number of visitors are coming at this time of year. Education needs to continue to encourage seasonal operators to stay open to the end of the month and to facilitate additional experiences that will capitalize on the fall colours.
- **Develop a strategy for spring season development**  
While the fall continues to get stronger as a visitation period, there is capacity to grow the

mid May-June spring season. Meetings and events, hiking, golf, cultural experiences, and lobster season are just a few of the experience categories that could be explored for spring season growth. A strategy will be developed that looks at best practices, research, and an assessment of the product offerings to determine how this season may be developed.

**Product Innovation Objective 4:**

**Feature festivals and events as key motivators of visitation (signature events) or experiences that can enhance the visitor experience and lengthen stay.**

- **Continue Signature Events program**  
Each year since 2014, DCBA has asked festival and event organizers to submit their event to be considered for the Signature Event program. These events are selected based on criteria designed to highlight the events that hold the greatest potential to draw visitation from off-Island. Once selected, the Signature Events will be featured in the Experience Guide, on cbisland.com, and in social channels.
- **Continue the Community Festivals and Events program**  
In recent years, DCBA has administered a funding program for community festivals and events, which is funded by ACOA in partnership with the five municipalities on the Island. While not primary travel motivators, these festivals provide an opportunity for visitors to interact with local residents and to engage with communities. As a result, they have the potential to enhance the overall visitor experience and, in some cases, may lengthen stay.
- **Enhance the Locals Know program**  
The Locals Know program is designed to educate local businesses, both with the tourism industry and in the ancillary service industry that will encounter visitors, about current activities happening around the Island. The email approach was improved in 2018, but the content and distribution list can both be enhanced. Ultimate Summer Interns (see page 43) can be utilized to provide content from around the Island and municipal partners may assist in developing distribution lists.

**Product Innovation Objective 5:**

**Continue to work with Cape Breton University to enhance industry education, training, and development.**

- **Prioritize and implement initiatives that support the Memorandum of Understanding with Cape Breton University.**  
The MOU signed with Cape Breton University in 2018 has eight areas of focus within its scope. Progress has been made on many of the areas and continued collaboration will support the enhancement of the industry, particularly in the areas of industry education, training, and development. Regular meetings will be scheduled to prioritize initiatives, set timelines, and report on progress.

**Product Innovation Objective 6:**

**Conduct a comprehensive destination assessment and long-term plan.**

- **Develop terms of reference and a long-term plan for the Cape Breton Island tourism industry.**  
The destination is at a point where a long-term vision and plan is required to take the destination to the next level in its evolution. This plan will envision the Island's tourism industry in five to ten years, establish key objectives and milestones to achieve that vision, and provide a comprehensive roadmap for successful implementation.



- Participate in the Destination NEXT Assessment Process**  
 To ensure Cape Breton Island is continually evolving to maintain and enhance its appeal as a tourism destination, it should continue to engage in benchmarking and assessment tools. The Destination NEXT assessment tool, developed by Destinations International, “provides destination organizations with a powerful assessment tool and practical actions and strategies for sustainable success in a dramatically changing world.” The assessment tool has yet to be completed by any destination in Atlantic Canada, but has been implemented by a number of leading destinations on five continents.
- Continue to participate in the Destination Marketing Association of Canada (DMAC) benchmarking assessment**  
 DCBA participated in the DMAC benchmarking assessment in 2016, which included the completion of a detailed questionnaire on DCBA operations and marketing, followed by a report that compared DCBA’s current situation to its peer DMOs across the country. Based on that benchmarking report, steps were taken to address comparative inadequacies, including a relative low level of social media engagement, which has since been rectified.

## V. BRAND/PLACE DNA

### A. BRAND/PLACE DNA OVERVIEW

The brand for Cape Breton Island is built upon its Place DNA, a set of variables from biography to geography to history, that combine to form the authentic core of a destination. For Cape Breton Island, the Place DNA revolves around the heart, which reflects the strong sense of pride and fierce Island spirit of Cape Bretoners, by birth or by choice, as well as the real connections that many visitors experience when coming to the Island.

The Place DNA contains these four core connection points:

- **A connection to nature.**  
The Island is a wealth of natural beauty where epic views abound. We connect with nature through adventuring in the outdoors, observing and respecting the Island's wildlife, or learning about nature's wonders, like traditional medicines.
- **A connection to the sea.**  
As an Island, the sea surrounds us and, with the Bras d'Or, is at our very heart, permeating our daily lives. It is rejuvenating, a source of leisure and adventure, and its bounty sustains us.
- **A connection to our roots.**  
Whether it's a Mik'maq round dance, the Acadian Mi-Carême celebration, or a Gaelic milling frolic, cultural traditions that have continued for centuries are cherished and celebrated here. And we have a tradition of sharing these experiences with visitors.
- **A connection to each other.**  
As an Island that has sometimes been isolated, we have had to support and take care of each other. From the Mi'kmaw welcoming Acadians and Gaels with peace and friendship, a strong tradition of hospitality persists.

These four connection points are at the core of Cape Breton Island as a place and as a tourism destination. They are felt by visitors who engage with the Island experience. Given that a large percentage of visitors come from large urban and suburban areas that may not have a distinctive place DNA, Cape Breton provides an opportunity to connect with the Island through these points, and to re-connect with themselves. As such, it can have a transformational effect.

This was evidenced in the development of the brand theme, "Your Heart Will Never Leave". The theme was developed based on a strong common aspect of what visitors were saying about their experience on social media and on such channels as TripAdvisor. They felt a connection to the place that was deeper, richer, more engaging than many other vacation destinations. It touched their heart and made a lasting impression.

#### Telling the Brand Story

The brand story is largely told through content – a combination of photos, videos, text, music, and narration – that combine to tell aspects of the brand story at various points along the path to purchase. The content must be relevant to the potential visitor and inspire them to plan and ultimately book a trip to Cape Breton.

In Destination Canada's Content Playbook, they outline a 'Hero, Hub, Help' content ecosystem to that matches specific content to stages of the path to purchase. The definition of each phase is outlined in the following table.

Content Type	Producers	Path to Purchase Phase
<b>HERO</b> Hero content is designed to raise broad awareness. It should entertain and inspire with emotional storytelling. Examples include influencer posts or TV ads.	Influencers Artist Ambassadors DCBA	Dreaming of a vacation
<b>HUB</b> Hub content engages the audience deeply and on an ongoing basis. Examples include local ambassador videos, curated top 5 lists, or social media takeovers. This content is designed to engage visitors to go to a greater depth in their planning process.	Local Ambassadors Industry Partners DCBA	Planning a vacation
<b>HELP</b> This content is always on, designed to help visitors in the final stages of planning and booking a vacation. This content provides answers to key queries, such as, how long to visit, best time to visit, where to stay, etc. Examples include itineraries and travel tip blog posts.	Local Ambassadors Industry Partners DCBA	Booking a vacation

#### Brand/Place DNA Objectives:

1. To enhance Cape Breton Island's brand based on emphasizing its Place DNA.
2. To tell the Cape Breton Island brand story through a comprehensive content strategy utilizing influencers, local ambassadors, artist ambassadors, industry partners, and visitors.

## B. BRAND/PLACE DNA TACTICS

To achieve the Brand/Place DNA objectives, a number of tactics will be implemented, as follows:

### Brand/Place DNA Objective 1:

**To enhance Cape Breton Island's brand based on emphasizing its Place DNA.**

- Launch new creative theme for 2019**  
 New creative is in development to be launched for 2019. The creative will focus on the connection points within the Place DNA as well as the transformational aspect of the Island experience.

- **Align the Cape Breton Island brand voice to target audience segments**  
The partnership with nationally recognized Linden MacIntyre to provide the voice for the television commercials and other video content will be continued for the 45-70 demographic. A young woman's voice will be utilized to target millennials, as women dominate traffic to the website and research shows that female voices are more trustworthy for women and more soothing overall (McAteer, University of Glasgow; Adweek). In both cases, care should be taken to ensure the messaging is real and avoids "sales speak".
- **Select Cape Breton Island music to match the brand voice and target audience segments**  
To match the brand voice, Cape Breton Island music will be commissioned or sourced for all commercials and videos, to align to each target audience segment. For example, if the 45-70 demographic is being targeted, a more traditional sound may be employed, but if targeting millennials, a more cutting-edge sound may be used.
- **Converge social account handles and hashtags to align to brand identity**  
Where possible, social account handles and hashtags should be changed for consistency to @explorecapebreton and #explorecapebreton or @visitcapebreton and #visitcapebreton. Similarly, a vanity URL may be employed for the same reason.

#### **Brand/Place DNA Objective 2:**

**To tell the Cape Breton Island brand story through a comprehensive content strategy utilizing influencers, local ambassadors, artist ambassadors, industry partners, and visitors.**

- **Develop a comprehensive content strategy**  
A comprehensive content strategy will be developed to outline the specific content to be created by influencers, local ambassadors, artist ambassadors, industry partners, and visitors. Methods of curation will also be employed to utilize user-generated content within the strategy. The strategy will outline the types of content required, the producers for each content type, the timing of creation, the timing of distribution, and content channels to be utilized. The strategy will follow the Hero, Hub, Help content ecosystem designed by Destination Canada.
- **Continue to work with key industry partners in the development of a content program**  
In 2018, DCBA launched a pilot program to work with key industry members in the development of new content. A video series is currently in development that will be released in the spring of 2019 which featured local ambassadors sharing on aspect of the Cape Breton Island experience. The program also included the creation of shorter video pieces for social sharing and photography. This program will be continued and expanded this year.
- **Secure rights to select user-generated content (UGC) for use throughout the marketing campaign**  
Through CrowdRiff, DCBA may request permission to use selected content through other channels, rather than solely social sharing and UGC galleries. Approved UGC imagery may be used in ads, videos, and collateral material which will result in an authentic presentation of the destination through the eyes of visitors.

## VI. MARKETING – LEISURE

### A. MARKETING – LEISURE OVERVIEW

#### The Path to Purchase

The proliferation of mobile technology has created a fundamental shift in consumer behaviour. People don't "go online" anymore; they live online. And in this new reality, we act on our needs and make decisions in what Think with Google calls micro-moments. According to recent research that Google conducted with Forrester Consulting, "companies that take steps toward being moments-ready earn a markedly stronger ROI in both mobile and overall marketing investments."

For travel, Think with Google has defined four key micro-moments, as outlined below:

Travel micro-moments start when people begin dreaming of a trip, and they continue all the way through the long-awaited trip itself. These moments tend to fall into one of four categories, which map closely to the stages of the travel decision-making process: dreaming, planning, booking, and experiencing.

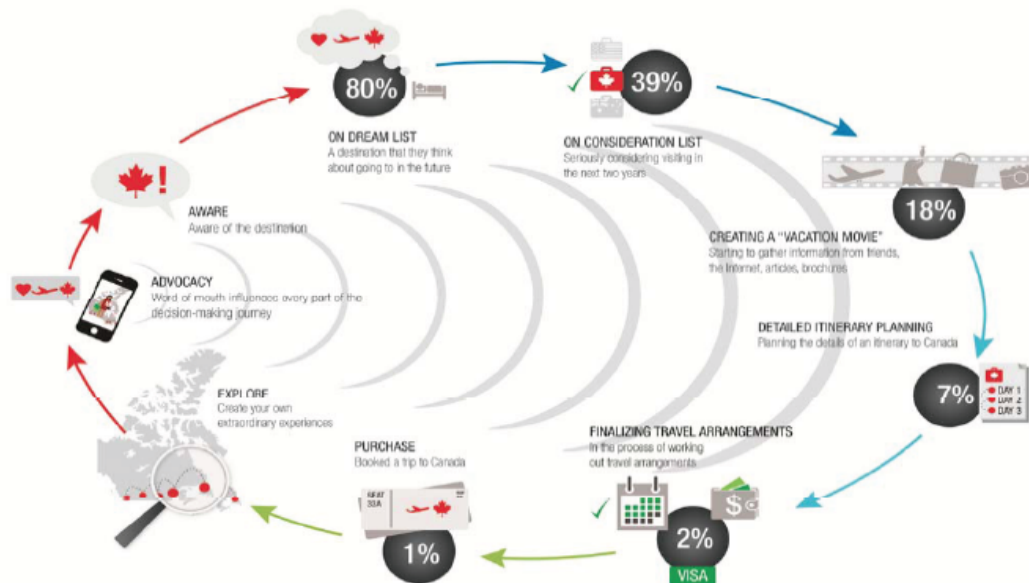
**I-want-to-get-away moments:** a.k.a. "dreaming moments" that happen when people are exploring destination options and ideas with no firm plans. At this stage, people are looking for inspiration.

**Time-to-make-a-plan moments:** a.k.a. "planning moments" that happen when people have chosen a destination. They're looking for the right dates, the right flight, the right place to stay, and all the things they'll do while they're there.

**Let's-book-it-moments:** a.k.a. "booking moments" that happen when the research is done, and people are ready to book their tickets and reserve their rooms.

**Can't-wait-to-explore moments:** a.k.a. "experiencing moments" that happen when the trip is underway. Travelers are ready to live the trip they've been dreaming about—and share it with others.

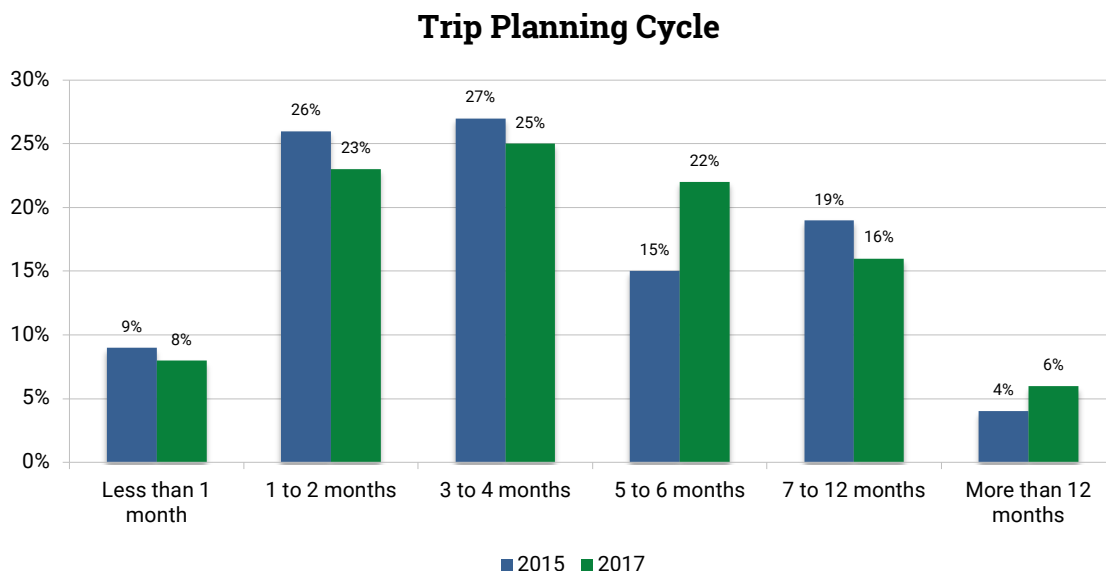
The travel micro-moments align with the Path to Purchase model utilized by Destination Canada (on the following page). The second half of the red section (aware, dream list) aligns with dreaming, the blue with planning, the green with booking, and the first half of the red section (explore, advocacy) with experiencing.



DCBA has utilized this process in recent years and its marketing strategy will continue to align with this micro-moments approach.

### Other Planning Behaviour

In DCBA's 2017 Conversion Survey, it was revealed that there is a trend toward longer planning cycles, as indicated in the chart below.



Millennials skew toward a shorter planning cycle, while the majority of travellers aged 45-70 plan from 3 to 6 months out. Those from markets farther away have longer planning cycles. This impacts the timing of DCBA's marketing campaigns and, over the past three years, campaigns have been gradually starting earlier for all geographic markets. As well, following the micro-



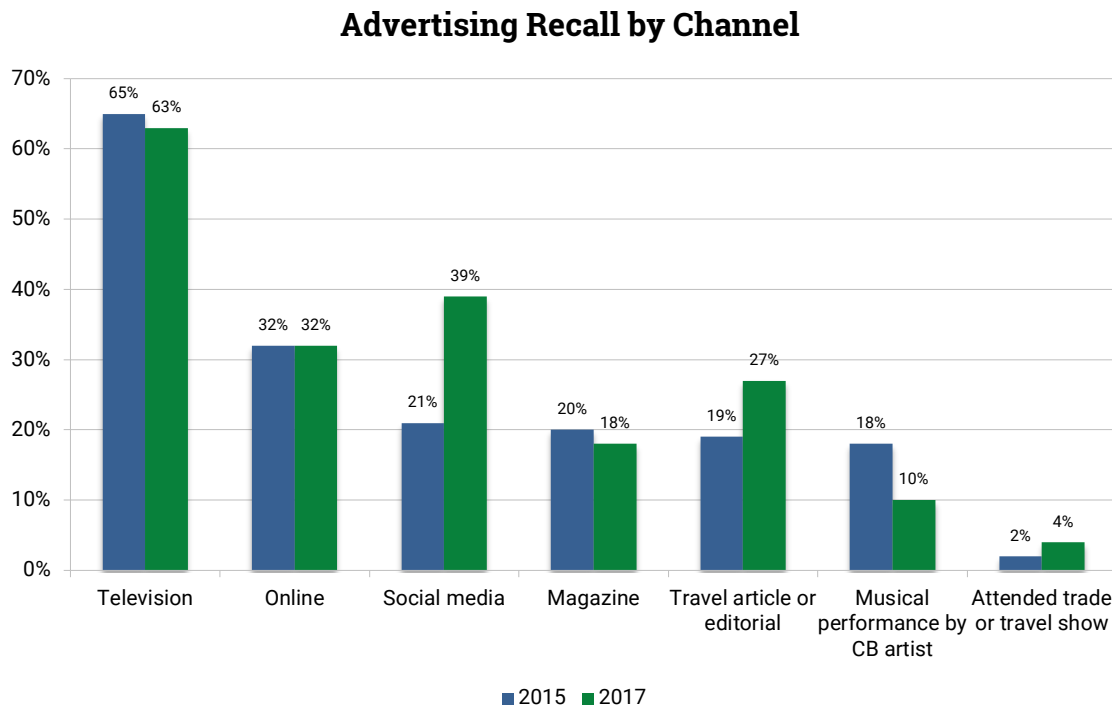
moments philosophy, DCBA's search engine marketing campaign is always on, so anyone thinking of Cape Breton Island will be able to easily find cbisland.com in a search.

A majority of dreaming, planning, and experiencing micro-moments are now taking place on mobile devices. Visitation to cbisland.com from mobile devices comprised 68% of all traffic in 2018, up from 61% in 2017 and 50% in 2016, so this trend is growing. As a result, an exemplary mobile experience is key.

In a study from Expedia Media Solutions called *Traveler's Path to Purchase*, it states that in the dreaming stage, search engines, social media, recommendations from friends and family (including viewing their social media accounts), and advertising were the main sources of inspiration for destinations. This is backed up by DCBA's 2017 Travel Intention Survey, which shows that search engines, friends and family, and social media were the top three channels whereby visitors were led to cbisland.com.

### Advertising Channels

In the 2017 DCBA Travel Intention Survey, the advertising recall was measured for each channel used in specific markets, as outlined in the chart below.



Television and Online remained strong and there was significant growth in Social Media and Travel Article or Editorial. In a recent deep dive review of Google Analytics, it was determined that TV is very cost effective for the regional market, but that digital marketing was more cost-effective outside the region. When looking at specific media outlets, evidence shows that Saltscapes Magazine has strong recall within the regional market despite Magazine showing a slight decline in recall overall.

## Travel Trade

Currently, Cape Breton Island is typically packaged as a component of a Maritimes or Nova Scotia vacation within travel packages that are promoted by the travel trade. A number of receptive tour operators offer Cape Breton self-drive packages, but they usually only include a portion of the actual itinerary on the Island, as Halifax is utilized as the air gateway point. The result is that a perception is perpetuated that one may adequately visit Cape Breton for 2-3 days. However, this does not allow enough time for a visitor to experience the connection points of the Place DNA in sufficient depth. By increasing the demand for Cape Breton Island among consumers and working with receptive tour operators to develop itineraries that fly into Sydney and spend more nights on the Island, a greater tourism impact may be gained from travel trade activities. And a deeper, richer experience may be provided to visitors.

China has become Canada's third largest tourism market, next to the United States and the United Kingdom, and has seen a 6% increase in arrivals to Canada in 2018. As part of the Canada-China Year of Tourism and following its previously developed China strategy, DCBA developed collateral materials in Mandarin and met with a number of tour operators who work in the Chinese market at Rendezvous Canada. The collateral materials were also provided to Cape Breton University to provide to their international students from China, as they may utilize them with visiting friends and family. DCBA has a Memorandum of Understanding with Cape Breton University and through the MOU additional initiatives may be explored for this market.

### Marketing – Leisure Objectives:

1. To expand the Communities of Interest approach to target three additional interest categories.
2. To align with TNS to target key markets of high return.
3. To grow Cape Breton Island's market share within the regional Maritimes market.
4. To enhance and expand the Artist Ambassador program to key musical ambassadors for the Island who regularly tour within target markets.
5. To increase website traffic on cbisland.com by 7% to reach 850,000 sessions, while increasing the engagement rate on the site to 35%, indicating a larger portion of qualified traffic.
6. To increase the social media footprint (combined number of followers on Facebook, Twitter, and Instagram) by 10% to a total of 90,000, while increasing the total number of engagements (likes, comments, shares) by 10%.
7. To expand the reach of Cape Breton Island packages and share of itinerary through travel trade partners.
8. To increase the sales and conversion of packages and experiences.
9. To mobilize visitors into advocates for Cape Breton Island.

## B. MARKETING – LEISURE TACTICS

To achieve the marketing objectives, a number of tactics will be implemented, as follows. These tactics are organized by travel micro-moment types: dreaming, planning, booking, and experiencing. However, it should be noted that some tactics cross over multiple phases.

### **DREAMING**

#### **Marketing – Leisure Objective 1:**

**To expand the Communities of Interest approach to target three additional interest categories.**

- **Expand the Hiking COI to target Outdoor Adventurers**  
The success of the Hiking COI pilot project will allow for the expansion of the interest category to a more encompassing focus on Outdoor Adventure. This will be activity based and will include hiking, kayaking, camping, mountain biking, road cycling, and other water activities (stand-up paddleboarding, surfing, etc.).
- **Work with the Celtic Heart of North America Co-operative to target Celtic Cultural Enthusiasts**  
The Celtic Heart of North America has been targeting Celtic Cultural Enthusiasts through its program for the past 8 years. With its track record and existing assets, combined with DCBA's COI experience, this new approach will be used to reach this interest community.
- **Develop a COI targeting Boaters that focuses on the Bras d'Or Lake**  
With beautiful scenery, steady winds, fog-free waters, and secluded anchorages, the Bras d'Or Lake is a boating paradise. Through the COI approach, Boaters may be attracted to visit the destination through compelling content of the experience and through the reach of influencers within the community.

#### **Marketing – Leisure Objective 2:**

**To align with TNS to target key markets of high return.**

- **Develop targeted digital marketing campaigns in Ontario (Greater Toronto Area), Quebec (Greater Montreal Area), Alberta (Calgary), and the Northeastern US (Boston and New York City) that align with the TNS campaign, where possible**  
Based on 2018 results and data, these campaigns will be highly customized to the geographic market and age segment. For example, for millennials in Ontario the campaign will emphasize the Cabot Trail, festivals and hiking, while for the 45-70 segment in the Northeast US, the focus will be on ceilidhs, culture and the Cabot Trail. Digital marketing will include a mix of SEM, re-marketing, video, display, social, programmatic, and TripAdvisor.
- **Continue partnering with TNS on their Digital Marketing program**  
The Digital Marketing Program in partnership with TNS has helped to drive a significant amount of traffic to cbisland.com. This will be continued in 2019.
- **Continue the Cape Breton Island Experience Guide**  
The Cape Breton Island Experience Guide has been produced the past three years with a distribution of 300,000 units per year. It will continue to be distributed with Good Taste Magazine in Sobeys stores in Ontario, inserted in the Saltscapes Food & Travel Guide, inserted in the Bay Ferries and Northumberland Ferries Onboard Guides, distributed at the Saltscapes Expo, and distributed through select Provincial and on-Island VICs.

Participation in the guide will be a key part of a promotional opportunity offered to tourism operators on the Island.

- **Identify and target key influencers and travel media from these markets to attract to Cape Breton Island for fam trips**

Both as stand-alone activities and through partnership with TNS, Destination Canada and Parks Canada, the media relations program will continue to attract key influencers and media from target markets. This will include attending the Travel Media Association of Canada conference in Sault Ste. Marie in June.

#### **Marketing – Leisure Objective 3:**

**To grow Cape Breton Island's market share within the regional Maritimes market.**

- **Maintain a targeted advertising campaign in the Maritimes**

Based on 2018 results and data, this campaign will include television, specialty print (Saltscapes), and a strong digital focus (SEM, remarketing, video, display, social, and programmatic). This year, a greater emphasis will be placed on the Halifax market and driving visitation during shoulder seasons with experience-based offerings.

- **Coordinate a Cape Breton Island industry presence at the Saltscapes Expo**

The Saltscapes Expo serves as a motivator for the regional market to consider Cape Breton Island and provides a great opportunity for industry to meet potential customers face to face. Given the strong knowledge of Cape Breton Island in this market, a shift was made in recent years from a destination sell to more of an experience sell. While a coordinating function is still needed to provide a strong Cape Breton presence, the focus will increasingly highlight the participating industry operators.

#### **Marketing – Leisure Objective 4:**

**To enhance and expand the Artist Ambassador program to key musical ambassadors for the Island who regularly tour within target markets.**

- **Develop partnerships with key musical ambassadors for the Island who regularly tour within target markets**

Cape Breton Island's renowned artists have tremendous influence with their audiences and fans, which can translate into tourism visitation. This has been proven through the partnership that has been forged with Natalie MacMaster and Donnell Leahy in recent years, which has been extremely effective in creating awareness of Cape Breton Island as a destination. Of those audience members who visited cbisland.com as a result of the attending a Natalie and Donnell performance, 76% converted to actual visits; much higher than the 67% average conversion rate. In 2018, a similar partnership was initiated with the Barra MacNeils. The program will be further expanded in 2019 with the Island's touring artists who have strong social followings and align with the Cape Breton Island brand.

- **Continue to build Cape Breton Island's presence at the GreenBridge Celtic Festival**

The GreenBridge Celtic Festival, hosted by Natalie MacMaster and Donnell Leahy near their home in Peterborough, is a showcase of Cape Breton Island and Irish culture. In 2018, DCBA coordinated a Cape Breton presence at the event along with a group of industry partners. The presence will continue to be organized with an enhanced Cape Breton section that borrows from the Saltscapes Expo approach to focus on experiences.

## PLANNING

### Marketing – Leisure Objective 5:

To increase website traffic on [cbisland.com](http://cbisland.com) by 7% to reach 850,000 sessions, while increasing the engagement rate on the site to 35%, indicating a larger portion of qualified traffic.

- **Launch the new [cbisland.com](http://cbisland.com) website**  
A new website strategy was developed by DCBA's digital agency, which laid the foundation for the development of a new website that has a 'mobile-first' approach. The site is designed to be a content hub, in line with the major recommendation to come from a Destination Think! website audit, and will employ best practices in destination website development. The site will be launched by April 1, 2019.
- **Complete an annual review of Cape Breton content on [NovaScotia.com](http://NovaScotia.com) and provide recommendations for enhancement**  
This review has been completed on an annual basis with suggestions being provided to TNS. By continuing this process each year, traffic to that content may continue to grow.

### Marketing – Leisure Objective 6:

To increase the social media footprint (combined number of followers on Facebook, Twitter, and Instagram) by 10% to a total of 90,000, while increasing the total number of engagements (likes, comments, shares) by 10%.

- **Continue audience building and engagement strategies for all social channels**  
Through promoting Facebook posts, sharing strong video and photo content, encouraging user-generated content, and engaging in conversations, the audience for DCBA's social channels will continue to grow. For micro-moments, being there (active and engaged in relevant social conversations), being helpful (providing useful content for anyone considering a trip to Cape Breton), being quick (providing responses multiple times a day), and inviting qualified users to follow our channels will continue to increase the social media footprint and the quality of interactions.
- **Increase social interaction with Destination Canada and Tourism Nova Scotia**  
Through events such as Destination Canada's monthly #CanadaChat and the ongoing sharing of content with TNS, the frequency of Cape Breton content shared through those partners has steadily increased. Wherever possible, steps will be taken to increase these interactions.
- **Continue to increase engagement with socially active industry members**  
Engagement with industry over the past two years with a number of operators doing Instagram takeovers during the season and the introduction of Creatives Weekends. This engagement will continue to be developed through a coordinated approach among some of the most socially active experience providers on the Island.
- **Highlight festivals and events through Ultimate Summer Interns**  
With the Signature Events program and the Festivals and Events funding program administered by DCBA, the participating events provide experiences that may be featured within the social media program. In 2018, a summer student was hired as the Ultimate Summer Intern and was utilized to profile these events and other experiences through live social (Facebook and Instagram Live). Based on the experience from 2018, the program may be expanded to have four interns, with one based on each county. Additionally, comprehensive training and good equipment should be secured to ensure high quality live posts.

## **BOOKING**

### **Marketing – Leisure Objective 7:**

**To expand the reach of Cape Breton Island packages and share of itinerary through travel trade partners.**

- **Establish and/or nurture relationships with travel trade partners**  
In recent years, DCBA has established relationships with travel trade partners such as WestJet, Glasgow Airport, Ambassatours, Bay Ferries, and other tour operators and travel agencies. Through nurturing these relationships, DCBA may develop partnerships that will increase the number of packages that feature Cape Breton Island, increase the number of nights on the Island within existing packages, and drive demand for Cape Breton exclusive packages. These efforts can also result in increased air capacity into Sydney, whether by connector or direct flights.
- **Meet with receptive tour operators to enhance Cape Breton Island packages**  
Most international tour operators have relationships with receptive operators in Canada and purchase their packages for resale to their clients. Through meeting with select receptive tour operators, exclusive Cape Breton Island packages may be encouraged and/or enhanced with the assurance that DCBA will work with them and inbound tour operators to drive demand for those packages.
- **Attend key travel trade events**  
DCBA has attended Rendezvous Canada, Canada's premier international tourism marketplace, for the past three years to connect with international buyers of Canadian tourism products. The DCBA presence provides destination support for international markets being targeted by Destination Canada, TNS and ACAT, including the United Kingdom, Germany, and China.
- **Work with TNS to host fam tours for select travel trade partners**  
Once a relationship has been established, the next step is to allow the key decision-makers to experience Cape Breton Island for themselves during a fam tour. This will allow them to understand what a Cape Breton vacation package can deliver to their clientele. TNS regularly hosts fam tours for travel trade partners and DCBA can support them in fams that come to Cape Breton.

### **Marketing – Leisure Objective 8:**

**To increase the sales and conversion of packages and experiences.**

- **Continue to emphasize conversion in all aspects of marketing**  
An emphasis on conversion will be placed on all facets of the plan from using a strong call to action in creative, to suggesting experiences and packages in social media conversations, and driving leads to operator websites.
- **Enhance the Cape Breton Island destination page on TripAdvisor with packages, experiences and events**  
The destination page for Cape Breton Island on TripAdvisor is an important piece of the Island's web presence, as it receives approximately 100,000 visits per year. Featured packages, experiences, and events may be highlighted on DCBA's premium destination page and staff will regularly monitor and engage in conversations on the Cape Breton Island travel forum within the site to assist travelers in making plans and suggest packages and experiences.



## **EXPERIENCING**

### **Marketing – Leisure Objective 9:**

**To mobilize visitors into advocates for Cape Breton Island.**

- **Enhance the user-generated content (UGC) sharing program**

UGC is a key motivator for some key audience segments, particularly millennials, as they are influenced by content shared by their peers. Over the past two years, DCBA has used the CrowdRiff UGC curation platform to identify and utilize this content. Through the use of hashtags (primarily #ExploreCB), content being shared by visitors, industry, and residents was organized as a visual influence tool. Steps will be taken to encourage hashtag usage among locals and visitors.

## VII. MARKETING – NICHE

### A. MARKETING – NICHE OVERVIEW

DCBA is actively involved in two niche product/market areas:

- Small Ports Cruise; and
- Meetings and Events.

#### Marketing – Niche Objectives:

1. To support the growth of Cape Breton Island's three niche ports through Ports Cape Breton.
2. To support the development of Sydney as a home port.
3. To support Develop Nova Scotia in pursuing the lucrative superyacht market to visit the province of Nova Scotia generally/and the region of Cape Breton Island specifically.
4. To attract right-sized sports events for Cape Breton Island.
5. To grow the regional meetings and conventions business on Cape Breton Island.
6. To build the customized corporate and incentive groups business on the Island.

### B. MARKETING – NICHE TACTICS

To achieve the marketing – niche objectives, a number of tactics will be implemented, as follows and arranged according to each niche area:

#### ***SMALL PORTS CRUISE***

##### **Marketing – Niche Objective 1:**

**To support the growth of Cape Breton Island's three niche ports through Ports Cape Breton.**

- **Continue to nurture the partnership through the Atlantic Canada Cruise Association (ACCA)**  
Through membership in ACCA, the niche ports are promoted through their small ports strategy by attending events like Seatrade Cruise Global and by nurturing existing partnerships. Content for the three ports should continue to be enhanced each year.
- **Build relationships with cruise influencers and small cruise line itinerary planners**  
Cruise influencers and itinerary planners have the power to bring additional visits to each of the three niche ports. Hosting them on fam tours will provide them with a sample of the experience that cruise guests will experience on the Island. Once these itinerary planners experience Cape Breton Island, they will be pitched on including the niche ports in their itineraries.

- **Explore the possibility of developing additional Community Cruise Committees**  
Some small cruise lines have already visited Ingonish and Inverness for golf-focused cruises, which suggests that these communities, and possibly others, could join the niche ports of Chéticamp, Baddeck, and Louisbourg. As the first step, discussions have begun with St. Peters, Inverness, Cabot Links and the interests there to look at developing a Cruise Community. DCBA has connected with Aquila Tours and Develop Nova Scotia to deliver small ports readiness workshops that provide the criteria and conditions for success when dealing with small cruise lines and super yachts.

#### **Marketing – Niche Objective 2:**

**To support the development of Sydney as a home port.**

- **Support One Ocean Expeditions in its development of Sydney as a home port**  
One Ocean Expeditions announced in 2017 that it would be establishing the Port of Sydney as its home port for five Atlantic Canada departures beginning in 2019, commensurate with the completion of the Port of Sydney's second birth. This initiative now needs to be fully supported to ensure its success and to lay the foundation for future growth. This may involve such initiatives as ensuring there is quality ground transportation for visiting guests, providing a welcoming atmosphere at the Sydney Airport, facilitating pre and post cruise experiences, etc., which may be supported by the Port of Sydney and DCBA. As well, DCBA can support this decision through its travel trade and media relations by working with One Ocean to raise awareness of their cruise packages from Sydney and supporting fam trips for the cruises.

#### **Marketing – Niche Objective 3:**

**To support Develop Nova Scotia in pursuing the lucrative superyacht market to visit the province of Nova Scotia generally/and the region of Cape Breton Island specifically.**

- **Continue to enhance the partnership with Develop Nova Scotia**  
Develop Nova Scotia (previously the Waterfront Development Corporation) has been successful in building relationships with superyacht captains and owners over the past 7+ years and welcomes upwards of 50 super and luxury yachts per year. A portion of these superyachts are coming to Cape Breton Island, but more could be attracted by working with Develop Nova Scotia to promote the Nova Scotia/Atlantic Canada destination. This may include attending key boat shows and participating in activations for owners and captains.

### **MEETINGS AND EVENTS**

#### **Marketing – Niche Objective 4:**

**To attract right-sized sports events for Cape Breton Island.**

- **Develop and nurture relationships in the sports tourism industry**  
This will include attending the SEC National Summit in Ottawa and the Sports Tourism Annual professional development workshop with industry partners.
- **Explore opportunities to submit bids for sports events that are right-sized for Cape Breton Island**  
Events Cape Breton will work with local sports organizations and other stakeholders to identify sports events that match the hosting capacity of the Island. Once identified, ECB will support the local stakeholders in submitting bids and proposals.

#### **Marketing – Niche Objective 5:**

**To grow the regional meetings and conventions business on Cape Breton Island.**

- **Continue implementation of the sales plan**  
The on-going implementation of the sales plan will include in-market sales calls, database updates, and follow-up on leads.
- **Encourage and support local and regional association members and CEO's to actively promote Cape Breton Island as their next conference location**  
Through working with members of associations, stakeholders may be identified to champion Cape Breton Island as a location for their next conference. These relationships will be established and nurtured by Events Cape Breton with requisite support provided to bring the association events to the Island.

#### **Marketing – Niche Objective 6:**

**To build the customized corporate and incentive groups business on the Island.**

- **Target and approach key corporate executives in Atlantic Canada and the Greater Toronto Area for customized corporate and incentive groups**  
Leading with golf, outdoor and culinary experiences, Events Cape Breton will position Cape Breton Island as a destination for corporate group and incentive trips among targeted executives in Atlantic Canada and specific corporate markets in the Greater Toronto Market including insurance, banking and finance organizations.

## VIII. INDUSTRY AND COMMUNITY MOBILIZATION

### A. INDUSTRY AND COMMUNITY MOBILIZATION OVERVIEW

To ensure Cape Breton Island is moving in a unified direction, industry and community mobilization is a key part of the strategy. Building confidence in the direction of the destination will foster new investments by industry. As the saying states, “tourism is everyone’s business”, and this is true as visitors having positive encounters with local residents is key to their experience. DCBA can play an important role by educating and mobilizing industry and community on the Island.

#### Industry and Community Mobilization Objectives:

1. To enhance existing communication channels with industry to ensure active engagement and mobilization.
2. To build confidence in the tourism industry by promoting tourism as an economic driver for the Island and increasing awareness of the tourism product.

### B. INDUSTRY AND COMMUNITY MOBILIZATION TACTICS

To achieve the industry and community mobilization objectives, a number of tactics will be implemented, as follows:

#### Industry and Community Mobilization Objective 1:

**To enhance existing communication channels with industry to ensure active engagement and mobilization.**

- **Continue pre-season industry sessions around the Island**  
Since 2017, DCBA has held a series of meetings around the Island for industry operators to update them on the strategy and provide information on how they can participate within marketing activities (Experience Guide, cbisland.com, social media, etc.) and product innovation. These industry sessions will continue in March 2019 with a session to be held in each county.
- **Continue the monthly industry e-newsletter**  
A monthly industry e-newsletter was established in 2018 and will be continued for 2019. The e-newsletter will be assessed on an annual basis to review open rates and click-through rates.
- **Continue the industry page on cbisland.com**  
A new industry page was established on cbisland.com in 2018, which streamlined the information most important to industry. It includes promotional opportunities, product innovation opportunities, a downloadable copy of the strategy and bi-monthly strategy updates, and other key industry tools.
- **Continue Product Innovation and Marketing Committees**  
The Product Innovation and Marketing Committees include industry members from around the Island who provide valuable input into the DCBA strategy and activities. The committees meet three times annually, as follows: in February to present the draft

strategy for their feedback, in May to report on key initiatives to be held during the season, and in November to review results of the season.

**Industry and Community Mobilization Objective 2:**

**To build confidence in the tourism industry by promoting tourism as an economic driver for the Island and increasing awareness of the tourism product.**

- **Develop and distribute an annual year-end report**  
An annual year-end report will be developed to provide an overview of the activities of DCBA and results of key performance indicators. The report will be available to industry and also promoted through local channels to reach the general public.
- **Continue to nominate and promote tourism award winners**  
With Cape Breton tourism organizations, operators, and individuals regularly receiving provincial and national awards, many of them nominated by DCBA, a process will continue to recognize the awards through news releases and social media channels. In special cases, social content (e.g. a video) will be developed to acknowledge the accolades and will be shared through social channels.