Making the Case for Tourism – A Toolkit

Part 1
Introduction to the Toolkit

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Introduction

The tourism industry is unique in a number of ways, some of them positive: the others problematic.

The Positives

On the positive side are the following points:

- Tourism is uniquely effective in bringing money into the community; in fact, that is the essence of the industry; it brings in visitors who carry their money with them and leave it behind. It is a true export industry and 'economic engine' for the community and region.

- In light of this factor, any expenditure on strengthening tourism will generate economic returns to the community. It is, in fact, an investment with real returns.

- Tourism supports a diversity of businesses, of all types and sizes, providing investment and employment opportunities for a wide range of people – those entering the workforce or looking for seasonal or part time work, those seeking a rewarding career, and those looking to start a business on their own.

- Visitors help support community attractions, events and other amenities through their spending, thereby enhancing their revenue base and their sustainability as community assets. And more tourism provides a justification for a greater investment in community amenities that also benefit local residents.

- In spite of periodic ups and downs, the industry is in a long-term growth cycle, thereby offering economic growth potential to the community.

- If properly managed, tourism is a relatively more sustainable industry than many others: it is less consumptive and less environmentally damaging.

All of these factors present compelling reasons for governments, the business community and the general public as a whole to support and assist the industry's growth.

The Challenges

At the same time, the industry faces many challenges that present a level of urgency in building support for the sector.

- Tourism's dominance by numerous small and medium sized enterprises makes it difficult to build collaborations for matters of common interest, particularly destination marketing: too many operators and too little money.

- A considerable number of the enterprises in tourism are public sector or not-for-profit organizations (museums, cultural groups, etc.) that have little or no money to contribute to tourism efforts.

- Many businesses that receive money from visitors, most notably retailers, don't see themselves as being in the tourism industry and don't support its programs.

- The foregoing challenges are made more acute by the fact that the tourism marketplace is very competitive and requires a professional effort in both product enhancement and marketing.

All of these factors, both positive and negative, underline the need for a concerted effort to support the efforts of the industry in its attempts to move forward.

The Rationale for Developing and Presenting the 'Business Case for Tourism'

In light of the foregoing, it is important that a concerted effort be made to develop a strategy and action plan to promote the agenda within the community.

- The "Making the Case for Tourism" Toolkit has been created to assist tourism and economic development professionals in raising the profile of tourism within their respective communities. It consists of a number of components that can be used independently or combined as required.

- The Toolkit was created at the explicit request of the tourism/economic development community. There is a need to demonstrate the economic importance of tourism to municipal leaders and to the community at large, especially in a tight fiscal climate. Budgets must be put forward and substantiated in a business-like manner with a clearly defined return on investment.

The Making the Case for Tourism Toolkit

It is important to state that the Toolkit is an organic entity, which over time, will grow and evolve as new data and information are gathered and as the business environment changes.

Currently, the Toolkit components include sample power-point presentations for both large and small municipalities that can be used at Council, budget committee or other community meetings. Tourism/economic development officers need only insert research data and other information for their particular region. The presentations can be streamlined for the time allotted.

The Toolkit has been designed to use the *Regional Tourism Profiles* (available on-line) and other relevant research information developed by the Ministry of Tourism and Recreation's Research and Industry Competitiveness Unit and which is to be found on the Ministry's website at: **http://www.tourism.gov.on.ca/english/tourdiv/research/index.html**

Also included are a Communications Manual and various Appendices.

The presentation templates address the following topics and messaging, in this order:
1. What is tourism?
2. The economic impacts of tourism in Ontario.
3. Visitation and visitor spending, scope of the tourism industry in our community/region.
4. The economic impacts in our community/region.
5. The benefits of tourism other than economic impacts.
6. The market is growing, we have what it takes to compete, we have opportunities to grow, and we have a strategy to get the job done.
7. What would happen if we could grow out tourism revenue by only 1%?
8. Can we make a difference? Won't they come anyway?
9. Examples of communities that have succeeded with tourism initiatives.
10. We can be successful in growing our tourism - we can be strong, we have our partners on side, we can get the job done.
11. The 'call to action' – here is what we need from you…!

It is important in building confidence in the tourism agenda that the tourism stakeholders in the community have a tourism strategy, a plan to guide their efforts that is supported by credible research into market opportunities, and one that builds on real strengths.

It is vitally important to focus the messaging on things that are really meaningful to the community; the gut issues that are important; the facilities, events, etc. things that people are familiar with and consider important. For this reason, anecdotal information, local examples, and local issues should be woven into the presentation. To the extent possible, don't let the abstract information (numbers) stand-alone. Reinforce it/them with local illustrations.

In asking for financial support, the approach should be framed as seeking 'investment' in the industry that will provide returns to the community. (Ideally, you will want to bring forward any and all information you can on what those returns might be – either financially or anecdotally.) Be prepared for some questions with some key Q&A (Questions and Answers).

Here are a few key questions and suggested responses:

1.   *Can we make a difference? Won't the visitors come anyway?*

- This is addressed in the presentation, both negatively and positively. The negative is what happens if you stop marketing. The positive is that you can grow your tourism by having great experiences for visitors, strengthening the market readiness of your products and having a solid, sustained marketing program.

- You will also want to make the additional point that the tourism marketplace is very vulnerable to change, whether from competitive activity or from external conditions. It is therefore essential that you have to be unflagging in your tourism programs, particularly destination marketing. The SARS crisis was a good example of how fragile market conditions can be and why we have to continually be 'in the face' of the consumer.

2.   *Why should taxpayers pay for this? Why doesn't the industry fund the tourism effort themselves?*

- Point out the challenges mentioned above, and the benefits that spread well beyond the tourism industry alone.

- If possible, indicate how much the tourism industry and other 'partners' are investing in the effort. Point out that their money is being leveraged with money from the industry, government and other sources.

- Also, the whole economy will benefit from the investment, not just the tourism industry, since visitor spending is much more widespread (retailers of all kinds, gas stations). And local citizens will benefit too, etc.

3.   *If we 'invest' this money, what do we get back for it? What is our return on investment?*

- The answer to this is embedded in 'The Positives' discussed earlier. It is a public investment with community-wide returns, both economic and social (cultural, recreational, etc.)

- However, if your municipal council is the audience, they may also question you as to how the municipal government itself would see a return. The problem here is that

their ROI is municipal taxes that are not directly affected by visitor spending in the community. Also, tourism activity can actually increase direct costs to the municipality.

- You can use an economic impact model, such as the ministry's TREIM model to measure the economic impacts of tourism activity. This model includes data on municipal taxes generated. This helps, but unfortunately, the measure of municipal taxes it provides doesn't match with the actual municipal assessment at the local level. It is a theoretical figure based on the regional economy and taxation rates in the region as a whole. While the number may be in the same 'ballpark' it won't be the same. But it can be used as a realm of magnitude estimate and defended as such.

- The answer to questions regarding municipal government ROI can also focus on the fact that tourism encourages business investment, both in the tourism industry and in other sectors affected directly or indirectly by tourism and visitor spending. That, in turn, will grow the municipal tax base over time.

- If possible, give examples of new investment that has occurred in recent years that is linked to tourism. Give examples of the amount of taxes paid by businesses in your community that benefit from tourism – hotels, restaurants, grocery stores, gas stations, and so on.

The Ontario Tourism Strategy and the Premier-Ranked Tourist Destinations Program

The Ministry of Tourism and Recreation recently released the provincial tourism strategy. It would be most helpful to your effort to gain support for your tourism strategy and agenda if you were to develop your strategy in a fashion that builds on and complements the provincial strategy. It will make it more valid and credible if you do so. The Ontario Tourism Strategy can be accessed at http://www.tourism.gov.on.ca/english/tourdiv/tourism/strategy.htm

Similarly, if your community participates in the Premier-Ranked initiative it will provide a considerable part of the information you need in building your tourism business case.

Things You Can Develop with the Toolkit

Presentations

The toolkit is designed, in the first instance, to assist you with preparing presentations on 'The Business Case for Tourism' in your community or region. It provides you with two PowerPoint templates, one a long version of 41 slides, the other a short version of 20 slides.

Report

The same format can be used to develop a report document supporting the presentation. The bullets in the PowerPoint presentation would be expanded into sentences and paragraphs, and the same pictures and graphics used.

The Toolkit does not provide a template for this task; however, it is a relatively straightforward task to develop a report in parallel with preparing the presentation.

See the Communications Manual with this Toolkit for further suggestions in preparing a report on tourism.

Fact Sheet (Part 3)

The Toolkit includes a template for a two-page fact sheet that can be used as a handout piece to accompany the presentation, or on its own, as a general information piece about tourism in the community and the activities of the tourism industry.

Like the presentation, the fact sheet template invites you to enter text in the fields in brackets.

Other Components in the Toolkit

Communications Manual (Part 4)

The Toolkit also includes a communications manual to assist with using the other tools effectively. It is a basic primer on communications that you will find generally useful in your efforts.

Instructional Manual (Part 2)

Finally, the Toolkit includes a detailed instructional manual on preparing the presentations and the fact sheet, along with five appendices providing more detailed information where it is needed.

The appendices cover the following four topics:

1) Copies of the *basic speaker text for the long and short presentations* (the digital versions are on the CD).
2) A *paper on 'Using the Regional Tourism Profiles'* that provides instructions on how to draw information from the ministry's website to use in your presentation.
3) Copies of the *'Success Stories'* that are available for use in your presentation (the digital versions are on the CD).

4) Copies of *two pilot project presentations* prepared as part of the development of the Toolkit, one for a large community - Hamilton, the other for a small community - Wasaga Beach. These are samples to illustrate a finished product.

For those unable to download larger files, the Toolkit is available on a CD containing a number of PowerPoint and Word files that have been designed to be adapted and customized for presentation purposes. It also contains a number of PDF files to be used as references as well as the accompanying instructional materials.

The following table summarizes the locations of the different files on the CD, along with the sections of the manual.

Toolkit Components

Toolkit Component	Type of File on the CD	Location in the Manual
Tools		
PowerPoint presentation template – long version (with speaker text and other information on notes pages)	PowerPoint	-
PowerPoint presentation template – short version (ditto notes pages)	PowerPoint	-
Success stories	PowerPoint	Appendix III
Fact sheet	Word	Part 3
Communications manual	PDF	Part 4
Support Materials		
Introduction to the Toolkit	PDF	Part 1
Instructions on preparing your presentation – long version	PDF	Part 2
Instructions on preparing your presentation – short version	PDF	Part 2
Basic speaker text – long version	Word	Appendix I
Basic speaker text – short version	Word	Appendix I
Using the Regional Tourism Profiles	PDF	Appendix II
Hamilton pilot presentation	PDF	Appendix IV
Wasaga Beach pilot presentation	PDF	Appendix V

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