# Nova Scotia *Come to life*: 2007 Survey Results

## Senior Business – Repeat Markets: Other Atlantic, Toronto & Boston

Omnifacts Bristol Research

May 2007

Prepared for Communications Nova Scotia

## Table of Contents

# Executive Summary

## Methodology and Objectives

- Telephone survey of a total of 866 business people from the three Atlantic provinces other than Nova Scotia (NB, PEI and NL), Toronto and Boston during April 2007
  - Margin of error is +/-3%, 19 times out of 20
- Follow-up to 2004 Baseline survey
- Objectives
  - Measure any changes in attitudes and perceptions
  - Measure Nova Scotia *Come to life* awareness & effectiveness

## Public Perceptions of Key Brand Attributes

### Findings

- All business people are more likely to have visited Nova Scotia for pleasure than for business.

- Ratings of the Nova Scotia economy are similar to the ratings in 2004 in Other Atlantic provinces, with some increases in both the Toronto (up 13% to 45%) and Boston (up 4% to 39%) business communities.

- There have been a limited number of moderate gains in perceptions of Nova Scotia as a place to do business, and some moderate declines in the image attributes of Nova Scotia, but most attributes did not change by more than 3% since 2004 overall. Gains and wins are seen in:
  - Nova Scotia being easily accessible by ocean (up 9% to 75%)
  - Nova Scotia being a place to live and work (up 5% to 34%)
  - Having a high quality health care system (up 5% to 28%)
  - Business deals in NS can be made on a handshake (up 4% to 21%).

- Perceptions of Nova Scotia as a vacation destination remains very high for “has everything required to make a great vacation” in all three markets.

**Year over Year Comparison 2004 Sample to 2007 Sample**

- % Giving Agreement Ratings of 8,9 or 10-

| Wins | | 2007 (n=866) | 2004 (n=866) | Gap 2007-2004 |
|---|---|---|---|---|
| ***Fast Ocean Access*** | NS is easily accessible by ocean | 75% | 66% | +9% |

| Gains | | 2007 (n=866) | 2004 (n=866) | Gap 2007-2004 |
|---|---|---|---|---|
| ***Quality of Life*** | NS as a place to live and work | 34% | 29% | +5% |
| | NS has a high quality health care system | 28% | 23% | +5% |

| Gains | | 2007 (n=866) | 2004 (n=866) | Gap 2007-2004 |
|---|---|---|---|---|
| ***Educated Labour Market*** | NS does not have a well-educated labour market (% giving 1,2 or 3) | 49% | 45% | +4% |
| ***Trust & Respect*** | In NS, business dealings can be made on a handshake | 21% | 17% | +4% |

| Draws | | 2007 (n=866) | 2004 (n=866) | Gap 2007-2004 |
|---|---|---|---|---|
| ***Quality of Life*** | NS as a place to live and work compared to other provinces in Canada | 25% | 23% | +2% |
| | I would like to live and work in NS | 12% | 14% | -2% |
| | The quality of life in NS is *declining* (% giving 1,2 or 3) | 49% | 51% | -2% |
| | Working in NS enables a person to balance their work and home life | 41% | 39% | +2% |
| ***Business Environment*** | NS as a place to do business | 25% | 25% | n/c |
| | I would like to conduct business in NS | 30% | 31% | -1% |
| ***Business Climate/ Economy*** | Businesses in NS can succeed | 44% | 43% | +1% |
| ***Dynamic Business Community*** | NS is a dynamic place to do business | 17% | 15% | +2% |
| ***Progressive Business Community/ Business Climate/ Economy*** | NS is a great place to open a business | 12% | 14% | -2% |
| ***Fast Air Access*** | NS is easily accessible by air | 53% | 54% | -1% |
| ***Transportation*** | NS does *not* have a well-developed transportation infrastructure (% giving 1,2 or 3) | 27% | 28% | -1% |
| ***Competitive Tax*** | NS offers a competitive corporate tax rate | 8% | 10% | -2% |
| ***Innovative*** | NS has a well-established entrepreneurial business community | 21% | 20% | +1% |
| ***R&D - Innovation*** | Many businesses in NS participate in research & development activities | 15% | 12% | +3% |
| ***Halifax – Dynamic City*** | Halifax is a dynamic national city | 49% | 47% | +2% |
| ***Education*** | Colleges and universities in NS offer quality academic programs | 55% | 53% | +2% |
| ***Training*** | NS has limited training resources (% giving 1,2 or 3) | 27% | 24% | +3% |

| Draws | | 2007 (n=866) | 2004 (n=866) | Gap 2007-2004 |
|---|---|---|---|---|
| ***Vacation Destination*** | NS has everything required to make a great vacation | 72% | 70% | +2% |

- There is a slight decrease in the confidence of Nova Scotia's labour resource, namely in Nova Scotia having a skilled labour market (down 4% to 27%) and Nova Scotia having quality labour accessible at competitive rates (down 5% to 25%).

- There have been slight decreases in ratings of Nova Scotia's telecommunications infrastructure as a way to connect communities with the world (down 5% to 38%) and the perceived proximity of Nova Scotia to both American and Canadian markets (down 5% to 50%).

| Losses | | 2007 (n=866) | 2004 (n=866) | Gap 2007-2004 |
|---|---|---|---|---|
| ***Skilled Labour Market*** | NS has a skilled workforce | 27% | 31% | -4% |
| ***Competitive Labour Costs/Skilled Labour Market*** | Qualified labour is accessible to employers at competitive rates | 25% | 30% | -5% |
| ***Telecommunications Infrastructure*** | Telecommunications infrastructure ensures that communities within NS are accessible to the world | 38% | 43% | -5% |
| ***Business Climate*** | NS is in close proximity to both Canadian and American markets | 50% | 55% | -5% |

- There are gaps between the experiences and perceptions of Other Atlantic business people and business people in Boston and Toronto. Other Atlantic Canadian business people are most likely to interact with and conduct business in Nova Scotia. They are also more likely to evaluate Nova Scotia more positively on most image attributes, and more receptive of Nova Scotia overall. Toronto business people are less positive and receptive, and Boston business people continue to give the least-informed and poorest evaluations of Nova Scotia.

## Advertising Campaign: Awareness & Effectiveness

### Findings

- Recall of the *Come to life* advertising has to be considered moderate given the challenges in reaching this specially-targeted audience. The actual recall based on stringent requirements (respondent had to mention specific scenes or slogans) was 2% unaided recall and 3% aided recall for a total of 5% with an additional 4% who almost certainly recalled the correct advertising.

- Once aware, the main message of the *Come to life* advertising was unclear in most business persons' minds.

- When prompted, about half of the respondents felt that the ads made them more conscious of the international competitiveness of Nova Scotian businesses, and made them feel that Nova Scotia Businesses are on the move.

- The advertising seems to be creating some positive word of mouth communication in that almost half of those who were aware of the advertising said they had spoken to others about it.

- The current advertising could continue to be used in that only 10% of the sample indicated they were tiring of it, which suggests there are no immediate concerns with wear out.

- There is some confusion between the *Come to life* campaign and tourism advertising.

# Introduction and Background

This report contains the findings from the second wave of research of the business communities within New Brunswick, Prince Edward Island and Newfoundland (termed "Other Atlantic" throughout this report), Toronto, Ontario and Boston, Massachusetts. This wave of research was conducted in April of 2007. The first wave was conducted in October of 2004. Similar surveys were used each time and the research was conducted with two very distinct objectives:

1. To re-visit and assess public attitudes on key brand attributes; and

2. To assess the advertising campaign conducted in Toronto and Boston.

Findings for each of these distinct objectives have been presented in separate sections of this report.

## Background

As part of the on-going evolution of the strategy, it has been deemed important to conduct periodic evaluations and assessments to determine whether objectives are being met, as well as to gather feedback that can be used to refine the strategy as appropriate. Throughout this report, the emphasis will be on comparing 2004 (the baseline) to 2007 in each of the three markets; Other Atlantic, Toronto and Boston. It should be noted that attitude changes, which are being measured in this research, typically take a great deal of time and effort to change.

## The Questionnaire

The first section of the survey used many statements about various aspects of Nova Scotia in general, and its business environment more specifically to measure various aspects of the desired brand attributes.

The second section of the survey measures the awareness levels of the advertising campaign at this point in the on-going *Come to life* project. The survey assesses the impact of efforts to date and provides direction for any necessary changes to the creative approach.

## Panelists versus Random Samples

To effectively assess change in attitudes, the use of panelists was proposed during the benchmark survey as a means of directly measuring attitudinal change among the same individuals. This approach would permit a comparison of individuals on a one-to-one basis, and hence controlled for differences in perceptions that occur due to sampling. Only a very small number of business people participated in both waves of surveying. Therefore, this report concentrates instead on the entire random sample of 866 individuals drawn from the same population as the initial survey rather than on the small portion of panelists.

A sample of 866 gives a margin of error of ± 3%, which means that any percentages presented might actually be up to 3% higher or lower.

# Section 1: Measuring Public Perceptions of Key Brand Attributes

- A Comparison to Benchmark Measures -

## Familiarity with Atlantic Canada

The survey began by asking non-Atlantic Canadians about their familiarity with the area and their business experiences with the region.

The vast majority of Toronto respondents (90%) were familiar with the Atlantic Canadian provinces. This portion dropped slightly from 2004 when 94% indicated familiarity with the region.

Over one-third of Toronto respondents (36%) indicated that their organization currently has business dealings in Atlantic Canada. In 2004, 49% said that their organizations have business in Atlantic Canada. Of those respondents who currently have business dealings in Atlantic Canada, almost all conduct business in Nova Scotia (83%) and New Brunswick (71%), with a smaller portion conducting business in Newfoundland and Labrador (60%) and Prince Edward Island (50%).

These results are lower than in 2004, when 88% of Toronto respondents who had business dealings in Atlantic Canada conducted that business in Nova Scotia, 80% conducted their business in New Brunswick, 65% in Newfoundland and Labrador, and 58% in Prince Edward Island.

In the Boston area, 75% of respondents were familiar with Atlantic Canada, which is on-par with the 2004 baseline survey in which 73% of Boston respondents were familiar with Atlantic Canada. Also unchanging from the 2004 baseline survey, 9% of Boston respondents currently conduct business in Atlantic Canada. Of those who conduct business in Atlantic Canada, about half (57%) conduct business in Nova Scotia, 37% in New Brunswick, 30% in Newfoundland and Labrador, and 27% in Prince Edward Island.

In 2004, the results were quite similar; 54% of Boston respondents who conducted business in Atlantic Canada have conducted that business in Nova Scotia, 43% in New Brunswick, and 31% in Newfoundland and Labrador and 31% in Prince Edward Island.

Other Atlantic Canadians (not including Nova Scotians) were also asked about their business dealings in Atlantic Canada other than their own province. Like 2004, two-thirds currently have business dealings outside of their own province. Of these, 91% conduct business in Nova Scotia (98% in 2004).

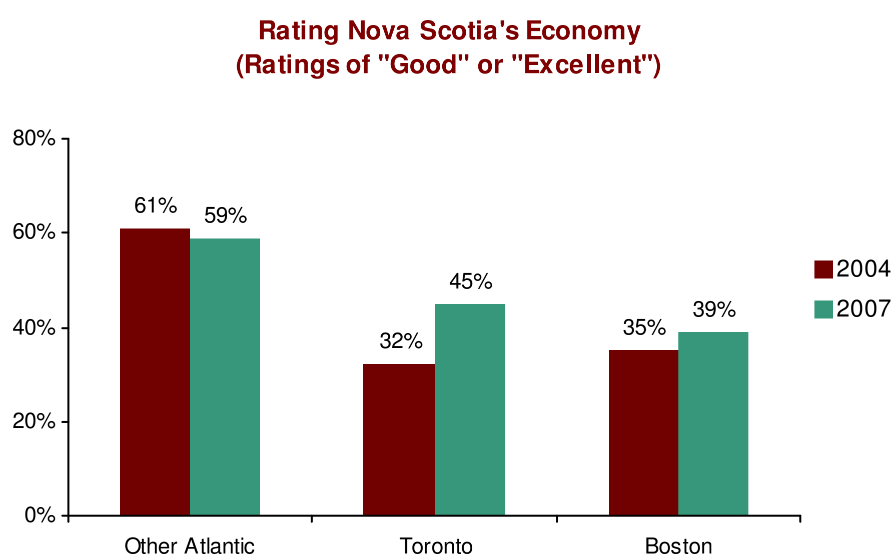
Many respondents have connected with Nova Scotia in one way or another which may or may not have included business. Most notable is the high proportions who have visited NS for pleasure reasons compared to the number who have visited for business reasons, especially for those from Toronto and Boston. As seen in the table on the following page, it is clear that Other Atlantic Canadian business people have had much more exposure to Nova Scotia than those from Toronto and/or Boston; almost two-thirds of Other Atlantic Canadians have lived in Nova Scotia at some point in their life.

| Activity | Other Atlantic | Toronto | Boston |
|---|---|---|---|
| Visited NS for pleasure trip | 94% | 61% | 51% |
| Visited NS for business trip | 85% | 37% | 10% |
| Lived in NS | 29% | 6% | 2% |
| Attended college or university in NS | 18% | 2% | 1% |
| Attended secondary school in NS | 10% | 1% | 1% |

## The Economy

Attitudes on the economy, quality of life and business climate in Nova Scotia will be affected by what is happening in the province. Financial markets have been volatile and energy costs have been increasing. To add context, the Winter 2007 issue of The Inside Out Report (Bristol Omnifacts' quarterly survey of public opinion) showed both a decline in optimism that the economy will improve and a decline in the percentage of Nova Scotians who rate the economy as good or excellent (39% in December of 2006).

An overall evaluation of Nova Scotia's economic performance shows that Other Atlantic Canadians think more highly of the province than even Nova Scotians themselves (50% of Nova Scotians in the *Pride of Place* survey consider the economy to be good or excellent). However, while Other Atlantic business people's evaluations stayed quite consistent, perceptions from Boston and Toronto have improved in the 3 years since the baseline study.



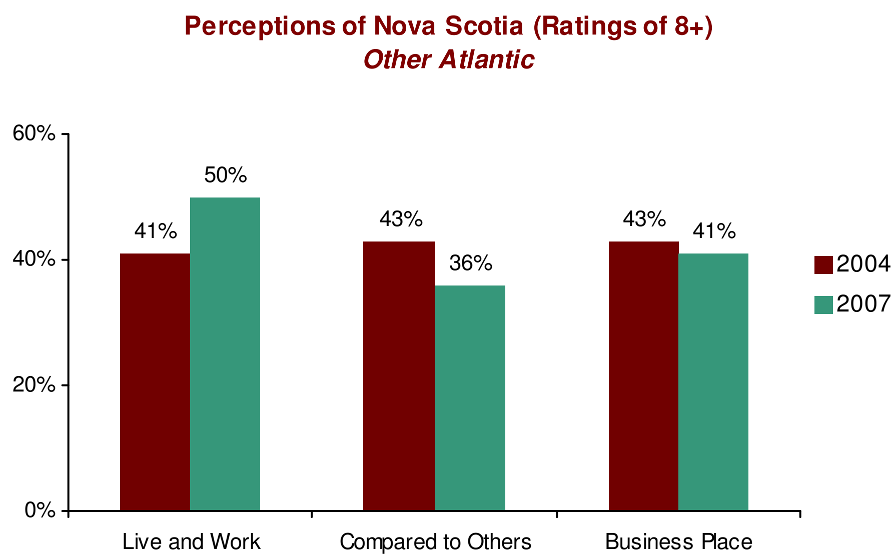

Looking ahead to next year, 52% to 65% of respondents expect the economy to be about the same as it is today. Boston is most likely to be unable to provide a prediction (22%), and Toronto is most likely to say it will be better (32%; up from 26% in 2004).

## Perceptions of Nova Scotia

All three markets (Other Atlantic, Toronto and Boston) were asked to provide feedback on their perceptions of Nova Scotia. As in 2004, Other Atlantic Canadians consistently gave the highest ratings of Nova Scotia being a good place to live and work (compared to other provinces) and to do business.

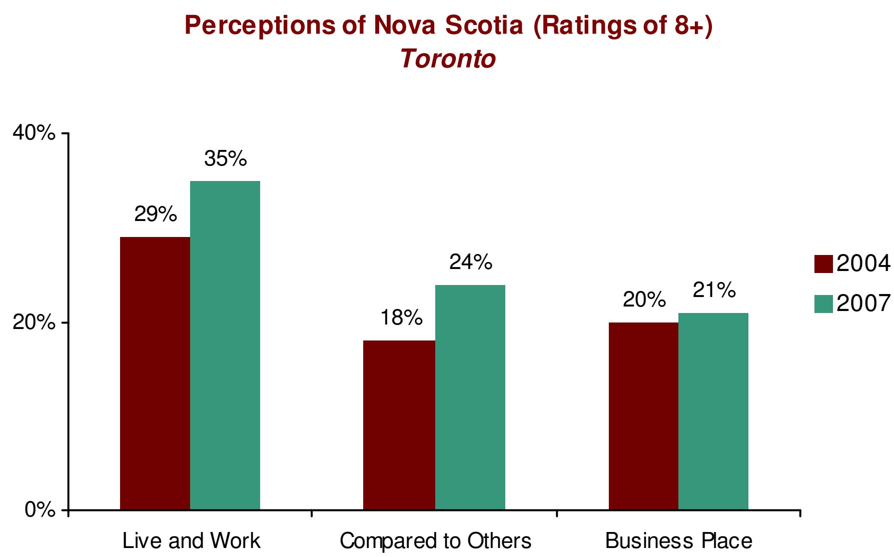
The results in the following charts and all those in this report that were asked on a 10-point scale are presented as the percentage of respondents who gave scores of 8, 9 or 10 out of 10. Arguably, using a standard of a rating of 8 or higher is a relatively high standard, but doing so adds clarity to the findings; ratings are not "watered down." It should be noted that several of these statements were worded negatively. This is a standard research technique that helps validate opinions. For the purposes of meaningful presentation of results, the scale is reversed; rather than reporting the percentage of respondents who give an 8, 9 or 10 out of 10 (indicating high levels of agreement with a positive statement), the results for these negatively-framed questions will be reported as the percentage of respondents who gave a 1, 2 or 3 (indicating that they strongly disagree with the negative statement).

There has been some increase in the proportion of non-Nova Scotian Atlantic Canadians who believe Nova Scotia is a great place to live and work. However, compared to other provinces in Canada, Nova Scotia has slipped slightly from 43% in 2004 to 36% in 2007. Perceptions have stayed relatively consistent in terms of Nova Scotia being a good place to do business.

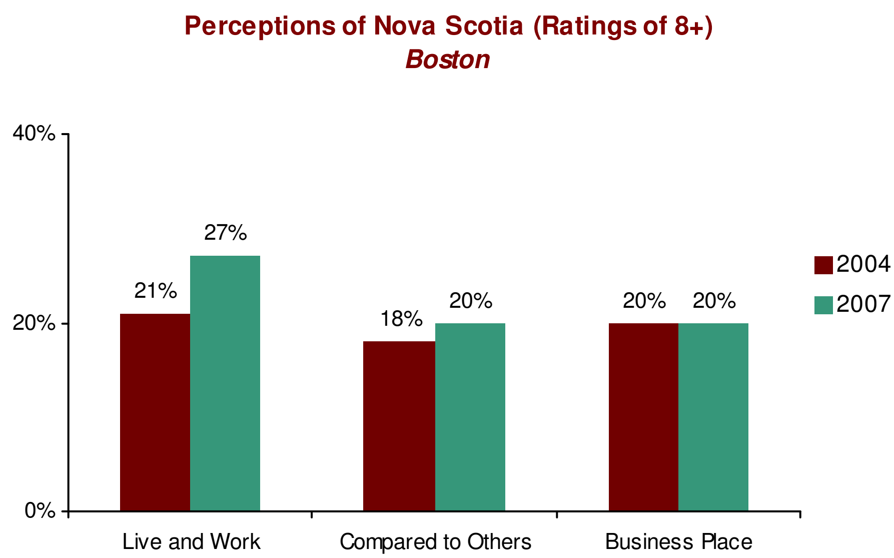



Toronto respondents gave slightly higher evaluations than their Boston counterparts again in 2007, and their evaluations became more positive on all three dimensions since the time of the 2004 baseline survey. Namely, more Torontonian business people feel

Nova Scotia is one of the best places to live and work, and that it also stacks up compared to the other provinces.




While among the lowest evaluations, scores from Boston also improved in 2007 for Nova Scotia being a good place to live and work, and also when compared to other provinces.



When asked about Nova Scotia's major business strength the most commonly cited response was the people or workforce, followed by its geographical location or closeness to the work markets. Like 2004, Boston cited Nova Scotia's tourism more strongly than Toronto or Other Atlantic provinces.

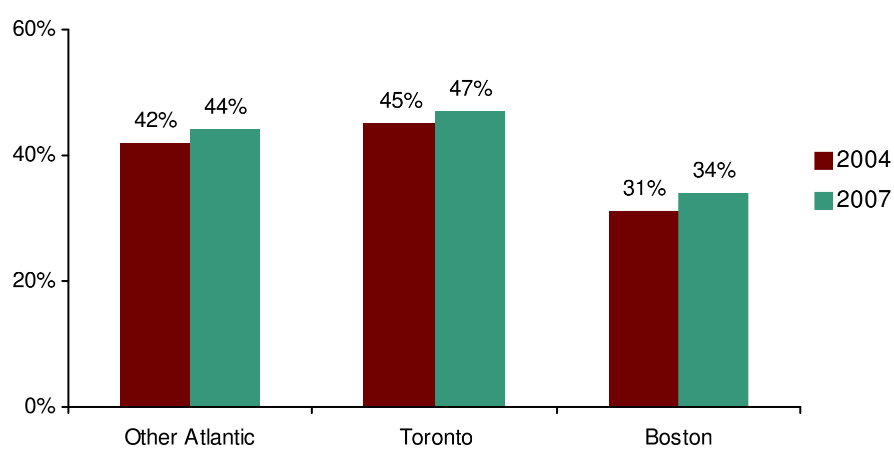
Across all three markets, Nova Scotia's geographic location or distance from world markets was seen to also be a weakness for many respondents (24%). However, this perception has decreased in all three markets from the time of the 2004 baseline survey. For example, in Boston in 2004 36% felt that Nova Scotia's distance from world markets was a major weakness; in 2007 this portion has lowered to 29%.

Again looking ahead to next year, respondents were asked to predict whether Nova Scotia would be better, worse or about the same as a place to conduct business. Toronto and Boston business people were more optimistic than Other Atlantic Canadians; 30% of Torontonians and 26% of Bostonians felt it would be better, while only 20% of Other Atlantic Canadians thought it would be better.

All respondents were asked whether the quality of life in Nova Scotia is *declining*. Overall, 51% of Other Atlantic Canadian business people, 49% of Toronto business people and 50% of Boston business people disagree that the quality of life is declining. This evaluation is consistent in both the Toronto and Boston markets, while Other Atlantic saw a decline from 2004 when 60% disagreed that the quality of life in Nova Scotia was in decline.

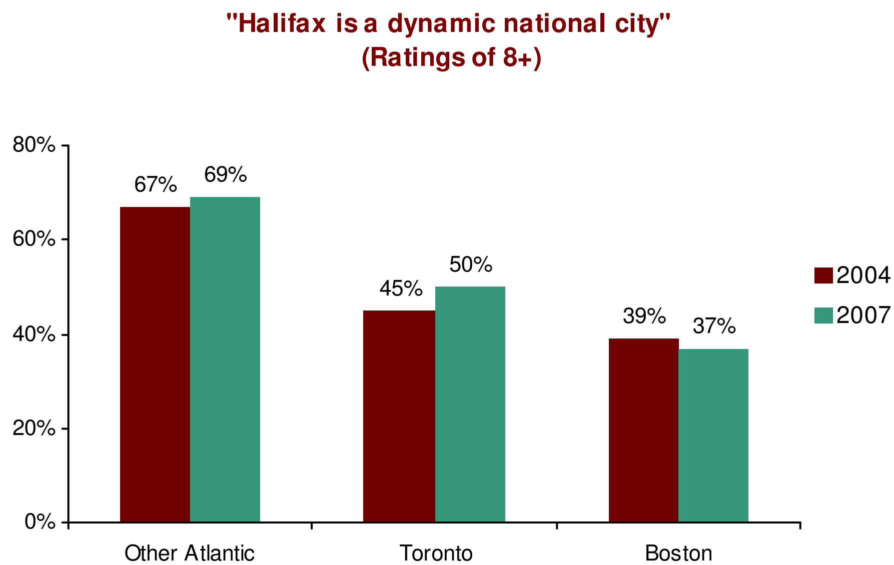
The perspective that Nova Scotia offers a good work/life balance was evaluated, and scores increased marginally over 2004. Toronto business people are the most likely to recognize this feature of Nova Scotia. As will be noted repeatedly throughout this report, a portion of respondents, especially from Boston and to a lesser degree from Toronto and Other Atlantic Canada, felt that they were not knowledgeable enough to offer an evaluation of this dimension of Nova Scotia.

**"Working in NS enables a person to balance their work and home life"**
**(Ratings of 8+)**



Stretching the idea of measuring the quality of life in Nova Scotia by evaluating the quality of the health care system, about one-third of all respondents gave high ratings (27% in both Other Atlantic and Toronto, 20% in Boston). These scores are a gain from 2004 ratings in Toronto and Boston when the scores were 19% and 24% respectively.

Halifax, Nova Scotia's provincial capital and major business center, was also evaluated. As is the trend throughout the majority of the survey, more Atlantic Canadians gave positive evaluations than the other two business markets for Halifax being a dynamic national city. Over 20% of Boston business people could not offer an opinion on this topic.




## Connecting with Nova Scotia

A number of respondents have a desire to either conduct business in Nova Scotia or actually move to Nova Scotia to live and work. This desire is strongest for Other Atlantic Canadians, with approximately half (49%) indicating that they would like to conduct business in NS (52% in 2004), and more than one-quarter (27%) agreeing that they would like to live and work in NS (22% in 2004). The desire is less strong for Toronto business people and weakest in Boston with scores staying relatively steady since 2004.

About one-third (29%) of Toronto business people wish to conduct business in Nova Scotia (33% in 2004), and a consistent 14% wish to move to NS to live and work. In Boston, about one-fifth (22%) of business people wish to look to NS to conduct business (20% in 2004), while only a small portion relative to the other markets (7%) would like to live and work in Nova Scotia (10% in 2004).

When asked about the reason they would not necessarily desire to make business connections in Nova Scotia, the most commonly cited reason across all markets (22 to 36%) was that they are not looking to expand: they are already settled in their business, they have no interest, or they are about to retire. Additionally, a portion also indicated that Nova Scotia is not one of their primary markets (14 to 22%). Some could not give a specific reason (17 to 29%).

For those who disagreed with the idea of living and working in Nova Scotia, the majority are simply settled where they are and have no interest in moving. This sentiment was still strongest for Other Atlantic Canadians (72%); Toronto – 48%, consistent since 2004, and Boston – 46%, down from 2004 (55%). Like 2004, Boston business people are most likely to indicate the weather or climate as being too harsh to consider moving to Nova Scotia (19%). More Torontonians than any other market (10% versus 1% in Other Atlantic and 5% in Boston) felt that Nova Scotia is too small or too rural for their liking.

While many business people may not be ready to move to or set up shop in Nova Scotia, there are a number of other opportunities for them to make a connection with Nova Scotia. All respondents were asked about their likelihood of participating in a number of activities in Nova Scotia the next 12 months.

Consistent with previously noted findings, Other Atlantic Canadians are more likely to make connections with Nova Scotia than either Toronto or Boston business people. Most scores have stayed relatively stable since 2004 with no more than a 3% difference with the exception of the proportion of Other Atlantic and Toronto business people who expect to increase their existing business activities in Nova Scotia. This score has dropped in both markets by 7 to 8%. Expectations of participating in other activities are presented in the following table.

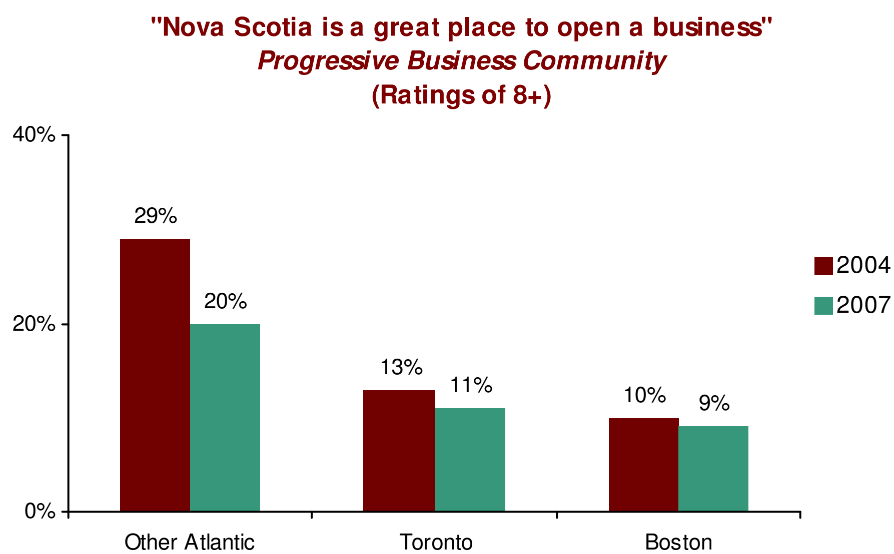
| **Activity** | **Market** | **2004** | **2007** |
|---|---|---|---|
| Look for new business opportunities in NS | *Other Atlantic Canada* | 29% | 32% |
| | *Toronto* | 19% | 18% |
| | *Boston* | 7% | 5% |
| Look to increase existing business activities in NS | *Other Atlantic Canada* | 40% | 32% |
| | *Toronto* | 25% | 18% |
| | *Boston* | 8% | 7% |
| Invest in existing businesses in NS | *Other Atlantic Canada* | 13% | 11% |
| | *Toronto* | 6% | 5% |
| | *Boston* | 3% | 4% |
| Look for employment in NS | *Other Atlantic Canada* | 6% | 6% |
| | *Toronto* | 1% | 2% |
| | *Boston* | 1% | 1% |
| Look for educational opportunities in NS | *Other Atlantic Canada* | 11% | 11% |
| | *Toronto* | 3% | 4% |
| | *Boston* | 2% | 1% |
| Look to visit NS for a pleasure trip | *Other Atlantic Canada* | n/a | 67% |
| | *Toronto* | n/a | 36% |
| | *Boston* | n/a | 37% |

## Nova Scotia's Business Community

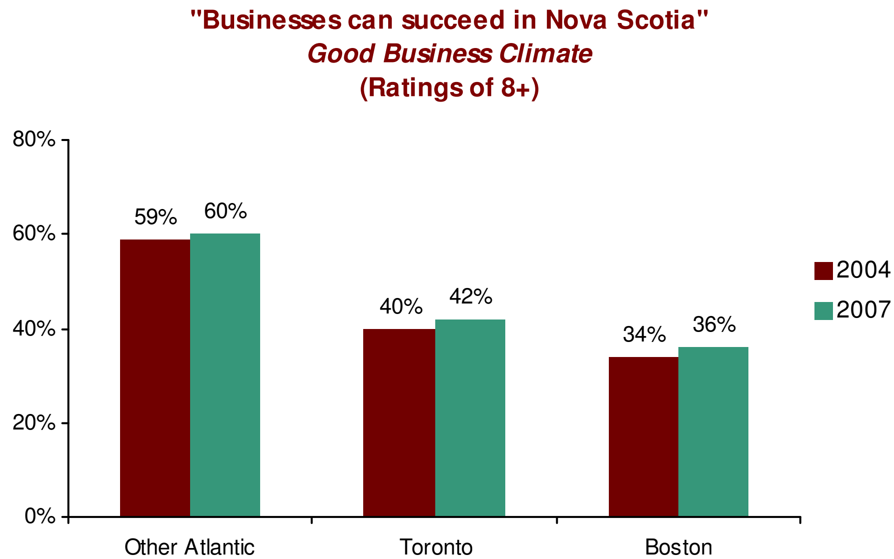
Respondents were read a series of image statements about Nova Scotia and then asked to indicate their level of agreement with each. These statements are primarily related to the business environment.

From starting a business to succeeding in business, to making deals and looking for innovation and research and development, business people from all three markets weighed-in.

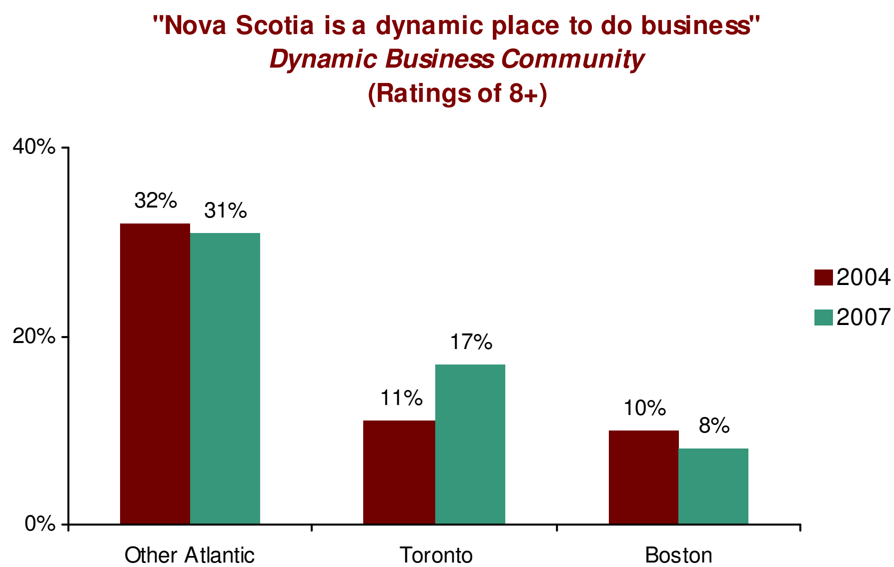
Only a small proportion of Toronto and Boston business people would consider Nova Scotia a *great* place to open a business. As noted previously, many businesses are not interested in expanding or do not consider Nova Scotia to be one of their primary markets. The opinions of Other Atlantic Canadians have decreased by 9% points since 2004.



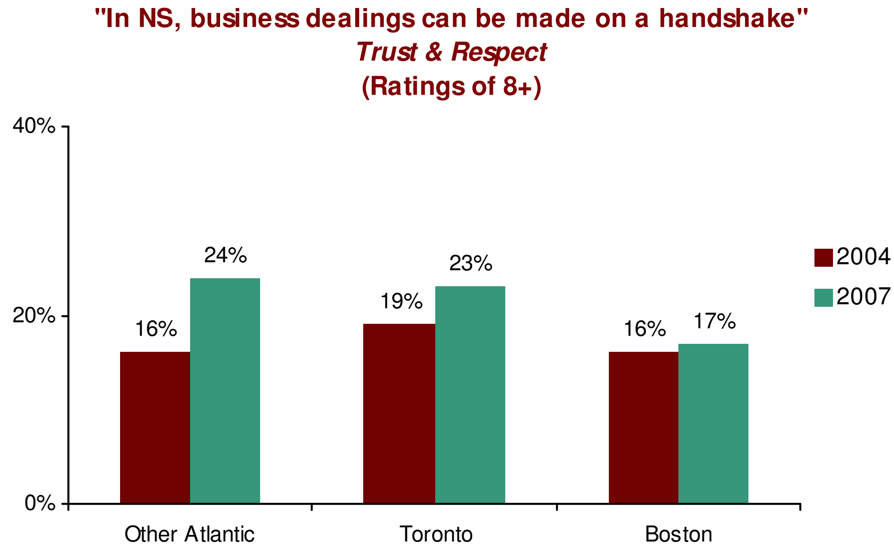
Only nominal increases have occurred in terms of businesses being successful in Nova Scotia, with Other Atlantic Canadians continuing to be the most optimistic of the three markets. Twenty percent of Boston business people did not know whether businesses can succeed in Nova Scotia. In Other Atlantic and Toronto the portion who could not respond to the statement was nominal (2 – 9%).



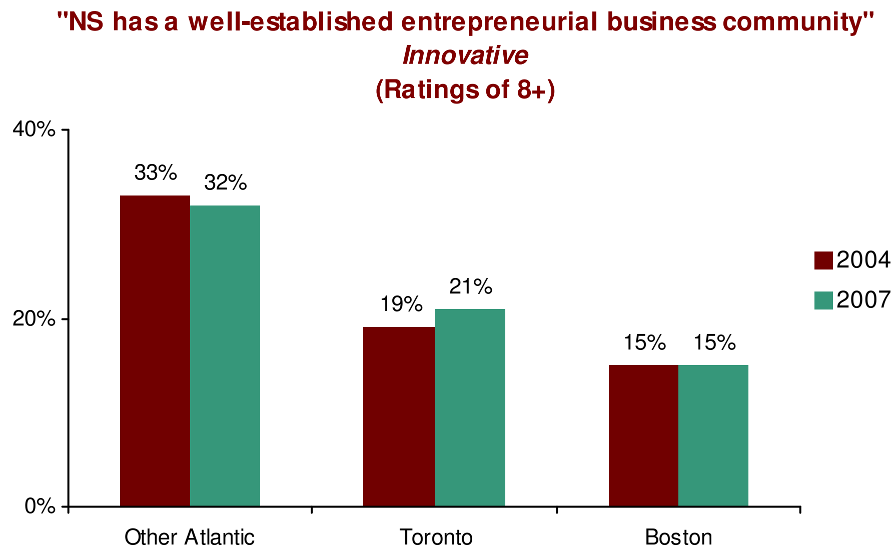

There is a dramatic difference between Other Atlantic and the Boston and Toronto markets in Nova Scotia being a dynamic place to do business. An improvement of 6% has occurred in Toronto since 2004, but no head-way has been made in Boston. Thirty-eight percent of Boston business people are unable to evaluate whether or not Nova Scotia is a dynamic place to conduct business.



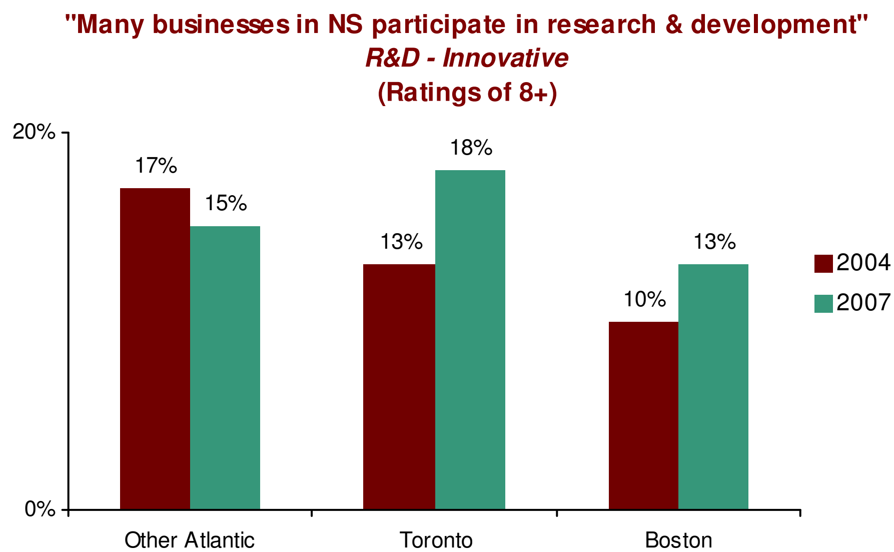
The idea of a hand-shake being the binding element of a business deal represents the degree of trust and respect in the business environment. Increases of 8% and 4% occurred in Other Atlantic and Toronto respectively. Overall, more than one-third of all respondents could not comment on this concept; twenty-six percent of Other Atlantic Canadians could not give an opinion on whether business dealings could be made on a handshake in Nova Scotia (24% in 2004); in Toronto, the number of business people who could not give an opinion increased slightly to 35% (33% in 2004), and in Boston the portion of people who could not give a response increased to 51% of business people (up from 45% in 2004).




About one-third (32%) of Other Atlantic Canadians, one-fifth (21%) of Torontonians and 15% of Bostonians ranked Nova Scotia highly on its entrepreneurial nature. A sizeable portion of respondents could not give an opinion due to lack of knowledge, ranging from 21% of Other Atlantic Canadian business people, to 32% of Toronto business people, and 51% of Boston business people. In 2004 a slightly smaller number of respondents felt they could not respond to the statement; 26% of Torontonians and 47% of Bostonians did not know whether NS had a well-established entrepreneurial business community. *(See chart on next page)*

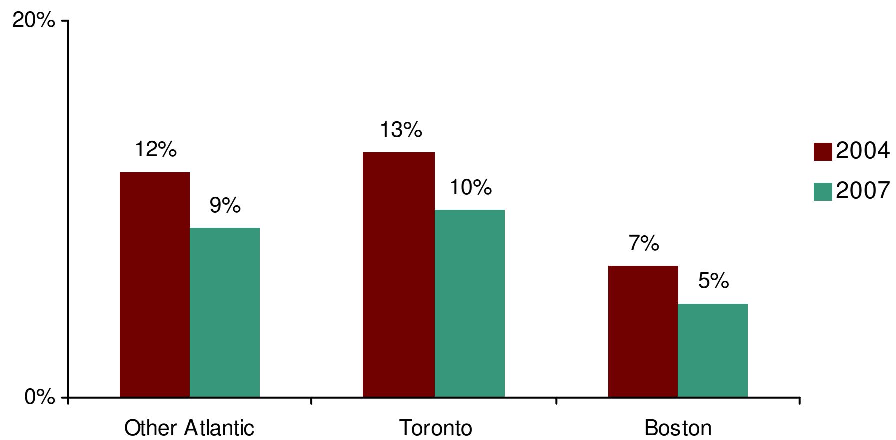



Some business people are aware of Nova Scotia's research and development industry. Small increases were made in both the Boston and Toronto markets since 2004. A high number of respondents (41% in Other Atlantic, 43% in Toronto, and 55% in Boston) could not offer an opinion about whether many Nova Scotian businesses are participating in research and development. The proportion of respondents who did not respond to the question decreased from 2004 in all markets by 4 to 7% points.



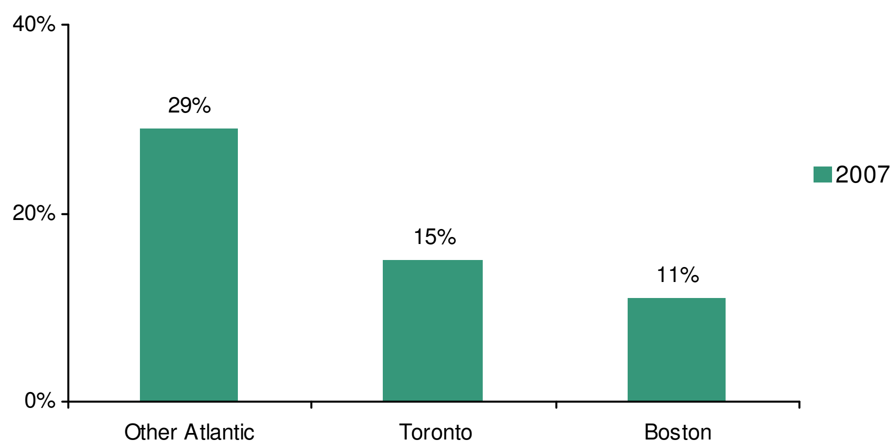
In 2004, very few people agreed that Nova Scotia's corporate tax rate is competitive, and even fewer agree in 2007. The reason for the low score is not necessarily because they think the tax rate is *not* competitive, but rather due to a lack of awareness, and this number has risen since 2004. In 2007, the "don't know" responses represented 41%, 54% and 66% for Other Atlantic, Toronto and Boston respectively. In 2007 these scores rose to 51%, 62% and 76% respectively.

**"NS offers a competitive corporate tax rate"**
***Competitive Tax***
**(Ratings of 8+)**




A new question was added during this wave of research. Almost one-third of Other Atlantic Canadian business people believe that investing in the Nova Scotia business community is a smart thing to do. Support for this idea is lower in other markets.

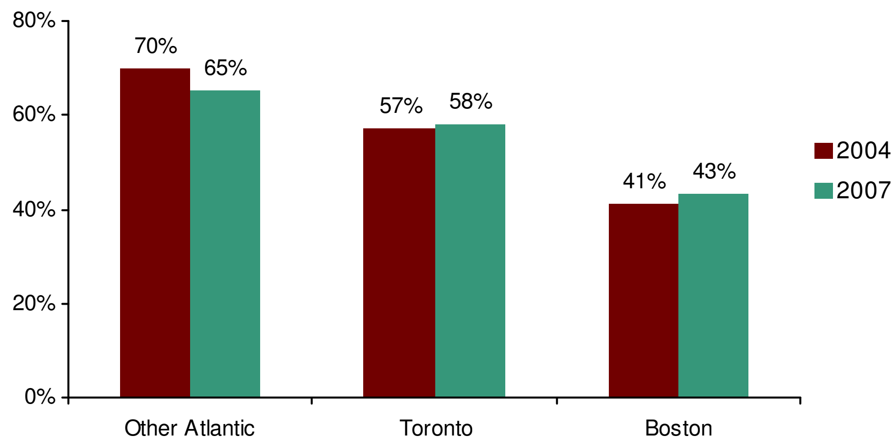
**"Investing in NS's business community is a smart thing to do"**
***Progressive Business Community***
**(Ratings of 8+)**



## Accessibility

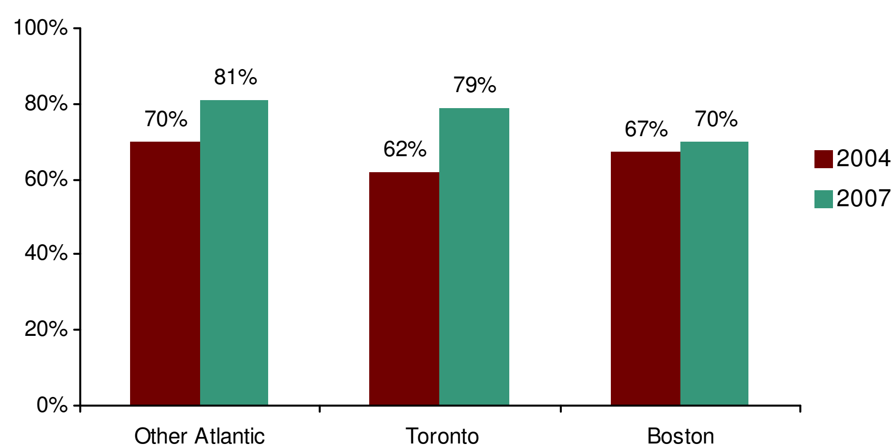
To be expected, Other Atlantic Canadians are more likely to feel that Nova Scotia is easily accessible than the other two markets given its proximity and relative ease of access. In October of 2006, Halifax Stanfield International Airport, Nova Scotia's primary airport opened a U.S. pre-clearance facility and the number of non-stop US flights has been increasing since that time. This change has not immediately translated into an increase in perception of air accessibility to Nova Scotia. Other Atlantic ratings have dropped only slightly, while Toronto and Boston ratings have stayed relatively stable.

**"Nova Scotia is Easily Accessible by AIR"**
***Fast Air Access***
**(Ratings of 8+)**



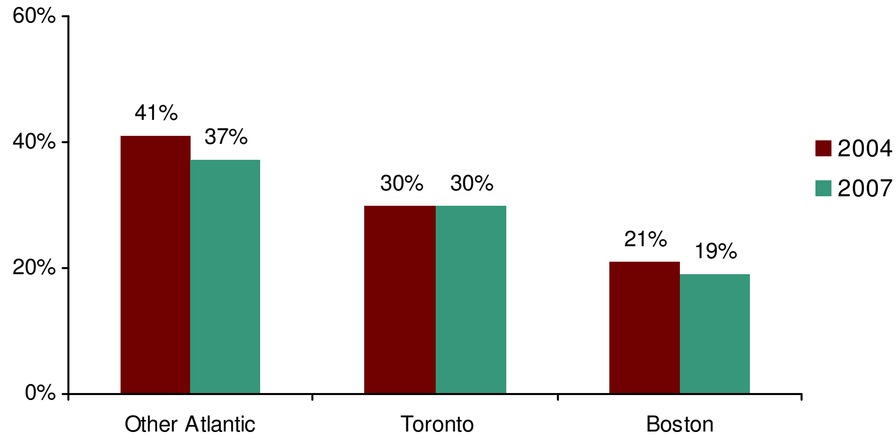

Unlike air access, the perception of ocean accessibility has increased since 2004 in all 3 markets. Most notable is the increase in perceptions of ocean accessibility from Toronto business people with an increase of 17% points. Other Atlantic Canadians are also more likely to feel Nova Scotia is easily accessible by ocean, with an increase of 11 points.

**"Nova Scotia is Easily Accessible by OCEAN"**
***Fast Ocean Access***
**(Ratings of 8+)**



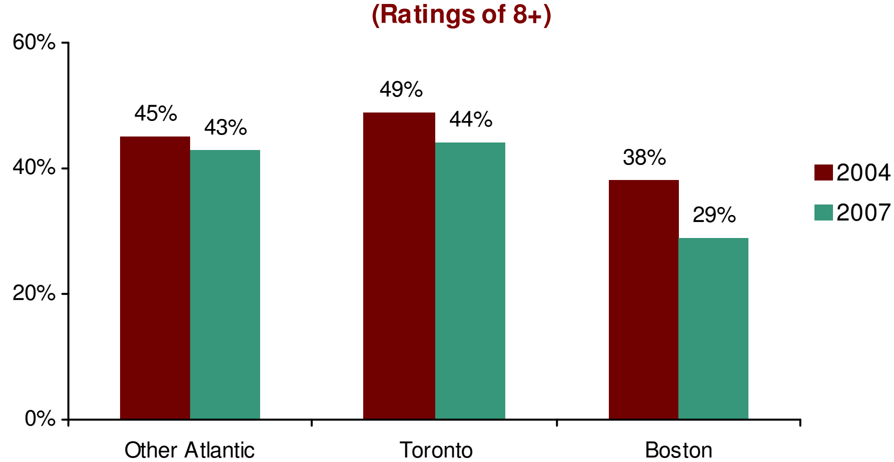
When asked about Nova Scotia's overall transportation infrastructure and whether the system is *not* well-developed, many respondents disagreed, with strongest disagreement coming from Other Atlantic Canadians and Torontonians. Thirty-seven percent of Atlantic Canadians, 30% of Torontonians and 19% of Bostonians disagreed with the statement. A large portion of respondents from Boston and Toronto (38% and 34% respectively) were unable to provide an opinion. This is consistent with 2004 findings.

**"NS does not have a well-developed transportation infrastructure"**
***Good Business Climate***
**(Ratings of 1, 2, 3)**

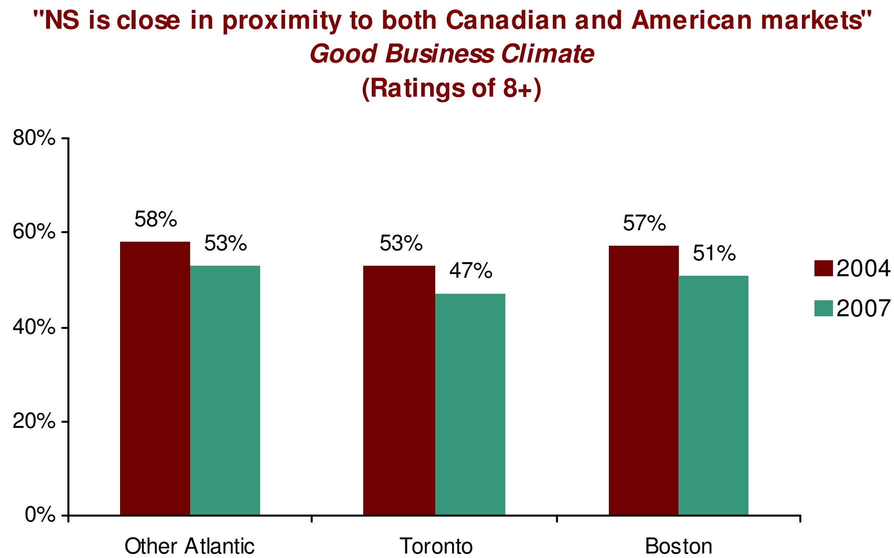



Non-physical accessibility of Nova Scotia was also evaluated, namely telecommunications infrastructure. There has been some nominal slippage in Toronto and Other Atlantic, and a decrease of 9% points among Boston business people.

**"Telecommunications infrastructure ensures that communities within NS are accessible to the world"**
***Telecommunications Infrastructure***
**(Ratings of 8+)**

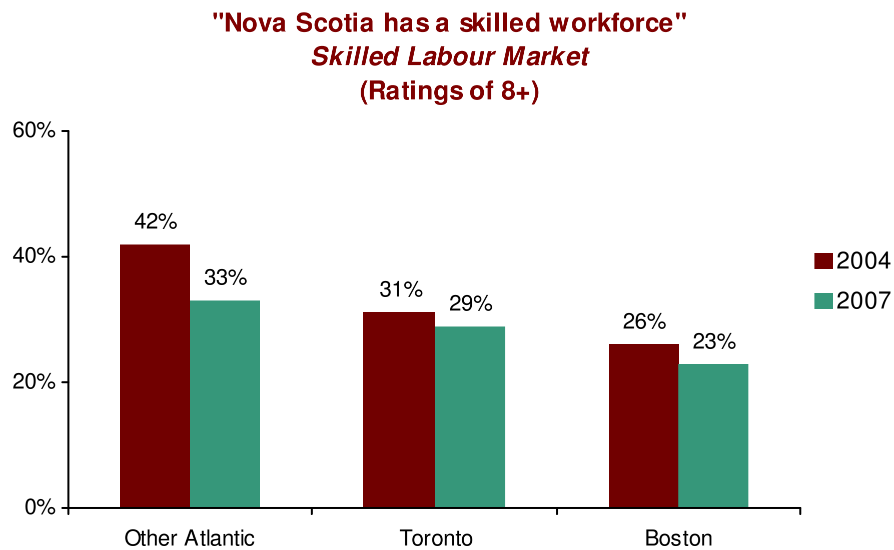


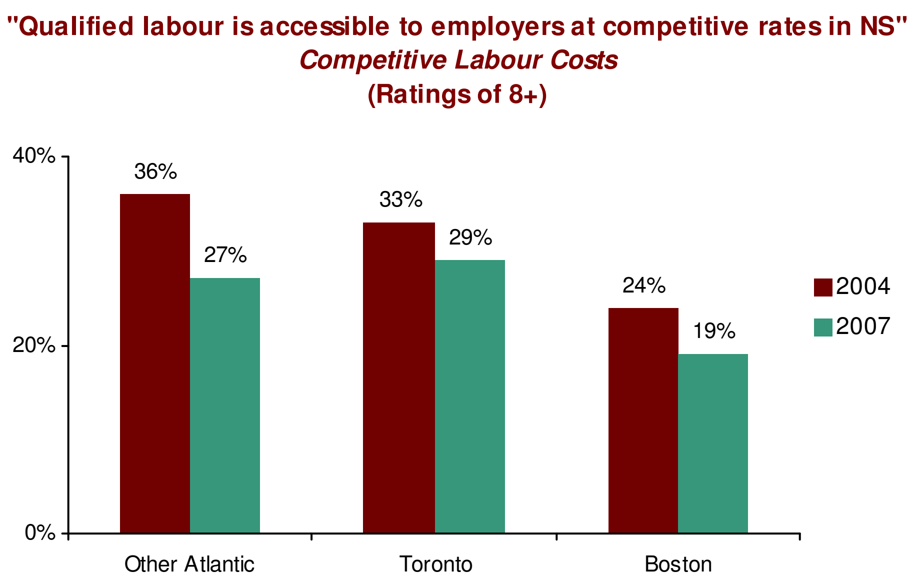
Overall, approximately half of all business people in the three markets feel that Nova Scotia is close to both Canadian and American markets. However, this percentage has decreased in all three markets by 5-6% since 2004.



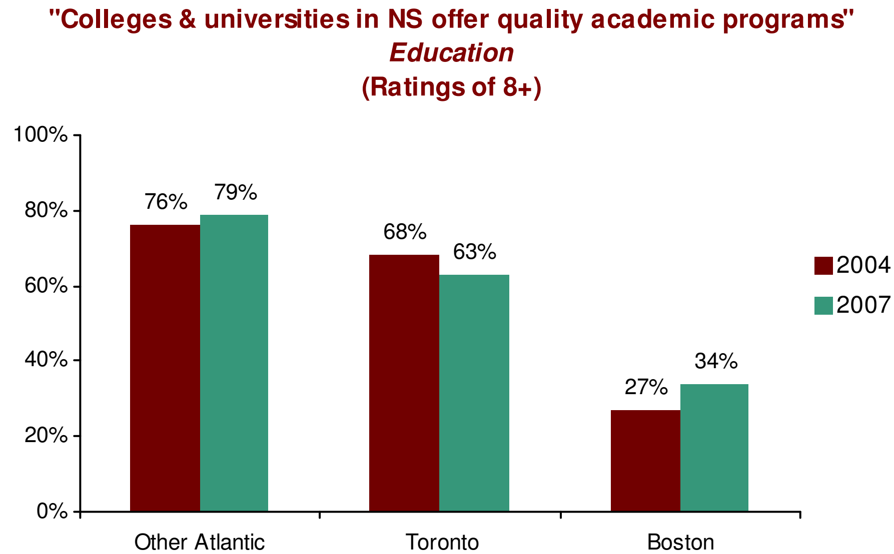
## Labour Market

Opinions about Nova Scotia's labour market have become less positive since 2004. Fewer business people across all three markets believe that skilled labour is available in Nova Scotia, and that qualified labour is available at competitive rates. Of the three markets, Other Atlantic seems to have taken the biggest hit, with confidence decreasing by 9% on both measures.



However, Other Atlantic Canadians have confidence in the calibre of their post-secondary education system with almost 80% agreeing that their colleges and universities offer quality programs. Ratings are lower in both Toronto and Boston, but improvements in scores are evident in the Boston market.

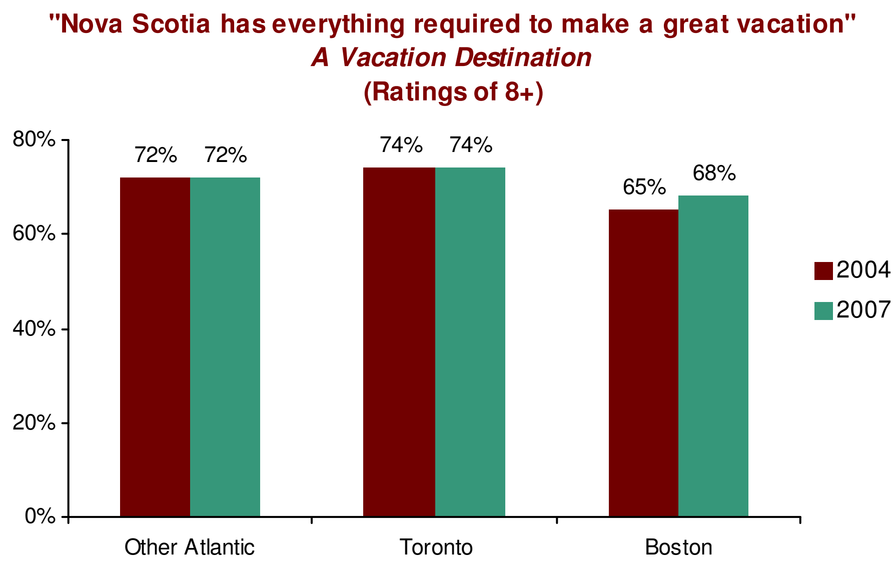



When asked if Nova Scotia *does not* have a well-educated labour market, 56% of Other Atlantic Canadian's disagreed (up from 50% in 2004), 51% of Toronto business people disagreed (up from 47% in 2004) and 43% of Boston business people disagreed (up from 39% in 2004). Over one-third of Boston respondents could not respond to the statement, and just under 20% of Toronto respondents were not knowledgeable enough to give an opinion.

Again asked from a negative perspective, a number of business people disagreed that Nova Scotia has *limited* training resources. In Other Atlantic, 37% disagreed (up from 32% in 2004), in Toronto 28% disagreed (up from 25% in 2004) and a consistent 20% of Boston respondents disagreed that Nova Scotia has limited training resources. A large proportion could not answer the question (20% in Other Atlantic, 36% in Toronto, 52% in Boston).

## Vacation Destination

Ratings of Nova Scotia as a *vacation destination* remain very high and very consistent in all three markets as can be seen in the following chart.




## Summary of Changes in Attitudes

This section is a summary of the overall changes in attitudes from 2004 until 2007. These are presented as:

- wins - where percentages giving an 8 or higher (or 3 or lower in the case of negatively-framed statements)have increased by at least 7%
- gains – where percentages have increased by 4 to 6%
- draws – where there is not a significant change; up to +/- 3%
- losses – where decreases in percentages are greater than 3%

The wins and the gains relate to accessibility of NS by ocean, quality of life, trust and respect, and having an educated labour market. Most of the gains were made on measures with relatively low scores to begin with. The biggest win came for an attribute that already had two-thirds agreement in the baseline survey, and increased to become the highest scoring attribute (*"NS is easily accessible by ocean"*).

The large number of draws shows that, overall, there was very little movement among business people in Other Atlantic Provinces, Toronto and Boston on most perceptions of Nova Scotia.

Only 4 attributes can be considered to be "losses" and none of these attributes fell by more than 5% points overall. The losses suggest a weakening confidence in the labour force of Nova Scotia, perception that Nova Scotian communities are less accessible to the world, and perception that Nova Scotia is not as close to Canadian and American markets as compared to 2004

**Year over Year Comparison 2004 Sample to 2007 Sample**

- % Giving Agreement Ratings of 8,9 or 10-

| **Wins** | | 2007 (n=866) | 2004 (n=866) | Gap 2007-2004 |
|---|---|---|---|---|
| ***Fast Ocean Access*** | NS is easily accessible by ocean | 75% | 66% | +9% |

| **Gains** | | 2007 (n=866) | 2004 (n=866) | Gap 2007-2004 |
|---|---|---|---|---|
| ***Quality of Life*** | NS as a place to live and work | 34% | 29% | +5% |
| | NS has a high quality health care system | 28% | 23% | +5% |
| ***Educated Labour Market*** | NS does not have a well-educated labour market (% giving 1,2 or 3) | 49% | 45% | +4% |
| ***Trust & Respect*** | In NS, business dealings can be made on a handshake | 21% | 17% | +4% |

| **Draws** | | 2007 (n=866) | 2004 (n=866) | Gap 2007-2004 |
|---|---|---|---|---|
| ***Quality of Life*** | NS as a place to live and work compared to other provinces in Canada | 25% | 23% | +2% |
| | I would like to live and work in NS | 12% | 14% | -2% |
| | The quality of life in NS is *declining* (% giving 1,2 or 3) | 49% | 51% | -2% |
| | Working in NS enables a person to balance their work and home life | 41% | 39% | +2% |
| ***Business Environment*** | NS as a place to do business | 25% | 25% | n/c |
| | I would like to conduct business in NS | 30% | 31% | -1% |
| ***Business Climate/ Economy*** | Businesses in NS can succeed | 44% | 43% | +1% |
| ***Dynamic Business Community*** | NS is a dynamic place to do business | 17% | 15% | +2% |
| ***Progressive Business Community/ Business Climate/ Economy*** | NS is a great place to open a business | 12% | 14% | -2% |
| ***Fast Air Access*** | NS is easily accessible by air | 53% | 54% | -1% |
| ***Transportation*** | NS does *not* have a well-developed transportation infrastructure (% giving 1,2 or 3) | 27% | 28% | -1% |

| Draws | | 2007 (n=866) | 2004 (n=866) | Gap 2007-2004 |
|---|---|---|---|---|
| ***Competitive Tax*** | NS offers a competitive corporate tax rate | 8% | 10% | -2% |
| ***Innovative*** | NS has a well-established entrepreneurial business community | 21% | 20% | +1% |
| ***R&D - Innovation*** | Many businesses in NS participate in research & development activities | 15% | 12% | +3% |
| ***Halifax – Dynamic City*** | Halifax is a dynamic national city | 49% | 47% | +2% |
| ***Education*** | Colleges and universities in NS offer quality academic programs | 55% | 53% | +2% |
| ***Training*** | NS has limited training resources (% giving 1,2 or 3) | 27% | 24% | +3% |
| ***Vacation Destination*** | NS has everything required to make a great vacation | 72% | 70% | +2% |

| Losses | | 2007 (n=866) | 2004 (n=866) | Gap 2007-2004 |
|---|---|---|---|---|
| ***Skilled Labour Market*** | NS has a skilled workforce | 27% | 31% | -4% |
| ***Competitive Labour Costs/Skilled Labour Market*** | Qualified labour is accessible to employers at competitive rates | 25% | 30% | -5% |
| ***Telecommunications Infrastructure*** | Telecommunications infrastructure ensures that communities within NS are accessible to the world | 38% | 43% | -5% |
| ***Business Climate*** | NS is in close proximity to both Canadian and American markets | 50% | 55% | -5% |

# Section 2: The *Come to life* Campaign

- Measuring Awareness & Effectiveness -

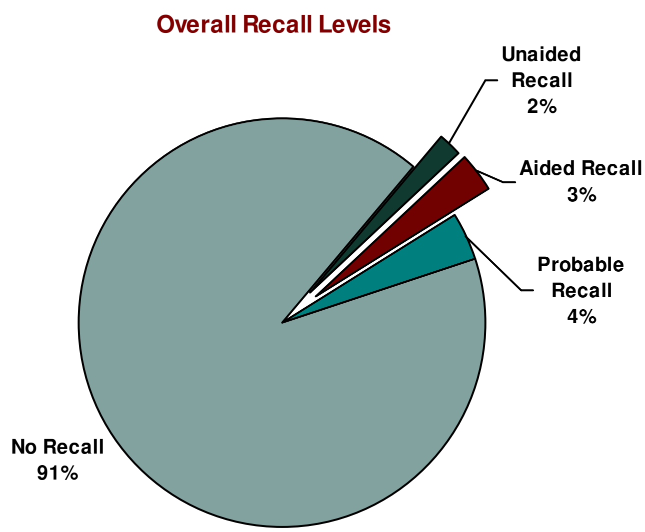
## Overall Recall

A very conservative approach was taken when examining recall with Toronto and Boston business people. A respondent not only had to say they saw the correct advertising; they also had to specifically mention an element in the advertising (an image or the tagline as an example) to confirm they were talking about the correct one.

Normally, two types of recall are specified; unaided recall where the respondent remembers the advertising without prompting, and aided recall when they have been given some prompting such as a phrase or summary of the advertising. In both cases, the respondent had to confirm details of the advertising so it was clear they were talking about the correct advertising.

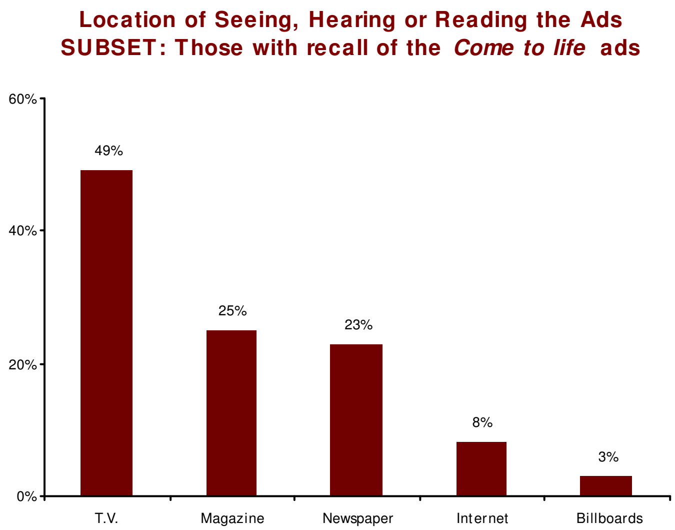
In this case, there are also people who said they had seen or heard the advertising, but then could not provide the confirming detail. In some cases, because of the words that were used by the respondent, there is reasonable confidence that they were recalling the advertising, but they have not been counted because the words or phrases they used to describe the ads were slightly different. Unaided recall is often considered to be the most desirable type of awareness since it suggests that the ad or product has cut through the clutter and has been established in the consumer's top-of-mind memory.

Two percent of the sample clearly identified the advertising on an unaided basis, and as many as an additional 4% recalled some elements of the campaign but did not clearly identify the advertising (recalled descriptions for this group was more general and about promoting research activities and education, promoting quality of life and promoting Nova Scotia as a great place to work and do business). An additional 3% correctly recalled the advertising once they were prompted. In summary, there is definite unaided recall of 2%, definite aided recall of 3%, which adds to a total recall of 5%. On top of that, there is 4% more who are probably recalling the correct advertising.




Again, to be conservative, only the 5% of the sample who definitely saw the advertising is considered in the comparative analysis.

As is typical of most advertising research, television is mentioned most often when respondents are asked where they saw or heard the advertising. In this research study, television is mentioned by 49% of those who definitely saw the advertising. This was followed by magazines at 25%, newspaper at 23%, internet at 8% and billboards at 3%.




Of those who mentioned seeing the ads in magazines, many could not recall the name of the magazine. A number mentioned seeing the ads in MacLean's magazine while other publications were cited by only one individual.

## Main Message

The process of "qualifying" respondents as having correctly remembered the advertising did demonstrate specific recall of images or the tagline. They were also asked "what was the main message of the advertising?" There is clearly some confusion with vacations and tourism as almost one-half (47%) of the respondents felt the advertising was for vacations or to come visit Nova Scotia, and 26% were unsure of the main message of the ads. However, 28% felt the advertising was promoting the quality of life in Nova Scotia and promoting Nova Scotia for business.

## Evaluating the Advertisements

A series of agree/disagree statements were included to evaluate whether respondents were learning anything from the advertising and whether or not they were tiring of them. Although only 75 respondents responded to the statements (only those who were aware of the ads), some directional findings are presented.

The ads performed relatively well on all of these questions:

- Over half agreed that the ads made them feel that Nova Scotia businesses are "on the move";
- Just under half agreed the ads told them things about Nova Scotian business they did not know and about half felt the ads made them more conscious of the international competitiveness of Nova Scotian businesses;
- Almost half agreed they spoke positively about the ads to other people;
- Less than 1 in 10 said they did not like the ads and were getting tired of seeing them.