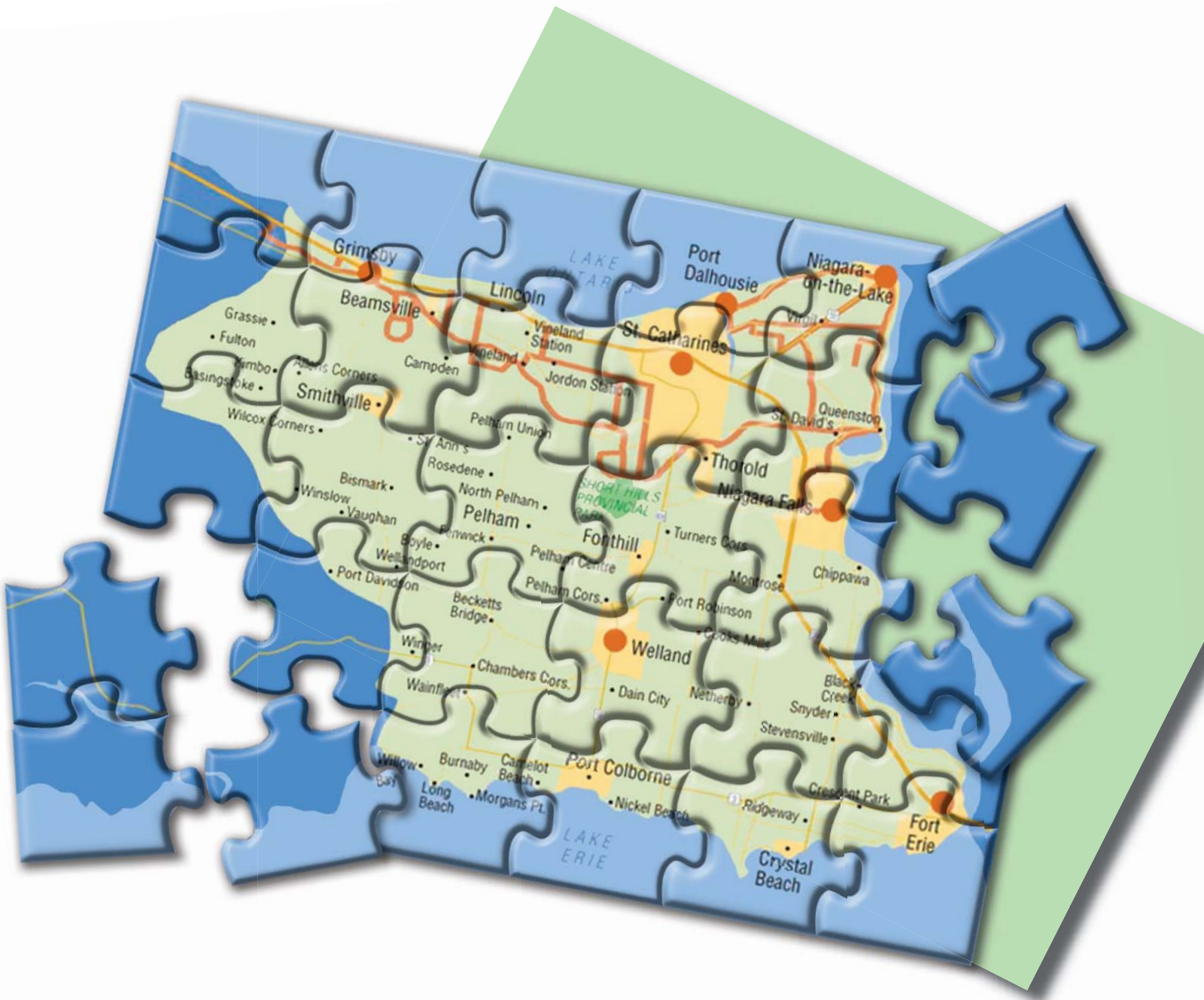


NIAGARA

MAIN REPORT

PREMIER RANKED TOURIST DEVELOPMENT FRAMEWORK



AUGUST 4, 2005

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INTRODUCTION

Over the past 18 months the tourism industry in Niagara region has undergone the process of determining its market status and its position as a “Premier-ranked Tourist Destination”. This has been undertaken by employing a process developed by the Ontario Ministry of Tourism and Recreation. Niagara Region now joins several other destinations within the province that have also engaged in this process with much success. The key to the effectiveness of the tool is attributed to the methodology of connecting and seeking input from tourism industry stakeholders and gathering accurate product information. Only when that has been done can gaps and opportunities be identified and result in a series of actionable recommendations.

Communities That Have Completed PrTDF:

Southern Georgian Bay, Sarnia / Lambton, Mississauga,
Windsor & Essex County

Communities Undergoing PrTDF:

Hamilton, Guelph/Wellington, Sudbury, Bruce County,
Prince Edward County

Communities Preparing for PrTDF:

Ottawa, Durham, York, Norfolk/Haldimand/Essex, Halton,
Toronto, Thousand Islands, NOSTA/Thunder Bay, Muskoka

Such has been the case in Niagara Region. The process has been led by a broad range of Niagara tourism, cultural and economic development partners. Owners, operators, and representatives from municipalities and organizations across the region have worked diligently to guide and participate in this process.

Numerous sessions were held with a wide spectrum of industry representatives in order to obtain the most up to date and accurate information. As a result, Niagara Region’s Premier- ranked Tourist

Destination Framework process should be viewed as one of the most detailed and important tourism assessment exercises ever completed within the region. This comprehensive evaluation process has helped determine Niagara Regions current state and its potential to attract visitors based on its product attributes and its perceived or real assets and liabilities.

In addition, the Ontario Ministry of Tourism & Recreation (MTR) has identified the Niagara Region as one of six key destinations under its new Destination Development approach. Therefore the work completed and proposed recommendations will prove invaluable as the tourism partners and MTR consider innovative ways to build and enhance the Niagara Region's development and marketing efforts.

THE PREMIER-RANKED TOURIST DESTINATION FRAMEWORK PROCESS

The Premier-ranked Tourist Destination Framework (PrTDF) was developed by the Ontario Ministry of Tourism & Recreation (MTR) to provide a framework for tourism destinations across Ontario to define their competitive position within the tourism marketplace on domestic and international levels.

MTR developed a resource audit and workbook format that outlines the attributes/factors/conditions that are considered prerequisites for

“Premier ranked is defined as:

“A place more attractive than the rest, a place the tourist should consider first when making travel plans.”

a tourist destination to be considered a serious destination. The workbook format provides a simple methodology that communities can follow to ensure consistency, accuracy, and maximum involvement of the key tourism and economic development stakeholders in the process. The workbook emphasis is on enabling any tourist destination of any scale to operate at the highest possible level it can achieve – not necessarily in competition with other operators, but in a complementary context within that particular destination.

There are three specific dimensions of tourism assessment included in the study:

The Product Dimension

A Tourist Destination provides a high quality tourist experience, enabled through the destination’s offerings of:

- ◆ Distinctive Core Attractions

- ◆ Quality and Critical Mass
- ◆ Satisfaction and Value
- ◆ Accessibility
- ◆ An Accommodations Base

The Performance Dimension

The quality of the tourist experience and the destination's success in providing it is validated by:

- ◆ Visitation
- ◆ Occupancy and Yield
- ◆ Critical Acclaim

The Futurity Dimension

The ability for a destination to thrive from tourism into the future is sustained by:

- ◆ Destination Marketing
- ◆ Product Renewal
- ◆ Managing within Carrying Capacities

The process involves several critical steps along with a serious commitment and investment of time by the industry partners involved. Intended for use by tourism stakeholders in a destination area, the framework defines a self-contained analytical process to be worked through. This investment of time and energy is rewarded by the industry insights and directions gained. At its conclusion, partners will have a database of critical baseline data, a very clear picture of the destination's status, the strengths and weaknesses and gaps constraining that status, and the directions that might be pursued to further improve tourism industry success.

The additional benefit of this methodology is the expanded and more capable network of industry stakeholders it involves, who, by working through this process, will have a more cohesive focus on solving the ongoing and future challenges.

WHY NIAGARA REGION?

The Niagara Region Premier-ranked Tourist Destination Framework project was undertaken in 2003 by tourism and economic development partners in the region.

Three PrTDF orientation sessions were held in January, February, and March 2003 for the Binational Tourism Alliance partners.

After completion of the third orientation session, the partners agreed that there would be great value in completing the Framework in order to:

- ▶ *gather baseline data from industry stakeholders across the entire region*
- ▶ *enable sector- and municipal-specific analysis of tourism opportunities and challenges*
- ▶ *come up with a regional tourism plan for ongoing development in the sector*
- ▶ *connect partners with each other through participation in the process as well as through the resulting database via a new partner's website.*

Niagara was the first of the binational region communities to receive approval for project funding from Niagara Human Resources Development Canada (HRDC) that summer.

Festivals and Events Niagara was the lead organization for the funding proposal and the Fort Erie Friendship Festival agreed to house the HRDC project team and provide management direction and oversight to the initiative. The four Lead Partners involved in the project were Festivals and Events Niagara, City of St. Catharines Economic Development & Tourism Services, City of Niagara Falls Business Development Department, and Niagara Economic & Tourism Corporation. HRDC staff (Audit Team) were hired and in place to begin the project as of September 2003, and after the five-person team completed their own project orientation, they began gathering industry data for the survey mailings.

The project focused on the tourism inventory and assessment process for all of Niagara Region: twelve municipalities including Grimsby, West Lincoln, Lincoln, Wainfleet, St. Catharines, Thorold, Pelham, Welland, Port Colborne, Niagara Falls, Niagara-on-the-Lake, and Fort Erie.

The project leaders committed to study data at the regional, municipal and sectoral levels, in order to enable all stakeholders in the region to identify, understand and build their unique tourism business cases from the information garnered.

In November 2003, the Lead Organizations invited a group of tourism, cultural, economic development and planning stakeholders from across the region together to determine the appropriate mix of Steering Committee members required to represent all industry sectors and parts of the region. This group, along with the Lead Organizations, would provide the Audit Team with direction and feedback through the process. Subsequent Steering Committee project orientation and process meetings were held in December 2003 and January 2004, during which the members reviewed and commented on the lists of stakeholders compiled for survey purposes, the survey questions and formats, processes and time frames for each component of the PrTDF and their specific roles and responsibilities throughout the project.

The Audit Team was responsible for the majority of the field work and framework completion. A comprehensive Tourism Resource Opportunity Matrix (the audit) was completed at the outset of the process. The Audit Team plotted Niagara Region's performance against 127 product trip types and experiences across 2 primary and 23 secondary measures. The summary also indicated how many of the particular trip types and experiences were available. As a result of this exercise, the core and supporting attractions as well as the on-theme activities and underdeveloped assets emerged. The summary connected these findings to the markets that existed already and showed potential or were deemed desirable for these specific product attributes.

The initiative was launched at a very successful media event held in St. Catharines on February 26, 2004. Stakeholder turnout numbered over 150 participants from all sectors and all parts of the Niagara Region. The Minister of Tourism & Recreation was in attendance along with representatives from Niagara Region, City

of St. Catharines, City of Niagara Falls and Festivals and Events Niagara.

A total of 2,806 surveys were mailed and/or hand-delivered by the Audit Team to tourism and cultural industry partners over the next 3 weeks, with a 4 week turnaround timeline specified. By response deadline, approximately 300 surveys had been returned, and the Audit Team began the task of following up with sites for their responses. This often entailed up to 4 telephone calls, supported by email messaging and/or faxes.

By mid-September 2004, 892 completed surveys had been received, a 32% response rate, and the Audit Team compiled a summary for review by the Lead Partners to determine if there was sufficient data to proceed to next stages of the project. Review of the responses indicated that the key/icon tourism sites had responded and that the numbers per sector provided sufficient representation of small to large, not-for-profit and private operators to ensure accurate statistical collection and reporting for the region.

The Audit Team was advised to cease follow-up and begin the process of sectoral report extraction that would be required for the sector sub-committee review meetings.

Ten sectoral sub-committee meetings were held during November and December 2004. The following sectoral categories were covered during these sessions:

- ◆ Culture & Heritage
- ◆ Accommodations
- ◆ Festivals & Events
- ◆ Wineries & Restaurants
- ◆ Outdoor Attractions
- ◆ Transportation
- ◆ Indoor Attractions
- ◆ Shopping
- ◆ Travel Trade
- ◆ Economic Development / Destination Marketing Organization's / Business Improvement Area's / Chambers of Commerce / Planning & Education Depts.

Participants were provided with the statistical feedback from the surveys for their sectors, asked to comment on the accuracy of this information, and then were asked to comment on other issues of importance or concern to their own sector as

well as the tourism industry and development of same in Niagara.

The Accommodation participants recommended a specific meeting be held with the Clef D'Ors Concierges in Niagara in order to obtain their feedback on the industry and customer needs. A preliminary overview of the project was provided to the concierges at their monthly meeting in December 2004, with a detailed follow-up meeting held in February 2005.

Specific regional issues were raised repeatedly throughout these sessions, and have been captured in the overall findings. As well, municipal and sector-specific issues and opportunities were raised, and the Audit Team was asked to ensure sub-sector statistical data as well as municipal information be included in the final report since this was the first time many operators were seeing detailed data about their own sector. This resulted in additional analytical work by the Audit Team that extended the deadline of the project from December 2004 to March 2005, but was considered critical to industry buy-in and support for next steps and implementation of solutions in the region.

The Audit Team was able to validate much of the outputs of the committees in terms of specific factual performance and futurity measures and, based on this, the evaluation process was completed.

NIAGARA PRTDF PARTNERS

Lead Organizations

- ◆ Festivals & Events Niagara & Friendship Festival
- ◆ City of St. Catharines Economic Development & Tourism Services
- ◆ City of Niagara Falls, Business Development Office
- ◆ Niagara Economic & Tourism Corporation

Steering Committee Members

- ◆ Tracy LeBlanc, Festivals & Events Niagara & Friendship Festival
- ◆ Brock Dickinson, City of St. Catharines Economic Development & Tourism Services
- ◆ Wendy Canavan, City of Niagara Falls, Business Development Office
- ◆ Gary Hardy, Niagara Economic & Tourism Corporation
- ◆ David Webb, Parks Canada & Niagara National Historic Sites of Canada
- ◆ Regina Foisey, Wine Council of Ontario
- ◆ Rebecca Cann, City of St. Catharines Cultural Services Supervisor
- ◆ Caroline Atherton, Niagara Falls Tourism
- ◆ Tony Baldinelli, Niagara Parks Commission
- ◆ Del Rollo, Jackson-Triggs Niagara Estate Winery
- ◆ Gerry Ginsberg, Niagara Grape & Wine Festival
- ◆ Lou Nieuwlands, Whisky Run Golf Course

Audit Team (HRDC Contract)

- ◆ Joanne Maltby
- ◆ Kimberley Garec

- ◆ Cyndy Chunick
- ◆ Caleb Burse
- ◆ Rob Novosel
- ◆ Helga Honey

Provincial Support/Facilitation

- ◆ Arlene White, RSB MTR Tourism Field Services
- ◆ Angelo Nitsopoulos, Hearts of Niagara Hospitality
- ◆ Dolores Fabiano, Welland/Pelham Chamber of Commerce
- ◆ Lucie Huot, Club 2000 Niagara
- ◆ Jennifer Turner, 20 Valley Tourism Association
- ◆ Joan Hastings Dove, Niagara West Tourism Association
- ◆ Terry Dow, City of Thorold
- ◆ Paul Moountain, Niagara Air Bus
- ◆ Mike Burnett, CAA Niagara Travel Trade
- ◆ Kate Leigh, City of Port Colborne
- ◆ Frank Rupcic, Venture Niagara
- ◆ Shane Sargant, Tourism of Welland Niagara
- ◆ Nancy Sutton, Niagara College
- ◆ Walter Sendzik, Vines Magazine
- ◆ Mary Stack, Niagara Peninsula Conservation Authority
- ◆ Rich Miller, Regional Municipality of Niagara Planning Dept

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EVALUATION

Evaluation is the step to understanding the reality of Niagara Region’s tourism offering in very specific terms through a comprehensive Resource Audit. The audit includes understanding and measuring objectively Niagara Region’s product, its performance as a tourism destination and its futurity in terms of how it plans to improve, enhance, and market its attractiveness as a tourism destination.

Throughout this report symbols are used to indicate the performance rating of each section as determined by the participants in the process.

The symbols are as follows:



Yes, the affirmation can be made and supported for the destination



Almost - the affirmation can almost be made and supported – one to several key efforts / investments will enable affirmation



No, the affirmation cannot be made or supported for the destination

NOTES: See Appendices for the Tourism Resource/Opportunity Matrix, Workbook Details and Detailed Performance Summary for Niagara.

- 1) The term “PRODUCT” as used in this document, refers to the broad range

of product definitions used in the tourism industry: capital investment, infrastructure, natural geographic assets, program offerings and marketing experiences. This report attempts to clarify the type described within each section to ensure appropriate context and the reader's understanding.

2) The descriptive information provided in each section directly responds to the critical assessment questions raised in each section of the Premier-ranked Tourist Destination Framework workbook. See Appendix 8 for a complete listing of these questions.

Product - Overall Rating



The product components, criteria, and measures address the features that enable a destination to offer a high quality tourist experience. The following five (5) product characteristics reveal Niagara Region's product attributes:

A. Distinctive Core Attractions Rating



This section assesses what it is about a destination that makes it stand out and distinctive, how the attractions are distinguished and how they are relevant to market wants. The evaluation process has identified Niagara Region's core attractions, their distinctiveness, and the nature and size of the visitor markets to which they are to be considered to be attractive.

The PrTDF process was unable to affirm the following points as outlined in the workbook:

- ◆ "The destination's offering is superior because it offers a better guest experience".
- ◆ "The destination has a product positioning statement".
- ◆ "A core attraction, or set of complementary attractions pull visitation from all segments on a year-round basis".

The Core Attractions are:

- ◆ The Falls
- ◆ Cultural & Heritage Attractions (including Shaw Festival, historic sites)
- ◆ Wineries
- ◆ Gaming & Casinos
- ◆ Natural & Outdoor Attractions (including Welland Canal, Natural Parks, trails, beaches, etc.)
- ◆ Festivals & Events

The Supporting Attractions are:

- ◆ Shopping
- ◆ Dining & Entertainment
- ◆ Golf
- ◆ Water Sports

Without a doubt, Niagara Region's core, and supporting attractions constitute "primary motivators for travel" within a global tourism context. The collection of offerings and related experiences that exist in this destination would be envied by competing destinations within Ontario, Canada and around the world. Many destinations would consider themselves fortunate to have one or two of the attractions the Niagara region has. The challenge is to preserve and build upon these assets in new and innovative ways that will continue to attract new and return visitation to this region.

As a collective, the core attractions motivate tourists to this destination as part of a regional complex. While there is disparity within the region in terms of tourism expenditures not being equally dispersed throughout all municipalities, the variety of distinct attractions in Niagara have the potential to generate increased shares of overall tourism receipts. For example, the Southern Tier communities of Fort Erie and Port Colborne are not seeing the visitation that the North Niagara communities of Niagara Falls and Niagara-on-the-Lake experience. There exists the opportunity to better coordinate and link the regional attractions and maximize the potential and benefits for all communities.

Other complementary tourism attractions and activities also exist in the neighbouring communities that the region can capitalize on. The greater Toronto area

is only 85 kms or 60 minutes away. Currently the region benefits from significant tourism traffic that originates as a result of the international airport and attractions in the Toronto area. The border location of Niagara and its affiliation with Western New York through bridge, trade and transportation links, also offers Niagara unique opportunities that other destinations don't have. Links to Rochester, the Finger Lakes Region, Chautauqua, Western New York ski areas, and New York City have the potential to feed the attractions within the Niagara region.

The identified core attractions are linked to the physical setting of the region. Niagara Falls in itself is considered one of the wonders of the world and as a result the destination has developed infrastructure and attractions to support this natural phenomenon. The region also benefits from a favourable climate which supports one of the region's core attractions: the wineries. Niagara Region is located on a major international border crossing, between two of the Great Lakes and sits within the centre of a major population base.

The core attractions are also directly linked to the history of the destination. Niagara Falls is an internationally-recognized wonder of the world, the Niagara River has been a North American trade and meeting point since early Aboriginal times, and the Niagara Escarpment is recognized as an internationally designated biosphere region. This geography contributes to its history and reputation as a fertile agricultural area which has fostered the development of its grape growing and wine producing industry, a core attraction. Niagara's location as a major international border crossing (4 bridges) has had significance in its history; the region served as an important area in terms of the formation of Canada, is home to many historic battles and military strongholds such as Forts George, Mississauga, and Erie, and can also lay claim to almost 200 years of peaceful coexistence and friendship with U. S. neighbours to the south.

In terms of its competitiveness, the Niagara region is generally considered by competing Ontario destinations to stand out as a distinct tourist destination. This is a result of the Falls and its international recognition, and is reflected in the significant financial investment that has been made in tourism infrastructure within the City of Niagara Falls specifically, and other communities in the region, over the past ten years. While the city of Niagara Falls, the town of Niagara-on-the-Lake, and the wine region serve as core attractions, other municipalities and their tourism offerings are perceived as less distinct, and in some cases inferior, in terms

of their regional tourism offerings, when compared to other regional destinations within a provincial, national, or international context. Opportunities exist to improve upon this perception and to bring the various municipalities and their offerings into the mix of Niagara tourism offerings.

The study results indicate while individual Niagara Region attractions or experiences may be unique; this does not translate into them being better than what is available or offered elsewhere. Quality customer service delivery is inconsistent, there are no basic service standards in place across all tourism sectors, and there is no industry-wide commitment to ongoing customer-service training. There has not been a customer exit survey completed in Niagara since 1998, and that study mainly covered Niagara Falls. Customer impressions for this study were gathered from stakeholder discussions as well as 2003 to 2005 travel intention studies completed by the Ministry of Tourism.

Industry stakeholders acknowledged there exists a customer perception of over-promising and over-charging for certain product offerings (amusements and accommodations), especially during peak season, and under-delivering on the tourism experience.

Niagara Region does not have a destination positioning statement that creates a strong brand or perception of the greater regional destination in the minds of its target customers. A multitude of individual attractions and municipalities within the region have standalone positioning statements. The combination of these is confusing to the customers, and is also driving the overall visitor perception of the region.

Through the resource audit process it is clear that the identified core attractions do in fact have visitor appeal and are important offerings for the identified market segments at the Provincial, National / U.S., and International levels. The majority of Niagara's attractions are considered to have "mass appeal", while the unique offerings like the wineries, are perceived as more "niche" oriented. This provides Niagara with additional opportunities that other parts of the province do not have.

The number of trips that these specific "types of attractions" generated within Ontario is as follows:

Trips Taken By Type (million's)	2003		2002	
	Ontario	Niagara	Ontario	Niagara
Natural Attractions	32.8	2.7	39.3	3.5
Culture / Heritage	18.2	3.3	20.4	4.0
Gaming & Casinos	4.0	1.1	4.1	1.2
Festivals & Events	4.7	.4	5.6	.6

SOURCE: Statistics Canada CTS/ITS 2002/2003 Travel Survey Data. Natural Attractions includes Visit a National or Provincial Park, Participate in Sports/Outdoor Activity; Culture/Heritage include Visit an Historic Site, Visit a Museum or Art Gallery, Attend a Cultural Performance

Based on the visitor statistics from the CTS/ITS research, Niagara Region's attractions have a strong appeal to travelers beyond Ontario's borders, especially when it comes to the U.S. market. The summer and fall season's appeal is related to the beauty, uniqueness, variety, and power the natural attractions possess. The Shaw Festival and Niagara-on-the-Lake and other cultural and heritage attractions generate appeal as a result of the quality, variety, and uniqueness of their particular offering. The beaches, marinas, and water sports offerings along the Lake Erie shoreline and parts of Lake Ontario and the Niagara River draw repeat visitation and multi-generations of families. Niagara Falls casinos as well as the horse racing facility in Fort Erie are considered to be among the best in Ontario and Canada. The wine region within Niagara has mass appeal because of its relaxed touring and educational nature, but also boasts niche appeal specifically to wine aficionados and culinary enthusiasts because of the quality, variety, and uniqueness of the touring, sampling, and purchasing opportunities. Finally, Niagara Region's spectrum of festivals and events deliver appeal as a result of the variety of Niagara-specific theming, entertainment offerings, year-round availability, and quality.

The specific markets that are drawn to these attractions have been identified as follows. In Ontario, they are the markets of the greater Toronto area, Southern, and Eastern Ontario. Within a U.S. context the urban border markets of Buffalo, Rochester, Syracuse, Detroit, Cleveland, and Erie, which can be more broadly defined to encompass residents of Western New York State, Michigan, Pennsylvania, and Ohio. From an overseas context Niagara Region has appeal to consumers in the U.K., Asia, France, Germany and some countries in the Middle East.

The destination's ability to attract visitors on a year-round basis varies by core and supporting attractions. Gaming, the Falls, festivals and events and the supporting dining, shopping, theatre and cultural and heritage indoor attractions offer year-round appeal. The wineries, beaches, other natural attraction experiences, including golf and water sports, are seasonal and weather-dependent. Because of Niagara's location between the two lakes, the climate is much more temperate than in other parts of the province – this poses challenges when it comes to traditional winter sports, but offers benefits like longer golf and outdoor sport seasons, and can be turned into more of an opportunity through careful programming and enhanced regional marketing.

B. Quality and Critical Mass Rating



This section addresses the extent to which a destination provides a memorable experience by offering a broad and deep range of options for engaging in core and related activities as well as entertainment, dining, and shopping. The evaluation process has assessed the size of Niagara Region's activity and amenities base and

The PrTDF process was unable to affirm the following points as outlined in the workbook:

- ◆ The core destination experience stands out as memorable to the visitor.
- ◆ The destination's offering is superior because it offers a better guest experience.
- ◆ The destination has a product positioning statement.
- ◆ Opportunities to build on complementary tourism attractions/activities with nearby destinations have been assessed.
- ◆ The core experience is typically "consumed" over a period greater than 24 hours.
- ◆ A variety of "on-theme activities" are available to give guests a reason to stay overnight.
- ◆ The destination offers a range of memorable experience-creating, core and on-theme activities sufficient to sustain tourist interest on a year-round basis.

- ◆ Core and on-theme activities are easy to buy from central points in the destination, multiple points distributed throughout the destination, points distant from the destination.
- ◆ The range of activities (relaxation, entertainment, interpretation, education, cultural/historical understanding, skills development and adventure) is well promoted and understood by guests.
- ◆ This range of activities is easy to buy.
- ◆ Groups have cooperatively invested in programming or animating public spaces, gathering and queuing areas.

the quality of its entertainment, dining and shopping offerings.

Overall the Region does not offer a wide range of memorable core experiences sufficient to sustain interest for more than 24 hours, and this is clearly supported by the percentage of day trips (70%) that occur in Niagara. Certain areas within the region already deliver on this attribute: Niagara Falls, Niagara-on-the-Lake, St. Catharines and Jordan Village. Based on the nature of their core and supporting attractions, these locations do offer memorable experiences and package products and services that attract overnight visitation. With the variety of products and services Niagara offers, the opportunity exists to “bundle” other regional offerings and influence additional overnight visitation. It should be noted that some efforts have been made in the recent past to create new tourist experiences by linking core attractions with secondary ones and this work will continue.

Average Visitor Time Spent on Core Activities

Festivals	2 – 3 hours
Beaches	½ day
Gaming	3 – 5 hours
Parks	½ day
Theatre	3 hours
Niagara Falls	1 – 2 hours
Wineries	3 hours

Source: Niagara PrTDF Resource Audit, 2004

The VFR market into Niagara region should also be integrated into this approach – while not all VFR travelers utilize accommodations, their use of Niagara products and services can increase time spent and revenues generated at these attractions.

Average Visitor Time Spent on Supporting Activities

Dining	2 – 3 hours
Shopping	3 – 4 hours
Tours	3 – 4 hours
Entertainment (PM)	1 – 2 hours
Golf	4 – 6 hours

Source: Niagara PrTDF Resource Audit 2004

When visitors from any of the target markets combine or bundle any number of core attractions and supporting attractions together there is increased potential to generate a memorable visitation beyond 24 hours. This bundling would include these supporting activities. For example a visitor who was attracted to the region to see a play at the Shaw Festival and combined that with a tour of a winery, some shopping, and a dining experience took advantage of a variety of core and supporting attractions. They bundled these experiences and therefore in order to do them all chose to stay overnight in a hotel in the region.

70% of all visitations into Niagara Region are visitors on day trips while 30% are overnights (consistent for 2002 and 2003). The average overnight length of stay was 2.2 nights in 2002 and 2.1 nights in 2003.

Average Length of Stay

	2003	2002
Average All Domestic Visits	.76 day	.79 day
Average Domestic Overnight Visits	1.93 nights	2.00 nights
Average All U.S. Visits	.46 day	.47 day
Average U.S. Overnight Visits	2.13 nights	2.10 nights
Average All Overseas Visits	1.77 days	2.00 nights
Average Overseas Overnight Visits	3.65 nights	3.70 nights

Source: Statistics Canada CTS/ITS 2002/2003 Travel Survey Data

Niagara Region does offer a range of Core and Supporting activities sufficient to sustain tourist interest on a year-round basis as indicated in the chart below.

Availability of Activities

Core Activities	
Festivals	Year Round
Beaches	May - September
Gaming	Year Round
Parks	Year Round
Theatre	Year Round
Niagara Falls	Year Round
Wineries	Year Round
Supporting Activities	
Dining	Year Round
Shopping	Year Round
Tours	Year Round
Entertainment	Year Round

Source: Niagara PrTDF Resource Audit, 2004

Niagara Region offers a variety of key tourism activities that are attractive to a broad range of market segments. These activity categories include relaxation, entertainment, interpretation, education, cultural and historical offerings, skills development, and adventure.

The ability to access Core and Supporting activities by the varied market segments at variable price points with added layers of added-value offerings are a challenge for visitors and residents.

While Niagara Region scores high in terms of availability of these key activity categories, guests have little or no knowledge of the variety and options available. This is apparent in the Customer Travel Motivation Surveys that MTR has undertaken the past 2 years in which visitors repeatedly advise they have already “been there, done that” in Niagara. Promotion of the best-known, longest standing and well-financed / marketed attractions takes place annually (Marineland, Casino, Shaw, Niagara Parks Commission, Niagara Wine Festival) through traditional media, brochures, websites, co-op buys, Destination Marketing Organizations (DMOs) and trade shows. The smaller operators and not-for-profit organizations

however are challenged in terms of getting their product offerings noticed beyond the local market, let alone recognized by the traveling public.

There are various points of sale for the purchase of activities within or out of the region: through central points like the individual attraction or sites and their websites/1-800 numbers, regional travel centres, through some travel agents, hotel concierge or guest services desks. However, there is not one central source of information or purchasing that would make the process easy from the customer perspective.

There are also a wide variety of price options for the various amenities offered, but price is not an indicator of the quality or reliability of the offering, as can be seen from the following table, compiled from the Resource Audit surveys completed.

Activity Price Points

Winery Tasting on Site	Free to \$10
Casino, Gaming	Free entry
Theatre	\$20 - \$80
Festivals / Events	Free Entry, Some Gated Events
Parks, Outdoors	Entry or Parking Fee \$5 to \$10
Beaches	Free
Restaurants	\$10 to \$100+
Clifton Hill Amusements	\$8 to \$12
Cultural & Heritage Sites	Free to \$8
Tours	Free - \$35
Golf	\$35 - \$125

Source: Niagara PrTDF Resource Audit, 2004

While programming and animation of public spaces and viewing areas are recognized by the tourism industry as activities that enhance the quality of a destination, little or no investment has been made by DMOs or Economic Development Organizations to develop this fully. Initiatives like Doors Open and the Heritage Route projects in St. Catharines and Niagara-on-the-Lake have stimulated some interest from various partners within the region but these are individual initiatives that have had little impact on the overall impression and quality of the destination.

2004/05 Entertainment & Performers

Festival Concerts	Blue Rodeo, Lighthouse
Casino Concerts	Jann Arden, Paul Anka
Brock Centre for the Arts	Natalie MacMaster, Nathaniel Dett Chorale
Heritage Events	Doors Open Niagara, Re-enactments
Winery Entertainment	Jessie Cook, Michael, Burgess, Jazz/Blues

Niagara Region scores high when it comes to offering cultural experiences and entertainment options, in terms of venue/shows/events from basic at a regional level to large scale over a range of price points. Niagara offers festival concerts, casino concerts, theatre, heritage event performances, performing arts, dance, and music from a price range of Free (large festivals) to \$75+ (Theatre).

In the past two years the region has featured performances and artists with name recognition beyond the local area, as is outlined on the following chart. This again, is a tourism attribute that is not reaching a broader travel audience, and offers new opportunities and ways to position the Region in terms of cultural destination development.

In terms of dining options in Niagara Region the offering is varied and significant – everything from regionally-sourced cuisine, Thai, Middle-Eastern, Seafood, Steakhouse, Italian, Chinese, Greek, Wineries, Cooking Schools and Markets to chain brands and fast-food outlets. From a price point perspective the average entrée costs between \$5 - \$30, depending on the visitor's choice of a low-end, family type restaurant to a high-end fine-dining experience. The majority of restaurants are located in St. Catharines, Niagara Falls, and Niagara-on-the-Lake, but there are a surprising number of gems in the smaller communities that have been "found" by the locals and are being shared with visitors. Chinese in Fort Erie, Italian in Port Colborne, Regional Cuisine in Pelham and French Cuisine in Welland are just some examples. Many of these restaurants have wine lists featuring more than 25 different labels, and a majority of these offer Niagara wines. There are also a significant number of restaurants in the region with trained and accredited chefs, several of whom have built reputations in other parts of the world

and draw regular visitors from outside this region.

While not currently considered a “top-of-mind” shopping destination, Niagara offers a wide range of shopping options including clothing, crafts, and memorabilia at a variety of price points. Large shopping centres like the Pen Centre, Fairview Mall and Canada One Factory Outlet provide name brands, shopping 7 days a week, and a broad range of product pricing. Smaller shopping areas like Niagara-on-the-Lake, Jordan Village, Ridgeway and Port Dalhousie have made their niche with more unique and independent operators in the mid to higher-price ranges. Within these shopping areas some stores or galleries have name recognition beyond the local region, such as Angie Strauss and Trisha Romance. Antique shops, art and artisan galleries, unique gift, and home furnishing/decorating stores can also be found in many of the municipal retail areas, and Niagara souvenirs and memorabilia are plentiful in Niagara Falls, as well as at various visitor centres and museums.

C. Satisfaction & Value Rating



This section documents the extent to which Niagara Region offers its guests a warm welcome, satisfies expectations, and offers value for money. The evaluation process has identified how guests and outside marketers view the region against these attributes. It also evaluates how Niagara Region is investing in improving performance in these areas.

Niagara Region’s reputation for being friendly or very hospitable among guests, tour operators, and travel agents is varied and inconsistent year-over-year. While current local customer data is not available (the last Region-wide Customer Exit Survey was completed in 1998), Niagara industry stakeholders, including tour operators and travel agents, commented on this area of performance requiring major improvement repeatedly during stakeholder sessions. Many of these stakeholders acknowledged the critical importance of this to the overall tourism experience of Niagara and agreed this attribute determined a destination’s appeal and drove continued and return visitation over the long term.

The glaring weakness in understanding this important attribute comes from the lack of credible and consistent visitor data. While individual operators track a

variety of visitor information through various means (reservation systems, ticket sales, surveys, website hits, complaints, contests), little of this information is shared or compiled at a sector or industry level in order to consistently improve upon the products or services offered. Customer satisfaction information is gathered by some operators (accommodations and restaurants), but again, there is no sectoral or regional mechanism to monitor overall

The PrTDF process was unable to affirm the following points as outlined in the workbook:

- ◆ The destination is considered “friendly” or “very hospitable” by guests and by travel agents and tour operators packaging experiences at the destination.
- ◆ The destination carries out regular surveys which track guest satisfaction and their perceptions of value and hospitality.
- ◆ The most recent survey indicated that most guests were very satisfied with their destination experience.
- ◆ The destination is considered “good value” or “expensive but worth every cent” by guests and by travel agents and tour operators packaging experiences at the destination.
- ◆ Key experience and service prices are monitored and are staying constant or trending up.
- ◆ Visitation is trending upwards.

destination satisfaction or the visitor’s perception of value or hospitality within Niagara Region.

Different areas or products and services offered within the region are deemed to be of “good value” or being “expensive but worth every cent” by guests and those who package experiences within the destination, but this is not consistent across all product and service lines. The current visitor trend when it comes to paying for key tourism experiences and services is flat (MTR research); however, the cost for accommodations and the dining experience within the city of Niagara Falls and Niagara-on-the-Lake over the past few years is trending upwards and considered too expensive at certain properties and not comparable to value available to other destinations (experience, service and other tourism amenities).

Visitation levels within the region continue to remain flat. There was some recovery in 2004, however the U.S. customer base is not returning as anticipated, and the perceived lack of new experiences and products and programs to match the investment made in capital infrastructure, as well as the perception of over-pricing for certain products will continue to impact growth. The other key factor impacting Niagara since 2001 is the ongoing issue around border-crossing and security issues. The perception of long wait times and difficulty getting through U.S. and Canadian Customs, as well as American sensitivities to anti-Americanism, economic instability in the U.S. and ongoing discussions around passports and required travel documentation have seriously hurt cross-border traffic into Niagara. This also has a detrimental effect on traffic into Ontario. These issues need ongoing attention and resolution by the industry partners, but to date there has been a lack of industry leadership and a united voice to advocate for changes and improvements. The incorporation of the Binational Tourism Alliance in 2004, with a mandate to eliminate barriers to cross-border tourism development, will make a positive difference in this regard.

D. Accessibility Rating



This section assesses the ease of getting to and traveling within Niagara Region, the transportation modes that serve it and the importance of transportation to the tourist experience. The evaluation process has identified how accessible Niagara Region is and how well that accessibility is being managed.

The region is suitably positioned geographically to capitalize on key areas of population. Niagara Region is located within 2 hours of several major population centres including Toronto (4 million+), Hamilton (800,000), Buffalo (1 million+) and Rochester (700,000) and three of its 12 municipalities (Fort Erie, Niagara Falls and Niagara-on-the-Lake) are on the Niagara River international border crossing. The total population within a 3 hour drive of the destination is estimated to be in excess of 7 million. Both Toronto and Buffalo house international airports, and Hamilton's airport provides passenger and cargo carrier service – all three airports are within a 30 to 90 minute drive from Niagara.

In the off season travel from these major urban centres and their population base is not unpleasant and is achievable with minimum effort and discomfort during

The PrTDF process was unable to affirm the following points as outlined in the workbook:

- ◆ Alternative modes of travel from the urban centre/gateway are available.
- ◆ If located on the water, the destination is accessible to cruise ships.
- ◆ If located on the water, the destination's cruise ship and/or transient marina are located in or close to downtown or the attraction, with attractive and comfortable spaces between them.
- ◆ The Transportation Resources Checklist was completed and the following areas require actions:
- ◆ Transportation routes to downtowns and major attractions require improved directional signage, road surface maintenance, attractively maintained public spaces.
- ◆ Shuttle services or taxis and tourist orientation information availability at transportation terminals.
- ◆ Tourist traffic congestion and way-finding problems need to be addressed by transit-based interventions.
- ◆ Taxi drivers require service delivery training and briefings on tourist attraction locations.

non-peak travel times. This does change during summer and fall peak travel seasons, when Niagara experiences traffic congestion from both the GTA and border crossings. The most commonly used travel routes are the QEW and Highways # 3, 406 and Regional Road #81 in Ontario and I 90, I 190, and I 290 in Western New York. Niagara Air Bus as well as other select group tour coaches operate into and throughout Niagara from the major urban centres using these same routes.

Alternate modes of travel such as train, limo, taxi, plane, boat, shuttle services, people mover and limited public transit are also available to the visitor, but most of these are restricted to the major centres (Niagara Falls, St. Catharines and Niagara-on-the-Lake).

The region is also accessible by water and therefore can accommodate small cruise ships and/or ferries at Port Dalhousie, Niagara-on-the-Lake, and Sugarloaf

Marina in Port Colborne. Transient boaters can access some 230 slips in Niagara, the majority located in Port Colborne. The challenge with these sites is their distance from transportation nodes and municipal centres, residential concern over increased tourist volume into their communities as well as poor proximity to the major tourism areas in the region.

Various municipalities, BIAs and tourism organizations have invested and are investing in making access to visitor attractions and destinations easier and more attractive and friendly for the traveling public.

The region has 3 provincial travel centres in Fort Erie, Niagara Falls, and Niagara-on-the-Lake, as well as a regional visitor centre on Casablanca Blvd. in Grimsby. The municipalities also provide travel services at specific locations: Lock 3 Museum in St. Catharines, the Lighthouse in Port Colborne, Court House in Niagara-on-the-Lake, and Grimsby Gateway in Grimsby. Major transportation routes have both MTO and TODS signage to direct visitors, regional roads bear trailblazers, but both industry partners and visitors contend that the signage is confusing and inconsistent throughout the region (three Ontario Sts on QEW Niagara, TODS challenges from QEW Fort Erie to Southern tier communities, different types of trailblazers for similar products – heritage, wineries, festivals - from municipality to municipality, getting into or leaving communities not always easy). For the most part road surfaces and public spaces are maintained, but this is dependent upon budgets, project schedules and provincial and regional priorities.

The delivery of visitor services at transportation terminals, including visitor information, taxi, and shuttle services is inconsistent. In high tourist traffic areas congestion and way-finding have been addressed by transit-based interventions such as people-movers and satellite parking. Public transit service schedules sometimes match the hours of operation of key tourist areas and attractions, especially in high tourist traffic areas. Attractions that cater to the group market and those using motor coaches provide ample on-site parking or convenient access to a staging area especially in high traffic tourist areas.

Niagara is fortunate to have a strong advocate for the disabled community working with the tourism industry partners to identify locations that are accessible according to provincially-legislated requirements. Linda Crabtree has produced a tourism guide that outlines those sites and events that cater to this segment of the traveling public, but she is dependent upon her own resources to continue produ-

cing and updating this material.

E. Accommodation Base Rating



This section assesses the breadth and depth of the Niagara Region's offering in terms of the range of accommodation classes available, their location, and the presence of higher end operators. The evaluation characterizes the region's accommodation base.

The PrTDF process was able to affirm all points as outlined in the workbook

Niagara Region offers a wide variety of accommodation property classes from independent and chain motels/hotels to bed and breakfast offerings. Over 15,000 rooms, including camp sites, are available at a price range of \$10 to \$200+ with most major national and international flags offered. Over 13,000 of the hotel rooms are in Niagara Falls, with new rooms being added to existing properties and additional properties approved for construction. Internationally-recognized flags include Hilton, Marriott, Sheraton, Hyatt, Ramada, Best Western, Holiday Inn, Renaissance, and Days Inn.

An important note is that in Niagara Falls, many of the name-brand hotels are privately, not corporately, owned and controlled. Within the municipalities of Niagara Falls, Niagara-on-the-Lake, St. Catharines, Fort Erie, Jordan, Grimsby, Welland, and Port Colborne, accommodation options are located close to core and supporting attractions, most within 1 – 5 kms. This is not the case in other areas in the region where accommodations may be located greater distances from core and supporting attractions.

Class	# of Properties	Price Range
RV Park/Campground	27	\$10 - \$100
Bed & Breakfast	425	\$50 - \$200
Resort Lodge/Lodge	4	\$50 - \$200+
Motel	131	\$50 - \$150

Hotel	104	\$50 - \$200+
Cottages	15	\$50 - \$100
University/College Residence	3	\$50 – 100

Source: Niagara PrTDF Resource Audit 2004

Performance- Overall Rating



The Performance measures identify the extent to which Niagara Region is successful and recognized in the marketplace. By comparing Niagara Region’s performance attributes in terms of hard data conclusions can be determined as to its actual performance against its primary competitors and in a competitive marketplace context. Visitation statistics, accommodation occupancy levels and critical acclaim are all industry standards to measure performance.

F. Visitation Rating



This section assesses Niagara Region’s market performance in terms of visitation numbers and market share, attractiveness to different market segments, and different times of the year. The following Statistics Canada CTS/ITS 2002 and 2003 Travel

Survey Data information break down visitation numbers and purposes:

The PrTDF process was unable to affirm the following points as outlined in the workbook:

- ◆ The destination’s share of meetings and conventions-motivated travel to Ontario is significant.

Total Visits to Niagara Region by Origin

	2002	2003
Domestic - Same Day	3,316,000	3,055,000
Domestic - Overnight	2,106,000	2,000,000
U.S. - Same Day	7,092,000	5,604,000
U.S. - Overnight	2,019,000	1,558,000
Overseas - Same Day	326,000	264,000
Overseas - Overnight	377,000	249,000
TOTAL	15,236,000	12,730,000

Source: Statistics Canada, CTS/ITS.

Share of Total Visits to Niagara Region by Origin

	2002	2003
Domestic - Same Day	22%	24%
Domestic - Overnight	14%	16%
U.S. - Same Day	47%	44%
U.S. - Overnight	13%	12%
Overseas - Same Day	2%	2%
Overseas - Overnight	2%	2%
TOTAL	100%	100%

Source: Statistics Canada, CTS/ITS

Visitation to Niagara Region of all visitors is significant compared to the total number of visits to Ontario, and is clear from the numbers in the above charts, the majority of Niagara's visitors are Same Day travellers.

Visiting Friends & Relatives Trips

Total Trips to Ontario & Niagara Region with Main Purpose VFR

	Ontario		Niagara Region	
	2002	2003	2002	2003
Domestic	39,406,000	34,732,000	1,624,000	1,720,000
U.S.	3,689,000	3,289,000	917,000	715,000
Overseas	653,000	605,000	202,000	187,000
TOTAL	43,748,000	38,626,000	2,743,000	2,622,000

Source: Statistics Canada, CTS/ITS, 2002-03

Overnight Trips to Ontario & Niagara Region
with Main Purpose VFR

	Ontario		Niagara Region	
	2002	2003	2002	2003
Domestic	16,525,000	14,034,000	646,000	698,000
U.S.	1,445,000	1,316,000	196,000	143,000
Overseas	573,000	524,000	82,000	68,000
TOTAL	18,543,000	15,874,000	924,000	909,000

Source: Statistics Canada, CTS/ITS, 2002-03

Business Trips

Total Trips to Ontario & Niagara Region
with Main Purpose Business

	Ontario		Niagara Region	
	2002	2003	2002	2003
Domestic	9,717,000	8,118,000	394,000	252,000
U.S.	1,843,000	1,445,000	240,000	188,000
Overseas	349,000	284,000	54,000	50,000
TOTAL	11,909,000	9,847,000	688,000	490,000

Source: Statistics Canada, CTS/ITS, 2002-03

Overnight Trips to Ontario & Niagara Region
with Main Purpose Business

	Ontario		Niagara Region	
	2002	2003	2002	2003
Domestic	3,222,000	2,798,000	94,000	93,000
U.S.	1,039,000	796,000	88,000	66,000
Overseas	302,000	238,000	19,000	16,000
TOTAL	4,563,000	3,832,000	201,000	175,000

Source: Statistics Canada, CTS/ITS, 2002-03

Pleasure Trips:

Total Trips to Ontario & Niagara Region with Main Purpose Pleasure

	Ontario		Niagara Region	
	2002	2003	2002	2003
Domestic	40,182,000	36,887,000	3,010,000	2,830,000
U.S.	13,892,000	11,329,000	5,503,000	4,321,000
Overseas	881,000	575,000	411,000	261,000
TOTAL	54,955,000	48,791,000	8,924,000	7,412,000

Source: Statistics Canada, CTS/ITS, 2002-03

Overnight Trips to Ontario & Niagara Region with Main Purpose Pleasure

	Ontario		Niagara Region	
	2002	2003	2002	2003
Domestic	17,617,000	15,767,000	1,212,000	1,092,000
U.S.	4,901,000	3,950,000	1,591,000	1,242,000
Overseas	738,000	464,000	263,000	159,000
TOTAL	23,256,000	20,181,000	3,066,000	2,493,000

Source: Statistics Canada, CTS/ITS, 2002-03

In Summary:

- ◆ Niagara Region captured 7% of total VFR trips to Ontario in 2003, 6% in 2002.
- ◆ Niagara Region captured 5% of total business trips to Ontario in 2003, 6% in 2002.
- ◆ Niagara Region captured 15% of total pleasure trips to Ontario in 2003, 13% in 2002.
- ◆ Niagara Region captured 9% of Ontario's Meeting & Convention market in 2003, 6% in 2002¹.

In terms of the Meetings and Conventions market, stakeholders raised the issue of the need for a Niagara Falls Convention facility to help increase the volume of year-round M&C business. Significant work has already been done to explore the

¹ CTS/ITS data 2003

potential of this market and the positive impact it could have not only on Niagara Falls but to the entire region.

Trips taken specifically related to the regions core attractions are certainly significant:

Niagara Visits Based Upon Core Attractors

Domestic Visitors (millions)	2003		2002	
Attraction	# of Trips	%	# of Trips	%
Natural Attractions, Parks, Outdoors	2.0	39.9	2.5	45.3
Culture & Heritage Sites	1.2	23.3	1.2	22.1
Gaming & Casino's	.7	15.3	.8	15.6
Festivals & Events	.2	4.0	.4	7.1
US Visitors				
Natural Attractions, Parks, Outdoors	.9	52	1.5	61.4
Gaming	.3	14.1	.3	12.2
Overseas Visitors				
Natural Attractions, Parks, Outdoors	.5	99.2	.7	100.0
Visit A Historic Site	.2	47.5	.3	48.6
Gaming	.1	14.1	.1	13.0
Visit a Museum or Art Gallery	.2	36.5	.3	38.9

Source: CTS/ITS, 2002-03

While CTS does not track all Niagara related trip types, specific core attractions have reported anecdotal visitor stats. For example the Shaw Festival attracts as many as 300,000 visitors annually, the Wineries report over 250,000 visits annually and Combined Festivals and Events are reported to attract as many as 500,000 visitors annually.

These shares of trips to Niagara Region are significant when compared to competitive destinations within Ontario, for example:

Niagara Core Attractor Visits Compared to Other Key Ontario Destinations

Attraction	Niagara	Toronto	Ottawa
Domestic Visitors			
Natural Attractions, Parks, Outdoors	39.9%	20.5%	35.2%
Culture & Heritage Sites	23.3%	8.7%	21.8%
Gaming & Casinos	15.3%	1.8%	5.0%
U.S. Visitors			
Natural Attractions, Parks, Outdoors	52.0%	36.5%	53.5%
Gaming & Casinos	14.1%	3.3%	7.1%
International Visitors			
Natural Attractions, Parks, Outdoors	99.2%	85.0%	100.0%
Gaming	14.1%	9.6%	12.7%

Source: CTS/ITS, 2002-03

Niagara Region attracts visitors from a variety of market segments including visitors with differing profiles as follows:

- ◆ Families with Children
- ◆ Seniors
- ◆ Mature Couples
- ◆ Singles
- ◆ Newlyweds
- ◆ Specific Ethnic Groups

Visitation to Niagara Region is distributed among multiple market segments over more than one season. Domestic total visitation is distributed as follows:

2003	2002
Q1 Jan. – Mar - 17.8%	Q1 Jan. – Mar – 20.9%
Q2 Apr. - Jun. – 23.7%	Q2 Apr. – Jun. – 22.0%
Q3 Jul. – Sep. – 35.7%	Q3 Jul. – Sep. – 37.1%
Q4 Oct. – Dec. – 22.8%	Q4 Oct. – Dec. – 20.0%

Source: Statistics Canada CTS / ITS 2002/2003

Domestic market segment visitation is distributed as follows:

Visitation by Market Segment (millions)

Domestic	2003		2002	
	Ontario	Niagara	Ontario	Niagara
Total	54.8	2.9	61.4	3.3
Single Adults – same day	19.1	1.1	21.8	1.2
Single Adults – overnight	12.9	.6	14.9	.7
Adults – 2 to 4+ same day	8.6	.5	9.0	.5
Adults – 2 to 4+ overnight	5.2	.3	5.8	.3
Adults w Children – same day	5.6	.3	6.1	.3
Adults w Children – overnight	3.4	.2	3.8	.2

Source: Statistics Canada CTS / ITS 2002/2003

Seasonal Breakdown of U.S. and International Visitors for the same period is as follows:

Visits to Niagara Region by Quarter 200

	Q1	Q2	Q3	Q4	TOTAL
U.S.	1,332,000	2,478,000	3,534,000	1,767,000	9,111,000
% Distribution	15%	27%	39%	19%	100%
Overseas	52,000	188,000	346,000	116,000	702,000
% Distribution	7%	27%	49%	17%	100%

Source: Statistics Canada CTS / ITS 2002/2003

Visits to Niagara Region by Quarter 2003

	Q1	Q2	Q3	Q4	TOTAL
U.S.	1,063,000	1,767,000	2,842,000	1,490,000	7,162,000
% Distribution	15%	25%	40%	21%	100%
Overseas	51,000	124,000	237,000	101,000	513,000
% Distribution	10%	24%	46%	20%	100%

Source: Statistics Canada CTS / ITS 2002/2003

G. Occupancy & Yield Rating



This section assesses Niagara Region's market performance in terms of accommodation occupancy and guest expenditure levels. The evaluation compared occupancy and expenditure performance against industry and provincial averages.

Niagara's annual average occupancy rate is below the 65% average that is expected in the industry. Average hotel occupancy in Niagara Region over the past 4 years is broken down as follows:

Niagara Regional Profile of Hotel Occupancy

2001 = Niagara Falls (55.5%)	Other Niagara Falls Region (55.0%)
2002 = Niagara Falls (57.3%)	Other Niagara Falls Region (51.7%)
2003 = Niagara Falls (51.4%)	Other Niagara Falls Region (50.1%)
2004 = Niagara Falls (55.2%)	Other Niagara Falls Region (46.3%)

Source: PKF Consulting

This occupancy was spread throughout the calendar year; however, Q3 received the lion's share with Q2, Q4 and Q1 trailing behind.

2004 Hotel Occupancy for Niagara Falls

Jan. – Mar. 33.7%
Apr. - June 59.4%
July – Sept. 81.9%
Oct. – Dec. 45.8%

2005 Occupancy Rates Year To Date*

January to May 2005	
Niagara Falls 39.2%	Other Niagara Falls Region 37.4%

**PKF Consulting - PKF Trends Sample for Niagara Regional Municipality is 6,120 rooms.*

SPECIAL NOTE: While 65% occupancy is considered the industry standard for the accommodations sector, it is also important to note that Niagara's rate reflects

new hotel rooms coming into service, and with influx of new buildings and rooms in Niagara Falls compared to other communities, this may have had a major impact on the occupancy rate reported.

Average visitor expenditures for all markets except domestic overnight fall behind the provincial averages. The following charts define overall expenditures versus specific and provides regional totals.

Average Visitor Expenditure By Origin

Market	Niagara 2002	Ontario 2002	Niagara 2003	Ontario 2003
Domestic Same Day	\$56.81	\$41.56	\$53.24	\$35.77
U.S. Same Day	\$74.61	\$58.29	\$76.08	\$58.16
Overseas Same Day	\$525.44	\$62.12	\$618.42	\$63.25
Domestic Overnight	\$193.60	\$185.50	\$180.10	\$212.58
U.S. Overnight	\$419.69	\$254.49	\$430.67	\$244.42
Overseas Overnight	\$1,277.44	\$383.88	\$1,344.78	\$396.43

Source: CTS/ITS, 2002-2003

The PrTDF process was unable to affirm the following points as outlined in the workbook:

- ◆ The destination or its core attractions have been ranked as “Number 1”, “Best in Class” or “top tier”.
- ◆ Other products or experiences in the destination have been ranked as “Number 1”, “Best in Class”, “top tier”, or otherwise recommended.

Additional research needs to be conducted in order to determine the reasons for the shortfall in expenditures.

Visitor Expenditures

	2003		2002	
	Ontario	Niagara	Ontario	Niagara
Total Spend	\$13,938,682	\$497,971	\$14,450.3	\$566.3

	2003		2002		
	Ontario	Niagara	Ontario	Niagara	
Domestic	Public Transport	\$4,373,076	\$0	\$4,328.5	\$0.07
	Private Transport	\$2,408,576	\$57,076	\$2,598.4	\$56.6
	Local Transport	\$128,311	\$3,493	\$125.8	\$3.0
	Accommodation	\$1,551,408	\$105,051	\$1,736.1	\$138.6
	Food/Beverage	\$2,771,356	\$179,795	\$2,941.5	\$195.7
	Rec/Entertainment	\$832,506	\$79,919	\$898.6	\$96.9
	Clothing	\$1,052,817	\$43,036	\$1,095.1	\$46.2
	Other	\$821,631	\$29,601	\$726.3	\$29.1
	U.S.	Private Transport	\$808,900	\$57,613	\$351.4
Local Transport		\$42,500	\$2,102	\$50.2	\$2.4
Accommodation		\$931,554	\$149,246	\$1,206.1	\$183.3
Food/Beverage		\$899,324	\$190,217	\$1,075.4	\$243.7
Rec/Entertainment		\$694,957	\$178,712	\$806.4	\$222.4
Clothing		\$378,516	\$84,778	\$455.6	\$103.7
Other		\$275,601	\$54,671	\$276.0	\$71.1
Private Transport		\$87,320	\$6,131	\$114.3	\$7.8
Overseas		Local Transport	\$21,071	\$1,051	\$30.8
	Accommodation	\$313,153	\$34,847	\$422.7	\$52.8
	Food/Beverage	\$263,003	\$21,628	\$334.2	\$33.4
	Rec/Entertainment	\$108,670	\$10,674	\$142.6	\$15.2
	Clothing	\$206,262	\$16,725	\$280.4	\$24.9
	Other	\$124,332	\$12,279	\$140.7	\$16.8

Source: CTS/ITS, 2002-2003

Total Regional Visitor Spending

2003 Visitor Spending					
Domestic	\$497.9M	Same Day	\$126.9M	Overnight	\$370.9M
USA	\$723.1M	Same Day	\$236.6M	Overnight	\$396.4M
Int'l	\$111.9M	Same Day	\$16.4M	Overnight	\$95.5M
2002 Visitor Spending					
Domestic	\$566.3M	Same Day	\$118.6M	Overnight	\$447.7M
USA	\$906.0M	Same Day	\$412.5M	Overnight	\$493.5M
Int'l	\$170.1M	Same Day	\$20.6M	Overnight	\$149.5M

Source: CTS/ITS, 2002-2003

H. Critical Acclaim Rating



The PrTDF process was unable to affirm the following points as outlined in the workbook:

- ◆ Market demand to the destination's type of offering is stable or growing.
- ◆ The DMO is funded at a level sufficient to reach target markets through print and electronic (e.g. internet, toll-free phone lines, etc.) media.
- ◆ The DMO conducts surveys which track the influence of marketing on guest visits.
- ◆ The Travel Trade Resources Checklist has been completed and the following areas require attention:
 - ◆ Continued work with receptive operators and travel agents to identify attractions, accommodations and other facilities visited, visitation volumes, issue that impair the visitor experience and visitation, opportunities to improve these and other assets that could attract group tours.
 - ◆ A Tourism Development and Marketing Strategy is in place.
 - ◆ Performance towards the development plan's objectives is being monitored.
 - ◆ There is a customer service training program in place at the key experience/activity providers, as well as programs for the service community generally.

This section addresses the extent to which Niagara Region is recognized as a must-see destination, has a profile that contributes to the attractiveness of Ontario and Canada as a destination, and is a "top-ranked" place to visit. The evaluation identifies if Niagara Region is recognized as standing out from its competitors.

Without question the Niagara Region is a destination near, or at the or top of the list of places out-of-town guests must be taken or things guests must do when seeing the sites in the expanded travel region, and can be substantiated through MTR research and industry reporting. However, the disparity between communities and attractions throughout Niagara is significant. The Falls, Niagara-on-the-

Lake, the Casino, Shaw Festival and Wine Route all qualify as must-see attractions, while other core and supporting attractions such as festivals and events, beaches, parks, restaurants and shopping do not share the same acclaim or local recognition on a consistent basis for their importance to this mix.

Of significance under the heading of critical acclaim is the manner in which Niagara Falls and to a lesser extent the wine region are used as tourism icons in both provincially and nationally funded branding, promotion and advertising. The imagery of Niagara Falls can be seen in all forms of advertising including print and broadcast and this promotion extends around the world. While these icons are used extensively in various tourism promotions, it is not clear that they are regarded as Number One, Best in Class or Top Tier by the international travel media or the visitor.

The natural wonder and beauty of Niagara Falls and its sheer magnificence could position it as a Best in Class natural tourism attraction, certainly within a North American context; however, there is no true measure or determining factor to substantiate this claim. This needs to be determined as Niagara moves forward with its tourism development plans.

Futurity - Overall Rating



Futurity identifies the extent to which Niagara Region is investing in its future as a place with viable and continuing attractiveness to evolving markets. It includes the activities in place to raise awareness for the destination as well as the degree in which new investment in the form of capital dollars will be made to enhance its product offering. It also determines its capacity in a number of physical measures such as infrastructure.

I. Destination Marketing Rating



This section identifies to what extent Niagara Region targets viable markets, invests in managing and promoting its tourism marketplace, and consults with the travel trade serving Niagara Region. The evaluation identifies if Niagara Region is

actively matching its product to the expectations of the tourism marketplace and is taking advantage of the knowledge of its travel trade customers.

Statistics Canada's Canadian Travel Study and International Travel Study clearly identify that the tourism experiences within the Niagara Region and in particular the core and supporting attractions specified in this report do generate market demand. The 2005 Ontario Travel Intentions Survey indicates an interest among consumers in year round visitation to gaming venues, Niagara Falls, and wineries. The survey also speaks to willingness for consumers to return to festivals and events previously attended.

Within the Niagara Region there are several Destination Marketing Organizations (DMOs): Niagara Falls Tourism, Niagara Economic Development Corporation (NEDC), Niagara-on-the-Lake Chamber of Commerce and Visitor & Convention Bureau, St. Catharines Economic Development and Tourism Services, Tourism of Welland Niagara, 20 Valley Tourism, Niagara West, which, other than NEDC, have a local destination focus. The DMOs and Tourism Economic Development offices are not consistently funded to sufficient levels to reach the target markets through a variety of marketing and communications activities. The DMOs are also unable to track communication activities related to actual visits in order to determine the effectiveness of their marketing and communications efforts because of this same lack of financial resources. The last Visitor Exit Survey that was completed in Niagara Region was in 1998, and was funded through HRDC and industry partners.

The PrTDF process was unable to affirm the following points as outlined in the workbook:

- ◆ A significant portion of capital investment has occurred in the past two years.
- ◆ Core attractions demonstrate an ongoing commitment to reinvesting in programming and other improvements in order to enhance the visitor experience.
- ◆ Investment and/or reinvestment is being made in developing or revitalizing underdeveloped or under performing assets.

In terms of working with the travel trade, the PrTDF has included the findings of a comprehensive inventory / survey from receptive and tour operators bringing coach or FIT travel to the region. The inventory includes data pertaining to the areas and attractions visited, accommodations used as well as the related volumes of visitation by this group of end users. Product experience, pricing, customer service, and seasonality were identified by the travel trade as areas of concern. The information learned will assist the region in addressing these concerns. These measures will positively impact the experiences of this market segment and improve performance for the travel trade.

Travel agents were also contacted. These agents provided specific feedback pertaining to their perceptions of opportunities available to package tourism experiences within the region, to determine interest in doing this and to identify specific areas of opportunity for growth of tourism to the region. In these particular areas there was not overwhelming evidence from travel agents surveyed that the region delivered on these points of importance. It should also be noted that a local Niagara-based travel agent did sit on the PrTDF Steering Committee.

Niagara Region does not currently have a Regional Tourism Development or Marketing Strategy. Individual tourism organizations and municipalities have their own strategies and business plans, but there is no formal plan that addresses tourism growth or monitors tourism progress at the regional level.

Stakeholders repeatedly remarked upon the need for improvements to customer service and training in the tourism sector in Niagara. There is currently no region-wide customer service training programme in place; many operators offer their own version of customer service training, but for smaller operators and the not-for-profit sector this can be both costly and challenging, especially with the dependence on volunteers for many organizations. Niagara College and Brock University offered tourism programmes, but these focus on job-specific or general tourism industry and management training. There are some innovative opportunities for Niagara to capitalize upon: Niagara College has taken the initiative to introduce the “I Know Niagara” programme that assists operators and front-line staff with local Niagara knowledge, but this needs to be updated to include all of Niagara and rolled-out at a broader level. The NOTL Chamber of Commerce is providing OTEC Customer Service Training – their goal is to have all service staff in the municipality, tourism or otherwise, trained under this program. Niagara is fortun-

ate to have the latest chapter of the Clef D’Ors concierges working in this area and they have established and are reinforcing tourism service excellence standards in the region. MTR has piloted the Tourism Inc., modules in several locations across Niagara, and community partners like NOTL Chamber, St. Catharines Economic & Tourism Development, and Niagara West have expressed interest in partnering with MTR in ongoing delivery of these training modules.

J. Product Renewal Rating



This section identifies the extent to which Niagara Region is making capital investments in its attractiveness into the future. The evaluation documents the status and magnitude of Niagara Region’s investment in the future.

In the past five years significant capital has been invested in facility renewal, expansion, and development. Close to 50% of this investment occurred in the past two years.

Tourism Investments in Niagara

Projects Completed 2003-2004

Niagara Fallsview Casino and Resort, Niagara Falls 2004	\$1 Billion
Embassy Suites Hotel – Niagara Falls Fallsview, Niagara Falls 2003	\$150 Million
Shaw Festival Production Centre NOTL 2004	\$50 Million
Doubletree Resort Lodge & Spa Fallsview, Niagara Falls 2004	\$45 Million
Niagara Falls Aviary, Niagara Falls 2003	\$15 Million
Pen Centre Expansion, St. Catharines 2004	\$11 Million
Niagara College Culinary Institute, NOTL 2004	\$10 Million
Ontario Welcome Centre, Fort Erie 2004	\$9 Million

Projects Currently Underway

Great Wolf Lodge Family Resort & Ripley’s	
Aquarium of Canada, Niagara Falls 2006	\$200 Million
Queenston-Lewiston Bridge, NOTL 2006	\$51 Million
Peace Bridge Authority (Cdn Plaza), Fort Erie 2007	\$42 Million
Grand Niagara Golf Course, Niagara Falls 2006	\$35 Million
Thundering Waters Golf Course, Niagara Falls 2005	\$15 Million
Hilton Garden Inn, Niagara Falls 2006	\$7 Million
Ripley Entertainment’s Louis Tussaud’s	
Wax Museum, Niagara Falls 2005	\$6 Million

The PrTDF process was unable to affirm the following points as outlined in the workbook:

- ◆ Benefits and costs are balanced equitably across municipal boundaries.
- ◆ Attractiveness of the destination to recreational or retirement home or investment markets has not bid up the cost of housing to the extent that it is unaffordable to the locally employed population.
- ◆ Where housing cost impacts are occurring, a plan to resolve the problem is being implemented.
- ◆ Servicing guest visitation, or the investment to attract and accommodate it, does not consume labour or materials to the extent that their cost or availability to other sectors is impairing those sectors' profitability.
- ◆ Where resource cost or availability impacts are occurring, a plan to resolve the problem is being implemented.
- ◆ There is a labour pool sufficient to accommodate current and projected levels of visitation.
- ◆ Where labour pool constraints are occurring, a plan to resolve the problem is being implemented.
- ◆ Guest surveys confirm satisfaction with hospitality and service.
- ◆ Where dissatisfaction has been identified, a plan to resolve the problem is being implemented.
- ◆ There is an environmental monitoring program in place which provides early warning that the quality of the resource or the visitor experience is at risk of being impaired.
- ◆ There is a community health and well-being monitoring program in place that provides early warning of whether quality of life impact thresholds are being approached.
- ◆ Evidence from formal monitoring programs or informal observations indicates that no capacity/thresholds are being exceeded.
- ◆ Where the environment or quality of life are at risk or are being impaired, a plan to resolve the problem is being implemented.
- ◆ Overcrowding, overuse, diminished quality of the environment or diminished quality of the guest experience are not being raised as issues

by guests surveys or by managers of facilities and resources. If issues are raised, they relate to one or two peak weekends only. A response to identified issues has been defined and is being implemented.

- ◆ There is current/planned water treatment and delivery capacity to accommodate current and projected levels of visitation.
- ◆ There is current/planned sewage treatment and trunk capacity to accommodate current and projected levels of visitation.
- ◆ There is current/planned road, transit, parking and trail capacity to accommodate current and projected levels of visitation.
- ◆ Assessments of the environmental effects of infrastructure expansions have been completed, with effects considered manageable and acceptable.
- ◆ Local and upper tier Official Plans have tourism-related objectives and policies in place.
- ◆ There is a political will to move forward with those projects considered to further the objectives expressed in the Official Plan or other planning documents.
- ◆ There are sufficient administrative resources in place to efficiently manage review, approvals and permit processes.

Projects Being Considered

Grand Niagara Resort & Accommodations, Niagara Falls	\$140 Million
Niagara Falls Bridge Commission Renovation, Niagara Falls	\$110 Million
Niagara Falls People Mover, Niagara Falls	\$80 Million
Port Dalhousie Redevelopment Plan, St. Catharines	\$60 Million
Vincor International, Jordan	\$21 Million

Source: Niagara Economic Development Corporation, Advantage Niagara 2005

As a result of the opening of Casino Niagara in 1996, Niagara Region has had more private sector investment made in this area than any other part of Canada, and is positioned to continue this trend. The interest level in Niagara Falls' con-

tinued development remains high with a further 11 hotel developments, 7 attractions and a Tier 1 Convention Centre currently in the planning stages².

Niagara Region has invested in the development of the Greater Niagara Circle route and connecting communities to the trails network throughout the region. The municipalities of St. Catharines, Niagara-on-the-Lake, Fort Erie, and Lincoln have developed heritage routes and invested in linking these routes to other tourism and cultural products to encourage new and return visitation to their areas. The wineries, individually, and through the Wine Council of Ontario, continue to invest in new equipment, locations, staff, programming, and marketing to expand the reach and sales potential of Niagara's wines and the tourism experience the wineries can provide.

Individual operators are constantly required to upgrade their facilities, equipment, and expertise in order to meet sector, safety and health standards, as well as insurance and government requirements.

While this capital investment is significant the case can be made for additional investment into the not-for-profit and public sector core attractions (culture, heritage, festivals and events) both from an infrastructure perspective (staff, equipment, capital improvements), as well as for programming and marketing needs to keep these sites and events fresh and appealing for new and existing markets and in order to enhance the overall visitor experience. This is also important for outdoor attractions and small to medium sized operators.

Regular investments into research, new product development and technical enhancements for customer servicing are needed by all the tourism partners, however funds for these investments typically come from sponsors and / or government and as a result investment is limited. Long-term destination development will require continuous sources of funding to be identified and earmarked to revitalize underdeveloped or under performing assets, as well as develop new product lines.

K. Managing Within Carrying Capacities Rating



² *Economic Benefits of Maintaining Casinos in Niagara PKF, March 2005*

This section assesses the extent to which Niagara Region is aware of, and manages within, its capacity thresholds specifically its local economy, ecosystems and soft services infrastructure, its guest's satisfaction levels, hard services infrastructure, and its administrative systems. The evaluation documents Niagara Region's ability to manage the system that sustains it.

Destination visits to the Niagara Region make a net positive contribution to the local economy as reported in several City of Niagara Falls and MTR studies. However, benefits and costs are not balanced equitably across municipal or regional boundaries.

Destinations within Niagara Region that have clusters of core attractions like gaming reap the majority of the benefits. Smaller cities and towns as well as rural communities who offer core or supporting attractions struggle for a share of the tourism market. This may be attributed to the low awareness and understanding of these offerings as well as the lack of focus and attention these areas receive in Niagara Region's tourism mix.

Within some municipalities and areas costs have been bid up based on the tourism infrastructure that is in place within the area. This negatively impacts investment and development from outsiders as well as housing costs for the local population become unaffordable. This is the case in communities like Niagara-on-the-Lake and Pelham. Some municipalities have plans in place to manage this: Niagara Falls, Niagara-on-the Lake, St. Catharines, and Lincoln have included tourism components in their planning, but this practice is not consistent throughout the region.

While it can be said that tourism is big business in Niagara Region, its impact on the labour force and the costs of goods and services consumed to service the visitor market have not impaired other business sectors from positions of profitability. The focus of the labour force remains on the manufacturing and commercial activities, not tourism. Tourism is still seen as a seasonal business activity that a select few make a big profit from. The trained labour pool within Niagara Region is not sufficient to support visitation demands and meet the service requirements and customer satisfaction levels. The result is a tourism industry that is forced to seek low paid labour from outside the region. This has been documented in several Niagara Region studies by HRDC and the Business Education Council in Niagara.

Some work is being done by an HR Committee from the major hotels, along with a Niagara College HR Committee, but there is no regional plan in place to address the overall situation.

At the regional level, there is not a system in place to ensure carrying capacities of the natural systems that sustain local ecosystems and quality of life are not overwhelmed by tourism destination development. There is not an environmental monitoring program, community health and well-being monitoring program, capacity or threshold monitoring system or plan in place to deal with environmental or quality of life risks as they relate to tourism development.

There are currently no indications of overcrowding, overuse, or diminished quality of the environment or experience based upon guest feedback or complaints to date. There is statistical evidence that suggests that transportation gridlock at border crossings and along the QEW is impacting visitation.

While the Niagara Escarpment Commission controls developments of the escarpment lands area in Niagara no information is available related to understanding tourism capacity issues. New Greenbelt legislation could also impact tourism development as well as transportation issues.

The Region's Planning Dept. has confirmed that overall impact of tourism visitation and facilities use into Niagara is not included in the Official Plan. Therefore, issues like water treatment and delivery, sewage treatment and trunk capacity, overall transit, parking and trail capacity or environmental effects of infrastructure expansion are not known or well understood.

Individual municipal planning and economic development departments like Niagara Falls, Niagara-on-the-Lake, Lincoln, St. Catharines, Port Colborne, Welland, and Fort Erie do include components of tourism planning, bylaws and impacts in their Official Plans, but again, this is based upon the current amount of development, and is not consistent between municipalities or across the region. An example of this is the different Bed & Breakfast bylaws in each municipality, and signage and maintenance along shared roads and service corridors (R.R. 81, Lakeshore Rd.)

Because of the amount of tourism capital investment that has taken place in Niagara, most of the planning and economic development department work to

simplify the planning and permit process in order to assist approved developments, several communities have waived or reduced servicing fees to encourage development in their areas (including those at the region, Niagara Falls, St. Catharines, Fort Erie).

As Niagara's Destination Development Plan unfolds, there will be new opportunities for tourism and other partners across the region to better work together to maximize Niagara's potential and leverage the investments that have already been made in this region.

7

SUMMARY OF OVERALL STUDY AREAS OF WEAKNESS OR IMPROVEMENTS REQUIRED³

Product

- ◆ Destination offering does not provide a better guest experience than other destinations.
- ◆ Destination does not have a product positioning statement.
- ◆ 70% of the core and supporting experiences are consumed within less than 1 day.
- ◆ Destination core and supporting experiences are not all memorable.
- ◆ Core and supporting attractions are not easy for customers to purchase.
- ◆ No investment in animating public spaces.

Performance

- ◆ Destination does not carry out regular guest surveys to track customer satisfaction with value and hospitality.
- ◆ No current proof or measurement of “good value” or “expensive but worth every cent”.
- ◆ Key experience and service prices are not monitored.
- ◆ Lack of transportation links into and throughout the region; visitors dependent upon automobiles to see full range of offerings.
- ◆ Water/marine access into region not located close to core areas or transportation nodes.
- ◆ Destination not capturing significant share of MC & IT market.

³ *The Niagara PrTDF Performance Summary (refer to Appendix 5)*

- ◆ Accommodation occupancy and yield below the provincial averages.
- ◆ U.S. and Cdn market demand for destination has decreased.

Futurity

- ◆ Largest DMO (Niagara Falls Tourism) is restructuring; several DMOs across the region offering variety of services; lack of funding and research at all DMOs
- ◆ Destination not ranking “best in class” “Number 1” or “top tier”
- ◆ No destination development strategy or marketing strategy in place
- ◆ No destination progress tracking mechanism in place.
- ◆ No regional customer service training program in place
- ◆ Investment required in developing and revitalizing underdeveloped and under performing assets.
- ◆ Tourism benefits are not balanced equally across the region.
- ◆ No plan in place to deal management of tourism carrying capacity within the region – labour market, housing prices, quality of life, natural systems, Official Plan objectives and measurements.

Niagara's Regional Assets

- 1) **Location** — a border community, one hour from the GTA, at the centre of the Golden Horseshoe and positioned at the mid-point of the North American market.
- 2) **Cross-border Relationships** — residents have freely travelled back and forth across the four Niagara bridges for decades, and have family, friends and summer/winter homes in each country.
- 3) **International Recognition** — thanks to the world-famous Falls, the growing wine industry, the Escarpment and our natural and green spaces.
- 4) **Tourism History** — and dedication of those involved in this industry, from the owners/operators through to the front-line staff and volunteers.
- 5) **Tourism Investment** — into many sectors of the industry: accommodations, attractions, golf, wineries, festivals & events, cultural products.
- 6) **Tourism Products & Services** — this region has many of the indoor and outdoor amenities of areas much larger than our own, with a variety of year-round offerings, and a moderate climate that attracts visitors from many parts

of the world.

- 7) **Accommodations** — Ontario’s second largest inventory of accommodations; with a variety ranging from 4 Diamond branded properties to family suites, motels, inns, spas, resorts, Bed & Breakfasts, RV and Trailer parks, campgrounds, hostels and campus residences.
- 8) **Untapped Potential** — the region is not close to capacity in terms of it’s tourism development potential and many opportunities exist to nurture the more underdeveloped or emerging products and services in Niagara.

During the stakeholder sessions, industry partners acknowledged the progress that had been made in the tourism sector, especially since the Casino had opened in the late 1990s. But they repeatedly articulated the need for industry improvements and repositioning of Niagara’s tourism products and services to better suit the new travel customer, as well as to serve the needs of residents in this region. Participants also stressed the need for industry sectors to work more closely together towards new solutions and the evolution of Niagara to a new stage of tourism destination development

Current Tourism Initiatives Undertaken in Niagara

Also identified in the Resource Audit and Stakeholder Feedback Sessions were several tourism or tourism-related initiatives that are already underway in Niagara. These initiatives serve as best practices, networking opportunities and innovative new means for the tourism industry partners to focus their resources and work collectively to come up with new and important solutions to current industry needs.. Many of these are municipally or sector-specific, but could easily be rolled out at a regional level to support the challenges confronting the industry in Niagara:

- 1) Welland Canal Corridor Community Tourism Planning
- 2) Niagara-on-the-Lake OTEC Customer Service Excellence Training
- 3) Niagara College “I Know Niagara” Training
- 4) Niagara Falls People Mover System
- 5) Niagara Chapter of Les Clefs d’Ors Canada
- 6) Niagara College Human Resource Transportation Project
- 7) Niagara College Tourism Advisory Committee
- 8) St. Catharines Heritage Destination Project

- 9) Wine Route Enhancement Initiative
- 10) Niagara Culinary Alliance
- 11) DMO restructuring – Niagara Falls Tourism
- 12) Binational Tourism Alliance
- 13) Binational Doors Open Niagara Event
- 14) Binational Trails Event
- 15) Ministry of Tourism, Tourism Inc. Modular Training
- 16) Binational Visitor and Staff Smart Card Program
- 17) Niagara River Mayors' Cross-border Initiative
- 18) NEDC Economic Growth Strategy
- 19) Tourisme Franco-Niagara
- 20) NEDC Regional Marketing Committee
- 21) NEDC DMO Committee
- 22) St. Catharines Tourism Committee
- 23) Port Colborne Tourism Committee and New Economic & Tourism Corporation
- 24) Welland Canal Corridor Marketing Committee
- 25) Wine and Culinary Tourism Steering Committee
- 26) Festivals and Events Niagara (FEN)

Stakeholder Suggestions for New Initiatives in Niagara

Several new initiatives were suggested through the stakeholder feedback sessions. These include:

- 1) A Niagara Ambassador Program
- 2) A new Convention Centre for Niagara Falls
- 3) Developing a Communications/Networking System for the Tourism Industry to have access to each other and new information
- 4) The need for local customer research to supply to the industry for product and marketing development purposes
- 5) Review of Provincial legislation that hampers development of the tourism industry
- 6) Regional approaches to all new tourism development moving forward and adapting the rules and regulations that exist at municipal and regional levels to allow for this

CONCLUSIONS & RECOMMENDATIONS

The 22 areas for improvement noted under the Product, Performance and Futurity Sections of this study can be summarized under the following key findings:

- 1) Need for Strong Tourism Industry Leadership
- 2) Need for Regional Tourism Development or Marketing Strategies
- 3) Improve Upon Inconsistent Service Delivery
- 4) Focus on Underdeveloped Tourism Products & Experiences
- 5) Need for Convention Centre in Niagara Falls
- 6) Need for Ongoing Customer Research at Regional Level
- 7) Focus and Fix Transportation / Accessibility Issues
- 8) Need for Understanding and Improvement of Cross Border Issues
- 9) Better Recognition for the Importance of the Tourism Industry

Using these key findings, the following chart has been developed that outlines the Possible Actions that may be taken to address these issues, with recommended priorities, the Regional Challenges in doing so, as well as Industry Sectors or Organizations who may be best suited / in a position to champion these improvements regionally.

Key Findings	Possible Actions & Priorities	Regional Challenges	Partners Responsible
<p>Need for Strong Tourism Industry Leadership</p> <p>Need for Regional Tourism Development or Marketing Strategies</p>	<p>Strike a new Niagara Destination Development Steering Committee to spearhead and manage this process</p> <p>Implement a Regional Tourism Development strategy</p> <p>Implement a Regional Marketing strategy</p> <p>Utilize the findings from the Niagara PrTDF as the basis for these strategies</p> <p>Use the identified Core and Supporting attractions from the PrTDF as key components of the strategies</p> <p>Partner with the Ontario Ministry of Tourism as they initiate a Tourism Development Strategy in Niagara Region</p> <p>-Consider the introduction of a regional Destination Marketing/ Development Fund-collect</p>	<p>Disparity exist within the region, some municipalities place tourism economic development as a low priority</p> <p>Lead DMO in Niagara Falls currently restructuring</p> <p>Other priorities exist for other DMO'</p> <p>Other priorities exist for municipal Economic Development offices</p> <p>Funding and human resources</p> <p>Determining equitable representation may be a challenge</p>	<p>Ontario Ministry of Tourism</p> <p>Private and public sector tourism leaders in Niagara Region</p>

Key Findings	Possible Actions & Priorities	Regional Challenges	Partners Responsible
<p>Improve Upon Inconsistent Service Delivery</p>	<p>Implement a Regional Customer Service Excellence Training Programme</p> <p>Use best practices as examples</p> <p>Raise the profile and significance of the tourism workforce and position the industry as a “career choice”</p> <p>Develop new partnerships with regional colleges and universities and training institutions</p>	<p>Not all communities interested in tourism and/or service</p> <p>Lack of funding and human resources</p>	<p>NOTL Chamber of Commerce</p> <p>Other Chamber of Commerce, BIA's, tourism organizations</p> <p>Niagara Clef D'ors Concierges</p> <p>Niagara College</p> <p>Individual operators</p> <p>OTEC</p> <p>Ontario Ministry of Tourism</p>

Key Findings	Possible Actions & Priorities	Regional Challenges	Partners Responsible
<p>Focus on Underdeveloped and under performing Tourism Products & Experiences</p>	<p>Use the Core and Supporting attractions as primary motivators for travel to the region</p> <p>Bundle related lesser known attractions, operations, properties to core experiences in order to increase revenues and extend stay</p> <p>Roll out the series of “Tourism Inc. Modular Training” throughout the region in order to educate the industry on being market ready</p> <p>Identify key Culture and Heritage product upgrades and enhancements, prioritize and identify potential public, private or non-profit funding opportunities</p> <p>Initiate “Experience Development” training throughout the region, especially in smaller communities</p> <p>Introduce a hub & spoke model for travelers in order to increase hotel occupancy through extended stays in larger centres and grow visitation to smaller centres</p>	<p>Market readiness an issue in some areas</p> <p>Lack of financial and human resources prevent product upgrades</p>	<p>DMO's</p> <p>Economic Development Offices</p> <p>Ontario Tourism Field Staff</p> <p>OTMP</p>

Key Findings	Possible Actions & Priorities	Regional Challenges	Partners Responsible
<p>Need for a Convention Centre in Niagara Falls</p>	<p>Aggressively pursue a Niagara Falls Convention Centre</p> <p>Begin to build a database of potential meeting planners who could bring meetings to Niagara Falls</p> <p>Establish a “meeting Planner” advisory group to provide direction in terms of the requirements of a new convention and meeting facility</p> <p>Establish a conventions and meetings sales strategy and identify the potential sales force</p> <p>Consider introducing a “Convention Development Fund” to help offset meetings costs in order to secure more meetings</p> <p>Consider using a new convention facility as a loss leader through a reduced cost or no cost option in order to attract meeting delegates to the region</p>	<p>Securing private, Provincial, Federal funds</p> <p>Breaking into the competitive M&C marketplace</p>	<p>NF Tourism</p> <p>NF Economic Development</p> <p>Ontario Tourism Field Staff</p> <p>Private sector</p> <p>NEDC</p>

Key Findings	Possible Actions & Priorities	Regional Challenges	Partners Responsible
<p>Need for Ongoing Customer Research at Regional Level</p>	<p>Complete a comprehensive research audit of existing Niagara, Ontario, Canadian, International research in order to identify the gaps in information required to move forward with sound and strategic planning</p> <p>Develop a prioritized list of information needs</p> <p>Develop a long term tourism research strategy (perhaps as part of the tourism or marketing strategy)</p> <p>Initiate an annual customer satisfaction survey ASAP</p> <p>Ensure future OTMP, Ministry of Tourism research includes a Niagara Regional breakouts, clusters, sector analysis</p> <p>Investigate an academic partnership in order to have a credible third party superintendent of the research process</p>	<p>Importance of tourism low in some areas therefore not a priority</p> <p>Lack of funds for research</p> <p>Lack of human resources</p>	<p>NEDC</p> <p>DMO's</p> <p>Ontario Ministry of Tourism Policy & Research dept.</p> <p>OTMP research staff</p> <p>Colleges and Universities</p>

Key Findings	Possible Actions & Priorities	Regional Challenges	Partners Responsible
Focus & Fix Transportation and Accessibility	<p>Ensure data from PRIDF process is considered and used in any project planning</p> <p>Establish a regional tourism signage committee to address concerns related to inconsistent signage and way finding throughout the region</p> <p>Strike a Tourism Transportation Committee to work hand in hand with the Regional Transportation Committee</p>	<p>A multitude of issues exist, prioritizing them is an issue</p> <p>Significant financial resources and several levels of government required to address the issues</p>	<p>Regional Transportation Committee</p> <p>New Regional Tourism Transportation Committee</p> <p>NEDC</p> <p>DMO's</p> <p>Municipalities</p> <p>Ontario Ministry of Tourism</p> <p>Ontario Ministry of Transportation</p>

Key Findings	Possible Actions & Priorities	Regional Challenges	Partners Responsible
<p>Need for Understanding and Improvement of Cross Border Issues</p>	<p>Work with the Binational Tourism Alliance to advocate for and address key industry issues</p> <p>Educate Industry and Community about issues related to custom and immigration procedures, passport requirements, etc.</p> <p>Incorporate work being done into the regional tourism development and marketing strategies</p>	<p>Financial and human resources</p> <p>Coordinating and prioritizing issues</p> <p>Industry education and awareness</p>	<p>Binational Tourism Alliance</p> <p>EDO's</p> <p>DMO's</p> <p>Travel Trade partners</p> <p>Industry leaders</p> <p>Ontario Ministry of Tourism</p>
<p>Better Recognition for the Importance of the Tourism Industry</p>	<p>Initiate a regional public awareness campaign</p> <p>Initiate a Regional Ambassador Program for residents</p> <p>Initiate tourism awareness / importance activities among municipal politicians and influencers</p> <p>Identify a series of identifiable "tourism spokes people" who will speak positively about the importance of tourism to the region</p>	<p>Financial and human resources limited</p>	<p>DMO's</p> <p>NEDC</p> <p>Colleges & Universities</p> <p>Binational Tourism Alliance</p> <p>BIA's other tourism organizations</p> <p>EDO's</p>

PREMIER RANKED TOURIST DEVELOPMENT FRAMEWORK

Industry leaders from the following list of Niagara regional organizations met on August 23, 2005 to review the findings and determine the next steps in this tourism destination development process.

Binational Tourism Alliance

Buffalo & Fort Erie Public Bridge Authority

CAA Niagara

City of Niagara Falls Business Development

*City of St. Catharines, Economic
Development & Tourism Services*

Festivals & Events Niagara

Niagara Air Bus

Niagara College

Niagara Economic Development Corporation

Niagara Falls Tourism

Niagara Fallsview Casino Resort

Niagara Golf Trail

*Niagara-on-the-Lake Chamber of Commerce
and Visitor & Convention Bureau*

The Pen Centre

Twenty Valley Tourism

Venture Niagara

Wine Council of Ontario

These partners have agreed to work together as the new Niagara Destination Development Committee to bring new tourism industry leadership to the region.

This major undertaking begins Fall 2005 and will be accomplished through the delegation of each of the eight key recommendations to a committee lead who will work with other regional industry partners to determine the key priorities and actions that will be taken to address these challenges.

Tourism industry stakeholders will be invited to participate in these task groups to ensure a regional approach to Niagara's destination development. The Steering Committee will be releasing regular communications and updates to industry partners and the broader community, reporting on the progress made and work still to be done.

The partners will also work closely with the Ministry of Tourism which has identified Niagara as a key tourist destination.

For further information regarding this initiative and how you can become involved, please contact:

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