

**BLUE WATER TOURISM  
EVALUATION PROJECT FOR  
SARNIA-LAMBTON**



**F.J. GALLOWAY ASSOCIATES INC.**

*Management and Planning Consultants*

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# BLUE WATER TOURISM EVALUATION PROJECT FOR SARNIA-LAMBTON

**Prepared for:** Tourism Sarnia-Lambton

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## **1.0 INTRODUCTION**

### **1.1 Sarnia-Lambton**

Sarnia-Lambton is located at the far western reaches of Southwestern Ontario. It is bordered by Lake Huron on the north, the St. Clair River and the State of Michigan on the west, the Municipality of Chatham-Kent to the south and the County of Middlesex to the east. The area has a population of approximately 126,971 individuals, of which over 73,672 live in the immediate Sarnia and Point Edward area. Map 1 profiles the area.

The Sarnia-Lambton area has had a long history of tourism activity, particularly in the summer season. The beaches at Grand Bend and Ipperwash have had long standing as some of the premier waterfront resources in the province and have attracted many southern Ontario residents, as well as large numbers of visitors from Michigan and the north-central United States. Also, the sailing and boating resources in Sarnia, along the St. Clair River and on Lake Huron have been identified as world class, resulting in a significant seasonal industry.

The tourism industry in Sarnia-Lambton has had a long and varied history. The size and quality of the beaches in the Grand Bend area have long been one cornerstone of the industry. In the mid to late 1800s, the discovery of oil in the Petrolia and Oil Springs area resulted in unique developments, such as the Petrolia Opera House (opened in 1880) and other cultural and tourist oriented destinations. The area attracted provincial, national and international visitors at that time. However, the area's "oil boom" became overshadowed by world scale discoveries in Alberta, the American Midwest and the Middle East. As a result, the area's economic fabric changed as did its tourism dimensions.

In the late 1930s and 1940s, and during the second World War, a major petrochemical and refining industry developed along the St. Clair River. This development was significant and continued through to the early 1980s. It became the economic foundation and focus of the area for over seven decades and today is a primary economic sector.

Lambton County also has a very rich agriculture tradition which resulted in a significant agricultural and agriculture business economy that provides important employment, business and other economic opportunities. It also represents a potential tourism resources in terms of eco-tourism, farm visitation and related products.

Over the last twenty to twenty-five years, with particular emphasis over the last ten to fifteen years, significant economic transitions have occurred in the Sarnia-Lambton area, which has resulted in tourism becoming a much more visible, vital and expansion-oriented industry. The key transitions have been as follows:

- The completion of Highway 402 as a four lane divided controlled access highway, connecting the USA border at Sarnia to Highway 401 at London, resulting in a principal land route that now supports tens of thousands of private automobiles and trucks on a daily basis.
- The twinning of the Blue Water Bridge, which has increased cross-border capacity, and in itself, is a tourist attraction.
- The opening of the Point Edward Charity Casino, which has become one of the significant mid-level casinos in Ontario that attracts large Canadian and American audiences.
- The formation of the St. Clair Parks Commission, which resulted in the development of a tourist driving tour along the St. Clair River, along with the development of campgrounds, a golf course, park areas, scenic vistas, a marina and related facilities.
- The development of the Hiawatha Race Track, and more recently its Slots operation, which created a second gaming venue in close proximity to Highway 402 and the Canada-USA border.
- The consolidation of and the enhanced application of technology within the petro-chemical industry which has significantly reduced employment opportunities, on-going capital investment and the scale of the industry in the Sarnia-Lambton area, resulting in significant efforts by the local municipalities and the County, along with federal and provincial partners, to create new economic opportunities on a more balanced and diverse spectrum.
- The progressive broadening of the tourism assets of the area in terms of investments by both the public and the private sectors, such as at Conservation Areas, museums and theatres, waterfront development, campgrounds and resorts, shopping and retail districts, marina expansions, upgraded and new golf course developments and other initiatives.

The increasing interest in tourism as an economic activity in Sarnia-Lambton has resulted from important transitions within both the agriculture and petro-chemical industries, as well as a fuller and better appreciation of the following key tourism assets:

- The uniqueness, capacity and quality of the waterfront resources of the area, relative to the Lake Huron shoreline and the St. Clair River.
- The enhanced transportation accessibility of the area.
- The area's immediate proximity to significant American markets in terms of potential visitor volume, further enhanced by a favourable monetary exchange rate.
- The maturing of the tourism industry related to experience, quality and scale of facilities, the on-going development of Tourism Sarnia-Lambton as an industry trade body, increased participation and investment in tourism promotion by the local municipalities and the County, supports from the federal and provincial government and other factors.



By mid 2003, Tourism Sarnia-Lambton recognized that as a trade association for a growing and important economic sector, it needed to create a stronger strategic marketing focus, set of priorities and directions for the industry's on-going evolution. In response to this need, the Board of Directors authorized the completion of the Blue Water Tourism Evaluation Project. Tourism Sarnia-Lambton, in co-operation with the field consultants at the Ontario Ministry of Tourism and Recreation, then identified the Premier-Ranked Tourist Destination Evaluation Program as an effective approach and tool to establish a strategic-based marketing direction and priority / focus for the future development of the tourism industry.

This overall initiative recognized two key considerations for Sarnia-Lambton's tourism industry.

- The increasing importance of tourism as a key economic sector, within the changing economic perspectives of Sarnia-Lambton.
- The need to move the tourism industry to the next level of planning, development and strategy in order to better realize the potential, capabilities and economic benefits of this industry in Sarnia-Lambton.

## **1.2 Premier-Ranked Tourism Destination Evaluation Program**

In January 2001, the Ontario Investment and Development Office of the Ontario Ministry of Tourism developed the Premier-Ranked Tourist Destination Evaluation Program. This is a workbook-driven evaluation model that is designed to **"guide its users through the assessment of the tourist destination's market status."** The primary goal of the assessment is to evaluate whether a destination is premier-ranked, which is defined as being **"a place more attractive than the rest, a place that potential tourists should consider first when making travel plans."**

This Program had the following key objectives in regards to Tourism Sarnia-Lambton's Blue Water Tourism Evaluation Project:

- To provide valuable planning and evaluation information and data on the tourism industry in Sarnia-Lambton.
- To bring together key elements of the tourism industry in Sarnia-Lambton to work collectively on advancing the development, marketing and evolution of the industry.
- To assess opportunities for growth, investment and collective action.



- To identify the key priorities that will foundation / support a tourism marketing strategy for the area beyond the levels of achievement that are currently being realized in terms of visitation, spending and asset development / investment.

The workbook model provided both a process and a tool to undertake the evaluation as a basis for developing the Project's goals and recommendations. The implementation process for the project had three phases as follows:

- Tourism resources inventory and statistical research phase that:
  - o Distributed 611 surveys to tourism operations designed to collect the resource information necessary to finalize the workbook. This array involved 540 establishments as some had two or three components, such as golf courses or the larger hotels. A total of 526 surveys, representing an 86.1% response rate, were returned, with 56.8% eligible for inclusion in the resources inventory as a minimum of 20% of their revenues were from tourist. (Appendix I) This process identified 347 tourist establishments.
  - o Collection of market-based research on tourism resources and visitation to the area.
  - o Other inputs relative to land-use planning, asset management, carrying capacity, etc., that influence the current quality of visitor experiences and future opportunities.
- The workbook completion phase involved four meetings of the Steering Committee with the Facilitator to complete the following:
  - o To identify and determine the core and supporting attractions.
  - o To assess the evaluation and information questions within the workbook.
  - o To complete the resource opportunities matrix.
  - o To finalize the evaluation summary.
  - o To assess the industry's weaknesses and opportunities as the basis for developing the key recommendations.

- The project finalization phase involved the preparation of the Project Evaluation Report and undertaking presentations to the key partners as a starting point for implementation.

Appendices I, II, III, and IV provide copies of the survey and industry data, the completed workbook, the resources opportunities matrix and the evaluation summary respectively.

### **1.3 Project Process**

The following components detail the steps undertaken to complete the Premier-Ranked Tourism Evaluation for the Blue Water Tourism Evaluation Project.

#### **.1 Research Phase**

Five staff were recruited by Tourism Sarnia-Lambton, with funding from a grant from Human Resources and Skills Development Canada. This team involved a project leader and four team members who worked extensively with the General Manager of Tourism Sarnia-Lambton and the Field Consultants from the Ministry of Tourism and Recreation. They worked with a Sub-Committee from Tourism Sarnia-Lambton to complete all the resource and statistical research components. The key tasks of this group included:

- Preparation, finalization and distribution of the tourism resources inventory and activities survey to all potential industry participants.
- Extensive follow-up to finalize the survey data and record the information in support of the workbook completion phase.
- Collection of reports, materials, policies, statistics and related information associated with the evaluation process.
- Provision of project supports to the Steering Committee and the Facilitator on an on-going basis.

#### **.2 Workbook Development Phase**

At the inception of the project, a Steering Committee was formed to give oversight to the initiative, as well as to be the primary group responsible for the vetting of the information, the developing of the core and supporting attractions and the evaluation steps associated with the workbook. During the workbook development activities, four sessions of the Steering Committee were held, three at the Holiday Inn and one at the Best Western Hotels.

- Monday, March 1, 2004
  - o Presentation on the key characteristics, volume and economic values for the tourism industry in Sarnia-Lambton, presented by the Field Consultant of the Ministry of Tourism and Recreation
  - o Finalization of the core and supporting attractions listing
- Tuesday, March 9, 2004
  - o Completion of the evaluation discussion and dialogue on Steps 3, 4 and 5 of the workbook.
- Tuesday, March 23, 2004
  - o Completion of the resource opportunities matrix, evaluation summary and identification of the key challenges / weaknesses
- Tuesday, March 30, 2004
  - o Completion of the opportunities discussion, strategies development initiatives / recommendations and next steps for moving the project towards completion.

### **.3 Evaluation Report**

Based on the results of the four Steering Committee development sessions, the Facilitator drafted the Blue Water Tourism Evaluation Project Report for Tourism Sarnia-Lambton. This phase involved the preparation of a draft report that was reviewed, amended and finalized by a smaller sub-group of the Steering Committee mandated to complete this task. A presentation was also undertaken to the Board of Directors of Tourism Sarnia-Lambton .

## **2.0 TOURISM INDUSTRY PROFILE**

### **2.1 Industry Overview and Conclusions**

Based on the data collected by the research team and the information available from the Ontario Ministry of Tourism and Recreation, the following key industry profile characteristics and conclusions were identified as a basis to support the Steering Committee's work. More specific data is contained in Appendix I with the resource survey and inventory materials.

#### **Industry Visitor Profile**

- The tourism industry is primarily a day trip oriented experience in Sarnia-Lambton which involved three out of every four visitors.
- Of the 3.56 million visitors to the area, 55% were from the United States including both day trips and overnight stays. When further broken down, of the 2.6 million day trip visits, 68% were from the US and 32% domestic. Of the .95 million overnight trips, 20% were from the US and 80% domestic.
- Americans made up nearly seven out of every ten day visitors, primarily on single day visits to the area from Michigan.

#### **Industry Expenditures**

- 60% of the total visitor expenditures were by Americans, with nearly 50% being by American same day visitors.
- Per capita expenditures increased significantly when overnight stays were involved, particularly amongst Americans and overseas visitors.
- Per capita expenditures for the area are lower than for the province, 89% of day trip average expenditures and less than one half of overnight visitor provincial average expenditures.

#### **Visitor Activities**

- Visiting family and friends constituted nearly one third of the total tourism visitation base within Sarnia-Lambton.

- Outdoor activities and shopping represented a second cluster of activities, involving approximately 20% of total visitors.
- Sight seeing, which is often associated with outdoor activities, represented a third cluster, while visiting national / provincial parks represented a fourth cluster for approximately 7% of visitors.
- For overnight visitors, two out of three were visiting family and friends, indicating this reason as a primary dimension of the industry.
- Nearly one half of all overnight visitors undertook an outdoor activities experience and shopped. Also, one in four visitors partook in sight seeing activities and one in five visitors visited a national / provincial park, which was primarily Pinery Provincial Park.
- Festivals / fairs attracted approximately 12% of the overnight visitors, while the gaming venues attracted nearly 10% of the overnight visitors.

### **Provincial Comparison**

- In regards to all Ontario visits, casinos, visitation to national / provincial parks and festivals / fairs / outdoor activities were all proportionally higher in Sarnia-Lambton than for the province. These items identify the particular strengths of the area compared to the provincial profiles.

### **Market Positioning**

- In terms of party composition, visiting parties were generally split between all adult and families with children. The party size is relatively small at 1.9, indicating a significant rate of one person only parties, which could reflect business trips or visiting family and friends.
- The tourism industry is a four-season industry in Sarnia-Lambton, with 40% of the visitation in the July to September period, between 20% and 25% of the visitation in the fall and spring and 17% in the winter.
- Most of the industry offerings are in the low to mid price points / market segment ranges, with limited offerings at the higher price points.
- The waterfront festivals and events tend to be the mass market component of the area's industry, while the niche components were gaming, camping, Pinery Provincial Park, cultural heritage, sporting activities and more targeted special events.

- Primary market segments serviced by the Sarnia-Lambton tourism industry were the mature mainstream couples and young families.
- From the resource matrix results, the strongest product components were identified:
  - o Water-based recreational activities, such as beaches, boating and fishing
  - o Soft adventure products, such as birding, natural landscapes and trails
  - o Cultural / heritage experiences, such as Bayfest and the Oil Heritage District venues
  - o Cultural attractions, such as the Huron Country Playhouse
  - o Sporting events and tournaments, such as Silver Stick Hockey Tournament
- Accessibility to the area was seen as very good, due to the highway structure, access to the United States, the Blue Water Bridge and the existence of a local airport in Sarnia and an international airport in Detroit and London.
- Satisfaction and value surveys that were available on a limited scale indicated relative visitor satisfaction connected to the market segments that were serviced by the industry in Sarnia-Lambton.

### **Industry Operations**

- Virtually all purchases were either at the point of sale or via a telephone service by the point of sale venue, with limited packages or other means of purchasing being available.
- There were limited commissionable (fee paid to an agent) products, further indicating the nature of the industry to date.
- Occupancies and yields were low, considerably below provincial averages for hotels and related operations.
- Sarnia-Lambton lies within a three hour drive of over 10 million people and has good land transportation routes, with over five million of these people being within a one hour drive. Therefore, significant volume opportunities exist relative to visitation levels in both mass and niche markets.

## **2.2 Market Development Strategies**

Based on the results of the research and the conclusions, the following strategy considerations were identified for tourism development in Sarnia-Lambton:

- To attract more visitors beyond the visiting friend and family market segment who will visit more of the attractions in the area and potentially stay overnight.
- To increase the ratio of overnight stays to day visits, along with increasing average party size.
- To introduce packages and additional means for product purchasing, in order to enhance convenience, awareness and product utilization.
- To capture an increased share of the flow-through traffic that exists on Highway 402 for both day visits and overnight stays.
- To develop a more coordinated, integrated and product focused industry, supported by an enhanced marketing strategy and program.

## 3.0 EVALUATION PROGRAM

### 3.1 Introduction

With the finalization of the research and the development of conclusions and potential strategies for the industry, the Steering Committee met to undertake its discussions as per the workbook that is the basis for the Premier-Ranked Tourism Destination Evaluation Program. The workbook focuses on three key evaluation components, involving:

- **The Product** – identifies the features that enable the destination to offer high-quality tourist experiences.
- **Performance** – identifies the extent to which the destination is successful and recognized in the market place.
- **The Futurity** – identifies the extent to which the destination is investing in its future as a place with viable and continuing attractiveness to evolving markets.

For each of these three components, there are a series of elements, criteria and measures. The task for the Steering Committee, using the data from the resources inventory and other research, was to answer the questions and complete the workbook.

The workbook also had two other key development components, which were:

- The resource opportunities matrix
- The evaluation summary

Once the product, performance and futurity components were completed, these two additional components were reviewed and discussed by the Steering Committee. Once all the steps of the workbook were completed, strategies and recommendations were formulated for the tourism industry in Sarnia-Lambton.

Sarnia-Lambton is a defined geographic area, however it became apparent that four tourism venues of direct impact and interest did not lie in Sarnia-Lambton. They were located in close proximity to Sarnia-Lambton but had an important bearing on the tourism industry. Therefore, the following four venues were



included within the workbook assessments and resources inventory for the Premier-Ranked Tourism Destination Evaluation Program:

- The Grand Bend MotorPlex in Huron County, adjacent to the Grand Bend area of the Municipality of Lambton Shores.
- The Huron Country Playhouse, located in Huron County, adjacent to the Grand Bend area of the Municipality of Lambton Shores.
- The Oakwood Inn Resort and Golf Club, located in Huron County, adjacent to the Grand Bend area of the Municipality of Lambton Shores.
- Uncle Tom's Cabin Historic Site, located in the Dresden area of the Municipality of Chatham-Kent.

The following sections provide an overview to the key points of discussion by the Steering Committee associated with the workbook evaluations.

### **3.2 Product**

The product component of the evaluation involves the elements, criteria and measures that address the features that enable a destination to offer a high-quality tourist experience.

The product component has five elements as follows:

- Distinctive core attractions
- Quality and critical mass
- Satisfaction and value
- Accessibility
- Accommodation base

## **.1 Distinctive Core Attractions**

Distinctive core attractions assess:

- What is it about the destination that makes it stand out as distinct in the marketplace?
- How are the destination's attractions distinguished?
- How is the destination offerings relevant to market wants?

From the research and the Steering Committee's efforts, five core attractions were identified for Sarnia-Lambton. Map 2 illustrates the core attractions.

- **Gaming**
- **The Blue Water Experience**
- **Pinery Provincial Park**
- **Sporting Events**
- **Culturally-Themed Attractions, Events and Festivals**

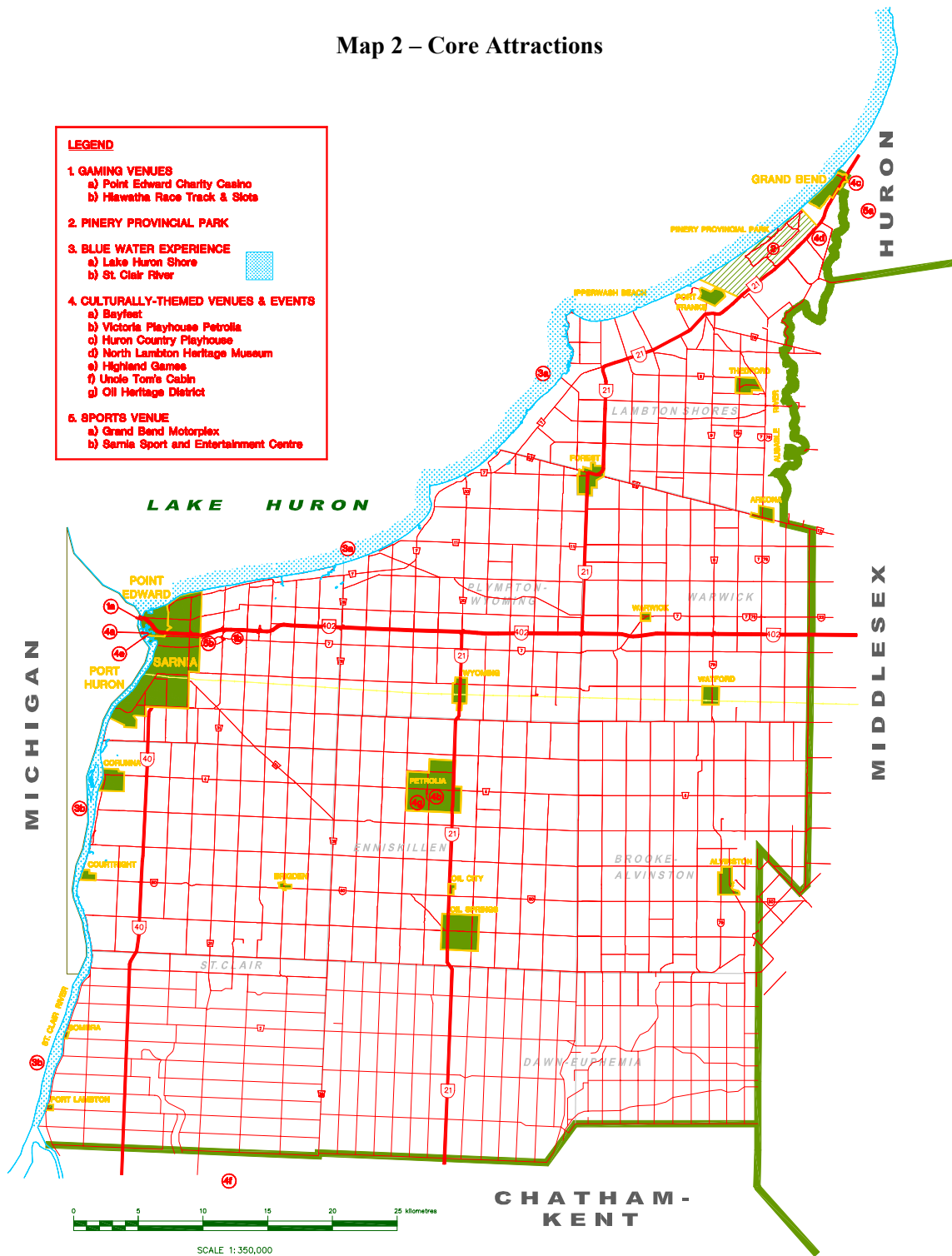
Gaming was identified as a key core attraction for Sarnia-Lambton. This reflected the fact that visitation for gaming activities in Sarnia-Lambton was above the provincial average and the fact that Sarnia-Lambton lies in close and accessible proximity to the large American market in the Port Huron and Detroit areas. Sarnia-Lambton also has two distinct gaming venues, offering three gaming experiences:

- The Point Edward Charity Casino
- Hiawatha Horse Park and Entertainment Centre

Each of these sites is an established venue which offers distinct opportunities to essentially niche markets that attract two types of visitors:

- Serious gaming visitors with a continuing interest in and who partake in this activity on a high repeat basis.

Map 2 – Core Attractions



- Casual visitors who come to the area for an infrequent gaming experience out of general interest or undertake a gaming activity because they are already in the area.

Other strengths of the gaming operations reflect the fact that American visitors do not have to pay taxes on winnings in Canada but do in the United States. The industry also represents a year round opportunity in terms of the Point Edward Charity Casino and the Hiawatha Slots. Further, opportunities for packaging, conjoint sales initiatives, co-op advertising and related considerations could prevail and were identified.

The Blue Water Experience was identified as the historical base of the tourism industry. The Blue Water Experience represents a host of primarily seasonal waterfront activities that occur on the Lake Huron shore from Grand Bend to Sarnia and along the St. Clair River from Sarnia to Lake St. Clair. These two water-based experiences are uniquely different, one being part of a Great Lake experience, while the other is a river-based opportunity.

The beaches at Grand Bend and Ipperwash have had wide recognition for years as important summer destinations from the May 24 weekend, through to the fall. They have historically attracted large numbers of London-area residents, people from across southwestern Ontario and Michigan. Swimming opportunities, sailing, boating and fishing and driving along the Blue Water Route along Highway 21 all form part of the Lake Huron components.

In the southern area, along the St. Clair River, the St. Clair Parks Commission has evolved to provide a touring route, along with marinas, campgrounds, a golf course, scenic vistas and other resources that have added significantly to the Blue Water Experience. Also, the Sarnia-Lambton area of Lake Huron represents one of the best sailing venues in North America.

In support of the Blue Water Experience are a host of museums, golf courses, campgrounds, marinas, cottage operations, condominium developments, food services, craft and curio shops and related venues and attractions that have evolved and now form part of the experience from a visitor support perspective.

The third core attraction is the Pinery Provincial Park, the second highest visited Provincial Park in Ontario. This is a unique provincial park which has one of the highest visitation rates of any provincial park in Ontario. It offers a diverse array of experiences relative to its beachfront and its multiple camping experiences. However, what makes this resource particularly unique is its largest standing tract of Oak Savannah Forest and the interpretive and related naturalist programs that are available on site. As a result,

though the Pinery is within the Blue Water geographic experience, it represents a unique core attraction, as it is a singular destination that attracts many people because of the Oak Savannah Forest and the quality of the interpretive programming. In this case, the destination visitation is supported by the Blue Water Experience, relative to the beaches and what is available in the broader Grand Bend area.

The Pinery attracts visitors from across Ontario, Michigan and the northeastern United States. It also is a destination for many overseas visitors, due to the unique natural features and attributes of the venue.

The fourth core attraction is sporting events. Sarnia-Lambton has had a long history in the development and delivery of sporting events, such as tournaments, meets, etc., both in terms of winter and summer sports. The Silver Stick Hockey Tournaments in Sarnia-Lambton, some of the largest in North America; the development of the Sarnia Sports and Entertainment Centre; the construction of many high quality golf courses; and other investments, such as the beaches at Grand Bend for beach volleyball and other resources have given further impetus to the development of this component of the tourism industry.

Sport tourism is a high growth component of the tourism industry in North America. Sarnia-Lambton has developed a strong foundation in this area for localized and specialized tournament and meets. Some international and national events have evolved involving beach volleyball at Grand Bend and Mike Weir's success as a professional golfer and the annual Mike Weir – Dino Ciccarelli celebrity golf tournament hosted in their names in Brights' Grove. In 2004, the Mike Weir All-Star Challenge will follow this event. Sport Tourism is significant in that it attracts many teams and/or individual participants from out of town who stay multiple days resulting in increased overnight stays and visitor expenditure averages. In 2005, the Esso Cup Women's Championship will be held in Sarnia.

With the increasing participation levels of Canadians and Americans in sport, more emphasis on fitness and participation-based activities, growth of this industry has potential for Sarnia-Lambton.

Another consideration for this core attraction is the recent success of the Grand Bend MotorPlex. Though not in the specific Sarnia-Lambton area, its location adjacent to Grand Bend has a significant impact on tourism in both the Grand Bend and Sarnia areas. The major motorcycle and car races and other events attract hundreds of thousands of people during the summer season. This venue has been a major destination and attracts significant use and contributes to overnight stays. Increasing summer sport tourism activities in recent years has resulted in sport tourism becoming a year-round segment of the tourism industry in Sarnia-Lambton, supporting diversified sporting interests and markets.

Culturally-themed attractions, events and festivals have generated important destination oriented visitation for Sarnia-Lambton. The Huron Country Playhouse, Uncle Tom's Cabin Historic Site, the Victoria Playhouse Petrolia and a multitude of museums, along with the Highland Games, BayFest and other festivals have brought many visitors, both day and overnight visitors to Sarnia-Lambton. The growth of this sector has been significant over the last number of years. It also has further potential as the Oil Heritage District gains increasing importance. A site within the Oil Heritage District is currently being assessed as to its authenticity as a World Heritage Site. This area represents an underdeveloped asset that could add significantly to this particular core attraction cluster in Sarnia-Lambton.

All five of the core attractions have demonstrated, through the research and data, their ability to attract visitors, both for day and overnight visits to Sarnia-Lambton. Each has the ability to attract visitation within their own niche, as well as for broader market segments. They also supplement one another within a regional context. Therefore, they represent both stand-alone and integrated core attraction opportunities that form the basis for marketing and development tourism in Sarnia-Lambton on a year round basis.

The core attractions have been identified based on their distinctiveness as follows:

- For gaming, the payout opportunities for American visitors, as well as the proximity to large markets in Canada and the United States and favourable exchange rates.
- For the Blue Water Experience / Pinery Provincial Park / camping, it was the quality of the amenities and programs that appeal to a wide variety of market segments; proximity to volume markets; and the distinctiveness of the beaches and the Oak Savannah Forest, which is the largest in North America, at the Pinery.

This distinctiveness was also identified relative to the enhanced guest experiences for gaming which resulted from having two venues to choose from that are clean and safe. For the Blue Water Experience and the Pinery Provincial Park, the critical mass and variety of cultural, natural and built-form experiences, the world class trail systems, the beaches and dunes, the venues' cleanliness and the fact that the Pinery Provincial Park has the second highest visitation level in Ontario for a Provincial Park were all distinct destination oriented characteristics.

The following points further provide evidence of a Premier-Ranked Tourist Destination Evaluation for the core attractions for Sarnia-Lambton:

- Core attractions relevant to the expectations of the identified market segments, such as the Blue Water Experience to the mass waterfront market, and the casino, camping, cultural and sporting activities to evident niche markets.
  
- The key markets identified provincially were:
  - o Gaming .....4.1 million trips
  - o National / Provincial / Nature Parks .....9.3 million trips
  - o Sporting Events .....7.6 million trips
  - o Cultural Performances .....5.8 million trips
  - o Festivals / Fairs .....5.6 million trips
  - o Outdoor Sporting Activities (swimming, boating, fishing, etc.) .....30.0 million trips
  
- The attractions appealed to visitors from far beyond the Ontario borders, such as the casino and its tax-free status, the quality of entertainment at BayFest, the world class rating of the Pinery Provincial Park and the abundance and quality of the Blue Water Experience.
  
- Three product market segments were identified as having compelling appeal to visitors:
  - o **Gaming / Casino** - mainstream couples, mainstream mature families, mainstream seniors and affluent young singles.
  
  - o **Sporting Events / MotorPlex** – mainstream young families, mainstream young couples, mainstream mature families, affluent young singles and affluent young couples
  
  - o **Blue Water Experience / Camping** – affluent young singles, mainstream mature couples, mainstream young families, mainstream mature families and affluent young couples.
  
- Gaming, the Pinery Provincial Park and the sporting events, along with selected dimensions of the culture-based opportunities all provided year-round tourism-based visitation opportunities.

Core attractions create the motivation and the excitement for visitors to come to Sarnia-Lambton. While in the area, visitors need many supports and services to facilitate a memorable experience and satisfaction and value for funds spent. The following supporting attractions were identified from the research and the discussions relative to the evaluation workbook:

- Dining experiences

- Shopping experiences
- Boating and marine / angling
- Golfing
- Attractions

Sarnia-Lambton offers a range of dining experiences from fast food to family-based to fine dining. The Sarnia-Lambton offerings were primarily at the fast food and family / middle price point level. However, the emergence of a few fine dining establishments has been identified in the resources inventory and continues to be an area of limited growth. The dining experiences are spread across Sarnia-Lambton and provide important supports to visitors.

The shopping experience in the Sarnia-Lambton area were primarily mainstream retail. Some unique shopping opportunities are available in Grand Bend, Sombra and at the flea market in the Port Franks area. Most of the shopping is in family-oriented environments, with limited high-end shops, though there is some increasing growth in antique and specialty curio / artisan shops in highly visible tourist areas. The retail operations are primarily support-based with some limited differentiation emerging within the overall retail environment.

Boating and marine / angling activities are natural extensions of the phenomenal waterfront resources of the Blue Water Experience. Marinas exist in multiple locations, with some of the best sailing in North America available in the Sarnia area. Sail and power boats come to the area in volume from the United States to utilize the facilities on the Lake Huron shore as they traverse Lake Huron or use the St. Clair River as a traversing route to Lake Erie. The Blue Water Experience has the potential to grow if more support services were to be developed.

Golfing has expanded considerably in Sarnia-Lambton. The area is not a destination oriented golfing haven at this time compared to a Prince Edward Island or some of the major courses or resort-based golfing opportunities that exist in the Muskokas or other areas. The golf course market is not uniquely differentiated but significant capacity across numerous challenging courses is available. This type of activity does support day trips within the local market and adds to the activities / features for visitors within the Blue Water Experience, the Pinery or casino activities. Therefore, golf has the potential to be



part of packages, as well as to broaden the overall activity base, and to potentially extend stays in Sarnia-Lambton.

Attractions of many types exist within the area. These represent smaller festivals and events, local museums, artisan shops, flea markets, historical sites, farm visits and other visitation opportunities. These attractions augment the visitor's stay in Sarnia-Lambton and add important diversification to the range and scale of opportunities that exist for visitors when in the area.

The core and supporting attractions in Sarnia-Lambton are highly integrated. Opportunities exist to build on the complementariness of the attractions and activities, as well as to access a larger portion of flow through traffic that results from the Blue Water Bridge, and to a lesser degree, with the boat traffic using the St. Clair River as a connecting point for travel between Lake Erie and Lake Huron.

The evaluation discussions also recognized that Sarnia-Lambton exists within a regional context. With the amount of flow through traffic moving on Highway 402 to Toronto, Windsor, Niagara Falls, Buffalo, etc., opportunities exist to service this flow-through traffic and to host them as visitors to the area for longer stays if the area were more successfully marketed and the attractions were more evident and valued.

The evaluation also identified that there were other competing similar tourist areas in Ontario and Michigan that could provide a comparison opportunity, such as:

- The Erie Shore, which included Pelee Island
- Sault Ste. Marie and the Algoma District
- Kingston and Frontenac County
- Michigan Huron Shores, such as Oscoda, Michigan

## **.2 Quality and Critical Mass**

This element addresses the extent to which destinations provide a memorable experience by offering a broad and deep range of options. The evaluation of this element of the product component identified the following key considerations:

- A range of memorable experience – that is core and on-theme attractions that can sustain interest for more than 24 hours existed, including:

- o Both the Blue Water Experience and the Pinery Provincial Park with their year round activities and multiple events.
  - o The urban waterfront experience with its variety and critical mass of events and festivals.
  - o The Grand Bend MotorPlex which offers two to three day racing events, plus camping and concerts.
  - o The BayFest festival with its well known bands and multiple day activities.
- The core experiences often involved experiences more than twenty-four hours, such as camping which averages two to four days; sporting events which averaged two to three days; and festival events which similarly operated for two to three days.

Many of the core attractions and the associated activities provide multiple day opportunities and components that would motivate and facilitate overnight visitation. On a year-round basis, the core attractions provide opportunities related to gaming / entertainment, the Pinery Provincial Park and sporting events which were all twelve-month offerings.

Accessing activities / attractions was determined to not be easy as purchasing was primarily at the point of sale or possibly a direct telephone line to one venue. There were only two multiple points of distribution identified, being BayFest and Pinery Provincial Park. Therefore, the accessibility factor was felt to be underdeveloped for most visitor market segments.

The evaluation indicated that there was a wide range of price points over the various market segments to engage core or on-theme activities. The dollar values ranged from \$10.50 to \$21.50 at the Pinery Provincial Park; to \$5 to \$40 for attractions; to free to \$60 for festivals; and being highly variable for sports tournaments.

The price point variety and diversity was seen as an important strength of the core attraction's mix with some of the admissions being free to encourage visitation and value-added opportunities. The evaluation further indicated that though there was a wide range of price points and a wide range of activities, from relaxation to adventure, the range was generally seen as not being well promoted or understood by visitors. The product was also not easy to buy in light of the individual sales approach of the attractions and the overall tourism industry, with the large majority of the product being purchased at points of destination only.

Sarnia-Lambton also offers a range of cultural experiences and entertainment options, from theatre, to Hiawatha to Bayfest to the MotorPlex concerts. Cultural events and attractions involved the Highland Games, Pow Wows and the venues in the Oil Heritage District. These and other activities offered multiple price points. Some of these events had also offered performances by artists with name recognition, such as BayFest, with the Bare Naked Ladies; Hiawatha hosting Smokey Robinson; the Victoria Playhouse Petrolia having Trevor Banistor; the Imperial Oil Centre for the Performing Arts hosting Tommy Hunter and Roger Whittaker; and the Weir-Ciccarelli Golf Tournament, incorporating Mike Weir and Dino Ciccarelli and other famous celebrities. Other notable performances that have come to the area are the Tragically Hip, Our Lady of Peace, the Guess Who, the Doobie Brothers and George Thorogood. In 2004, plans are in place for performances by ZZ Top and Bryan Adams. The overall mix in the cultural and entertainment sphere has been diverse, with recognizable names and augmented visitation opportunities.

### **.3 Satisfaction and Value**

Satisfaction and value assess the extent to which a destination offers its guests a welcome, satisfies expectations and value for money.

The evaluation indicated that there has been overwhelmingly positive visitor response received based on local guest surveys at the Oil Museum of Canada, the Ontario Tourism Information Centre, the Ontario's Fun Connection / Celebration of Lights Tour Guide Wrap-up, the Pinery Provincial Park and the Holiday Inn in Sarnia. However, the evaluation further indicated, that there is no coordinated or regular surveying that tracks guest satisfaction or perceptions of value, and that this is a gap for the industry in Sarnia-Lambton.

The surveys that were completed at individual venues further indicated that good value was received by guests, travel agents and tour operators based on results from the Ontario Fun Connection and the Great Adventure Tours and White Glove Tours.

Therefore, based on the venue surveys conducted, the results were perceived as being positive though there is not a comprehensive perspective on the whole industry or a methodical, objective approach to determining these key outcome measures for the industry.

#### **.4 Accessibility**

The accessibility element addresses the ease of transportation considerations in accessing and traveling about Sarnia-Lambton.

The evaluation results indicated that there were over 4.5 million people within a one hour drive of Sarnia-Lambton and ten million people within a three hour drive, which indicated considerable market volume potential. Airport access, via an international airport, is less than two hours away, with a regional airport located in Sarnia. The evaluation further indicated that ground travel to the area was pleasant and efficient in light of the four-lane controlled access highway systems, such as I-94 and I-69 through Michigan and Highway 402 in Ontario. Both of these highways are high speed routes that provide efficient access across the Blue Water Bridge, which is now twinned and can accommodate significantly enhanced capacities of visitors crossing the boarder. These highways also connect to numerous other interstate and 400 series highways, augmenting the ease of travel access to the area considerably.

Sarnia also has scheduled air service at the Colonel Chris Hadfield Airport, while cruise ships can be accommodated to 7.5 metres of draft and 330 metres of length. Additionally, 250 to 350 marina slips are available for transient boaters, which facilitates cross lake and shoreline-based pleasure-boat visitation.

From a sailing / water access perspective, the area has extensive marina facilities, involving the Bridgeview Marina, with 700+ ships, which is the largest on the Great Lakes. There is also the Sarnia Yacht Club, Lake Huron Yacht Club, Sarnia Bay Marina and others.

The area is considered one of the five to ten best sailing venues in the world, is known as a safe haven and attracts large volumes of American visitors. In addition, Sarnia is one of a few and the most important Laker and Ocean going deep water ports on the Great Lakes and home to the largest Canadian Coast Guard Operation under the umbrella of the Fisheries and Oceans Canada.

#### **.5 Accommodations Base**

This element assesses the breadth and depth of the destination's offerings relative to commercial accommodations.

Sarnia-Lambton offered a wide range of campgrounds, bed and breakfasts, cottages, resorts and independent and chain motels and hotels. Over 100 establishments / accommodation venues were identified offering nearly 1,500 rooms and 4,500 campsites. The price range for fixed roof accommodation varied from \$39 to \$325.

Sarnia-Lambton has a broad-base of diversified accommodation options for visitors at multiple price points. These accommodation venues were also in close proximity to the core attractions as many of the hotels and motels existed in the Grand Bend and Sarnia areas, which places them directly adjacent to the gaming venues, as well as the Blue Water Experience zone, or are in the Petrolia area, relative to the Victoria Playhouse Petrolia and the multiple venues within the Oil Heritage District.

The evaluation summary of the accommodations component of the tourism infrastructure in Sarnia-Lambton identified that there was considerable capacity and diversity in terms of unit types and price points, however most of the inventory is in the budget or middle market categories with limited higher end accommodation offerings.

## **.6 Summary**

The product evaluation indicated that Sarnia-Lambton is a Premier-Ranked Tourism Destination. It achieved a "Yes" in regards to distinctive core attractions, accessibility and accommodations base. The evaluation identified an affirmation could almost be made in regards to quality and critical mass, as well as for satisfaction and value. No non-affirmations were made in regards to the five elements of the product component of the evaluation. Most of the almost affirmed questions would have been realized with the development of a marketing plan for the area, packaging and diversified purchasing points and an enhanced visitor satisfaction and value tracking system on an industry-wide basis. Some gaps were also identified in terms of high-end dining and accommodation offerings, however some infrastructure for these product segments was identified. Overall tourism market growth could be a catalyst for enhanced offerings development at the higher end of the dining and accommodations categories.

## **3.3 Performance**

The performance component identifies the extent to which the destination is successful and recognized in the marketplace. This component has three elements:

- Visitation
- Occupancy and Yield
- Critical Acclaim

## **.1 Visitation**

Visitation is the first element of performance and assesses the destination's market performance in terms of visitation numbers and share, attractiveness to different market segments and four season capabilities.

In 2002, Sarnia-Lambton attracted 3.56 million visitors, 2.61 million day trip visitors and 950,000 overnight visitors. In regards to Ontario-based visiting families and friends and pleasure-travel categories, Sarnia-Lambton, in 2002, captured 2% of the Ontario resident travel market that totaled 75.5 million trips.

Beyond Ontario's borders, Sarnia-Lambton attracted 10,500 individuals from other provinces, 184,000 individuals from the United States and 11,200 individuals from international markets. In terms of day visits, 68% or 1.77 million visits in 2002 were American day visits, while 4,400 visits involved international markets and 830,000 were Ontario residents.

Overall, in 2002, Sarnia-Lambton had an identifiable share of selected out of province markets. Though its share of visitors from other provinces was limited, the area had a 7% share of American visitors to Ontario and a 1% share of international guests who visited Ontario. The area's proximity to the United States was clearly a unique and commanding opportunity.

In regards to Sarnia-Lambton's share of the meetings and conventional motivated travel to Ontario in 2002, 61,000 trips were associated with this activity, or 2% of the total meeting and convention motivated trip market in Ontario. This compared to 2.4% in Frontenac and .7% in Algoma / Sault Ste. Marie. Therefore, though this segment is relatively small, it is an important share component in Ontario and is equivalent to or higher than the two comparator areas in Ontario. The key outcomes of the data indicated that:

- Tourist visitation to the area is primarily day trip and not overnight stops.
- The area's share of visits to Ontario is significant.
- Sarnia-Lambton attracts visitors with different profiles from multiple market areas.
- Sarnia-Lambton has offerings that attracted visitation over all four seasons.

## **.2 Occupancy and Yield**

Occupancy and yield assesses the destination's market performance in terms of a combination of occupancy and guest expenditure levels.

The accommodations occupancy rate for the area, based on the evaluation research, indicated a 51% rate that ranged from 45% in the first quarter to 50% in the second quarter, to 59% in the third quarter and 45% in the fourth quarter of the year. This is below the 65% threshold identified in the workbook. Therefore, the evaluation would indicate that there is current overcapacity based on the scale of the market and that increasing overnight stays is an important strategy in building the viability of this component of the area's tourism industry. The data also reflected the significant amount of visiting family and friends visitation that occurs within the overnight stay category for Sarnia-Lambton.

In terms of expenditure share, compared to the provincial averages, Sarnia-Lambton is considerably below these averages. The average expenditure per capita for guests on day trips was below the provincial average, \$54.13 compared to \$60.69. This was at 89% of the provincial average. For overnight visitors in 2002, the average expenditure per capita was \$114.62 in Sarnia-Lambton compared to \$260.19 for Ontario. The Sarnia-Lambton figure represented 44% of the provincial average.

Sarnia-Lambton's share of expenditures by visitors on day trips was higher than its share of day trips in Ontario. \$141 million in 2002 was spent by day trip visitors to Sarnia-Lambton, which was 2.9% of the \$4.8 billion spent in Ontario by this category. Therefore, Sarnia-Lambton had a 2.9% share of the expenditures by day trip visitors to Ontario compared to a 2.0% visitor share of this market.

In terms of overnight trips in 2002, Sarnia-Lambton generated \$109 million, of the total Ontario expenditure of \$13 billion. This represented an 8% expenditure share which was considerably higher than the 2% visitor share for the area.

In terms of yield, Sarnia-Lambton does not achieve the per capita day visitor and overnight visitor expenditure averages achieved in Ontario, but its visitor share of the market in Ontario is higher. Overall, the industry has an identified economic value of \$250 million to the Sarnia-Lambton in 2002.

The data from this section indicated the fact that there is some under-utilization of the accommodations capacity in Sarnia-Lambton and that there is potential room for growth in the average per capita expenditures for both day and overnight visitors. The data further reflected the impact of the visiting family and friends phenomena on the visitation profile in Sarnia-Lambton, and the fact that there is

limited high-end dining, accommodation and resort opportunities that influence the provincial average expenditure results, when considering Niagara Falls, Toronto, Ottawa, the Muskokas, etc.

In its comparator category, the data indicated that the area was receiving similar results to Kingston/Frontenac and enhanced results compared to Sault Ste. Marie / Algoma.

### **.3 Critical Acclaim**

The critical acclaim element addresses the extent to which a destination is recognized as a must see / must do area, contributes to the attractiveness of Ontario and Canada as a destination and is a top ranked place to visit.

The evaluation undertaken by the Steering Committee indicated that Sarnia-Lambton is not near or at the top of places that out of town guests must be taken to or things guests must do when seeing the sites in wider traveled regions or for similar types of travel experiences as Sarnia-Lambton.

This outcome was based on the significant visiting family and friends component of the tourism industry, the extent of the flow through traffic that does not stop within the Sarnia-Lambton area and the fact that the area does not have icon level attractions / features such as Niagara Falls, the three large casinos, the aura of Muskoka or the museums and attractions of Ottawa. The evaluation indicated that being a smaller and more rural oriented area, dependent on a mix of natural and built features, results in the area not having the must see / must do attractiveness features or supports.

Further to this assessment, is the fact that Sarnia-Lambton is not portrayed in provincial or federal government advertising and promotional activities as a destination or is imagery of the area particularly unique or utilized by these groups in demonstrating key visitation areas and opportunities in Ontario or Canada. The industry has not risen to the icon level that is utilized in the federal and provincial strategies to attract international, American or inter-provincial visitors. The evaluation's conclusion was that Sarnia-Lambton, as a tourism destination area, is an important and growing regional tourism market that has high connectivity and penetrated primarily into:

- The American market within a three-hour drive.
- The southwestern Ontario market ranging from Kitchener to Hamilton to Windsor and Sarnia.



Volume based international visitation is limited, as is visitation from other provinces or from more far-reaching areas of Ontario. However, there are significant building blocks emerging within the Sarnia-Lambton area for the industry. A number of awards or best in class / top tier rankings have been achieved.

- National Award for Conservation Heritage – Petrolia Discovery
- Lambton Heritage Museum - GEM Award, 2003
- London Free Press Ranking of the St. Clair Golf Course / Hawthornes as one of the best regional courses.
- Golf Association of Ontario Award to Bonnie Doon, 2003
- Holiday Inn Quality Excellence Award in 2002 and 2003
- Pinery Provincial Park – identified as one of the top ten trail systems in North America. Also rated as one of the top ten world class venues for seniors by Canadian Association of Retired Persons, 2002.
- Blue Water Bridge Duty Free Shop –World Wide Duty Free Retailer of the Year, 2003
- Town of Petrolia – Communities in Bloom Award, 2002 and 2003
- Our Ponderosa Campground – Woodall's North America Campground Award, 2003
- Oil Museum of Canada – Provincial Finalist Award, 2001

#### **.4 Summary**

In terms of performance, the evaluation did not affirm the performance component. Though the visitation component was affirmed in terms of significant visitation levels, the occupancy and yield and critical acclaim elements were seen as underdeveloped and underperforming. Therefore, though the product component was affirmed with core attractions with significant capability, the performance level of the core attractions and the industry has not achieved the basic thresholds outlined in the evaluation process for the Premier-Ranked Tourist Destination Evaluation Program.

Key areas of enhancement would include:

- Attraction of more non-regional visitors and flow-through travelers outside of the visiting family and friends market segment.
- Increased accommodation's occupancy yields above the current 51% level to over 65%.
- Increased per capita expenditure yields more comparable to the provincial averages for both day and overnight visitors.
- Enhanced presence of higher priced dining, accommodations and other visitor offerings.
- Development / marketing of the award winning national, world class and other unique features and capabilities of the core and support attractions in the area in order to compete as a more broadly-based tourist destination than the current core attractions, tourism operating environments and industry provide for.

### **3.4 Futurity**

The futurity component of the evaluation identifies the extent to which the destination is investing in its future as a place with viable and continuing attractiveness to evolving markets. Three elements are involved:

- Destination Marketing
- Product Renewals
- Managing within Carrying Capacities

#### **.1 Destination Marketing**

The destination marketing element identifies the extent to which Sarnia-Lambton targets viable markets, invests in managing and promoting its tourism market place and consults with the travel/trade industry.

The evaluation indicated that there is demonstrated demand for the Sarnia-Lambton tourism core attractions and offerings. This was identified through the TAMS report. Soft outdoor activities / offerings presented the largest opportunities for visitors. Also, with aging demographics in Canada and the United

States, culturally-themed and gaming products were seen as a growing opportunity for the area. Both of these components would build on the core attractions and would integrate with potential casino visitation and the Blue Water Experience, in terms of the touring route, packaged boating tours and related activities.

In terms of market demand indicators, some pre-bookings, such as for the Holiday Inn, show an upward trend for 2005. Therefore, the anticipation of the Steering Committee was that the market will be at least stable or grow over the next number of years.

One of the key attributes for the future development of the industry is the presence of a Destination Marketing Organization. Tourism Sarnia-Lambton focuses on the local destination and draws its partnerships and resources from the municipalities and the tourism operators in the Sarnia-Lambton area.

The evaluation indicated that this trade body existed and has a focus on the area which is vital to the tourism development of Sarnia-Lambton. It could not be affirmed at this time that it had adequate resources to undertake the necessary print and electronic media marketing supports necessary. Currently, 48% of Sarnia-Lambton budget, or \$870,000 is spent on communications activities. This figure was generally not felt to be adequate in order to advance the industry to the next level of development when considering the activities necessary to increase the key desired outcomes involving enhanced overnight stays and increased non-visiting family and friends visitation.

The evaluation further indicated that Tourism Sarnia-Lambton does not undertake regular surveys to track marketing success, which was felt to be an important developmental task in building the industry. The tracking of success is a key component in identifying where resources should be applied in terms of media supports, as well as being assistive to potential investors.

The Steering Committee identified that no tourism development and marketing strategy / plan was in place though a marketing plan did exist. This was felt to be an important and needed component for the development of the industry in Sarnia-Lambton. It would form the basis for establishing priorities, setting key directions and other industry approaches in order to grow both visitation and yield as discussed.

Tourism Sarnia-Lambton does work with travel trade operators and agents and this component of the tourism industry has had some development activity in support of bus tours and related visitation programs. From a customer service perspective, training programs were identified in regards to the

OTEC – Superhost Program, along with individual in-house programs at the Point Edward Charity Casino, Pinery Provincial Park and local hotels.

In regards to destination marketing, this element of the futurity component was felt to be underdeveloped and a likely action priority needed for the advancement and development of the tourism industry in Sarnia-Lambton.

## **.2 Product Renewal**

Product renewal element assesses the extent to which the destination is making capital investments in its attractiveness into the future.

The evaluation data indicated thirteen significant investments in the last five years, totaling over \$110 million. Some \$60 million was for the Point Edward Charity Casino and \$30 million of this investment was associated with the Blue Water Bridge twinning. Both were significant investments in terms of facilitating and generating higher volumes of cross-boarder traffic. Other investments included the Grand Bend Beach House, the Sawmill Creek Golf and Country Club, the Hiawatha Slots, the Forest Golf and Country Hotel, the Pinery Provincial Park, the Holiday Inn, the Bonnie Doon Golf Course, the Grand Bend Motorplex and others.

The data also indicated that these investments have been on-going from five years ago to today, with multi-million dollar investments on an annual basis. This reflects the continuing reinvestment, interest and priority of infrastructure owners and operators to improve their operations and the industry as a whole. Examples cited were the closing-in of the grandstand and the enlarging of the gaming area at the Hiawatha Slots Racetrack; the inclusion of a dining room, spa and related features at Sawmill Creek; the improved esthetics and operations of the Holiday Inn; the splash pad, golf course and extended sites at Our Ponderosa Campground; and the spectator and operational features at the Grand Bend MotorPlex. Also, at the Pinery Provincial Park, a new sewage system, enhanced bike trails and related upgrades of both an environmental and customer service / activity focus were completed.

The data indicated significant investments on an on-going basis. It is interesting that the investments were to both protect the environment and to enhance the user's experiences, as well as to improve accessibility to the area. All of these investments have been key developmental supports for growth in the tourism industry in Sarnia-Lambton.

In terms of underperforming assets, some continuing investment opportunities have been identified. Examples cited were the Sarnia Downtown Waterfront based on the FOREC Study and the Boating Services Study of the St. Clair Parks Commission completed in 2002. The development of golf packages by industry representatives is another current project. The increasing number of sport tourism bids being put together by Sarnia-Lambton groups was cited. A venue in the Oil Heritage District is undergoing academic research as a potential World Heritage Site. On-going improvements to the theatres in Sarnia, Petrolia and Grand Bend have also occurred.

### **.3 Managing within Carrying Capacities**

The managing within carrying capacities element assesses the extent to which the destination is aware of and manages the key thresholds and capacity features of its natural and built infrastructure.

The tourism industry in Sarnia-Lambton makes a net positive contribution to the local economy, with visitors to the area spending \$250 million in 2002. The tourism industry is an important economic sector for Sarnia-Lambton. The evaluation also noted, that the benefits are being distributed across the Sarnia-Lambton area. This balancing was from a general statistical perspective though the industry's concentration tends to be in the shoreline communities.

Other key features of the capacity considerations are as follows:

- The waterfront's attractiveness for recreational residential development has increased the cost of housing in some local communities but not overall in Sarnia-Lambton.
- The industry was assessed as not placing any stress on the labour or materials markets to the extent that it was affecting the availability of these resources to other sectors.
- SLTP / SLEP Strategic Plans, entitled the Workforce Development Initiative - in 2002, indicated a balance between the needs of the workforce and the compatibility of the opportunities available.

Trained staff was identified as a challenge to this industry and was not seen as adequate to accommodate current and projected levels of visitations. This resulted from a large in-flow of call centres to the area and overall labour force constraint. The SLTP / SLEP Strategic Plan identified tourism and hospitality services as a targeted area of initiative that still needs to be further developed.

In terms of physical carrying capacities of the natural systems, there are environmental monitoring programs in place which provide early warnings if the quality of resources or the visitor experience is at risk. This involves beach water testing by the Lambton Health Unit, planning policies at the County and local level in terms of Environmental Impact Studies, the Stressor Study for Pinery Provincial Park and the Lambton County Groundwater Study for the Grand Bend area. The key participants in the monitoring programs are the Lambton County Health Unit, the Ministry of Environment and Parks Ontario.

In regards to community health and well being, an on-going monitoring system provides early warning as to whether the quality of life impact thresholds were being approached. This monitoring involved the Lambton County Health Unit, Sarnia Lambton Environmental Association, the Water Treatment Plan and the Emergency Response Protocol.

Overall, the evidence indicated that there are no capacity thresholds that were being exceeded or endangered. The ones that were being challenged were the quality of water at selected beaches on a seasonal basis that results primarily from agricultural run-off. There was a current assessment plan in progress to address the issue. Currently, the Ministry of Environment monitors the situation and a SWAT team assesses situations at the present time in order to effect solutions on an on-going basis.

The Steering Committee's evaluation indicated that increased visitor growth resulting from enhanced tourism initiatives would not diminish the quality of the guest experience. If issues did occur, they would tend to be infrequent and site specific. The only item identified was the six to eight Sunday mornings of the flea market in the Grand Bend area relative to traffic congestion issues. In response to this consideration, the Ministry of Transportation is undertaking investigations to improve traffic flow in the area that could involve turning lanes into the Grand Bend Flea Market.

The current infrastructure that supports tourism was deemed to be fully capable to address current and projected levels of demand without exceeding carrying capacities. Water treatment and delivery capacity is being enhanced and there are no constraints in terms of water quality and delivery as identified by the County of Lambton. Sewage treatment expansion is being studied for Grand Bend and there is no awareness of any constraints in this regard. The Bosanquet waterline extension is underway into Arkona and Thedford, which will provide enhanced water supplies to this part of the County.

In the tourism areas, the current and planned road, transit, parking and trail capacities are capable of handling current and projected levels of visitation. The Highway 21 Corridor Study in the Grand Bend area is also a key consideration. Trails and Trail Master Plans were in place in various parts of the

County. The Blue Water Bridge Authority is reviewing the need to create a by-pass lane for trucks approaching the bridge in order to reduce congestion on Highway 402.

In terms of the environmental effects of infrastructure expansions, an environmental assessment process is in place for all major projects as per Province of Ontario requirements. This process was in place for the proposed Grand Bend sewage treatment expansion and other projects.

Both the local municipalities and the County of Lambton Official Plans have significant tourism related objectives and policies in place. For the City of Sarnia's Official Plan, tourism is linked with economic development that incorporates tourism directly, plus cultural heritage, natural heritage resources, waterfront development and land use compatibility. For the Village of Point Edward's Official Plan, there are tourism components related to the commercial, major open space areas, natural heritage and community development dimensions of the Plan.

In regards to Lambton County's Official Plan, which covers eleven local municipalities, which range from highly urbanized to predominantly rural communities, there are tourism components associated with quality of life, County development and growth, economic growth, tourism and natural heritage.

The political will component of the evaluation process indicated that the Village of Point Edward considered amending its by-laws to provide for three to six story hotel development. Point Edward has also identified an intent to increase tourism in its area as a means to stimulate economic growth. The Village also wants to protect the natural environment as a quality of live value. Sarnia Waterfront Development has been a long term development plan for one of the areas most valuable resources, which was considered to be significantly underdeveloped. This area connects large open space tracks of land owned by the City along the St. Clair River that creates unique opportunities for festivals and events, boating, walkways and trails, bicycling and related activities for visitors and residents.

#### **.4 Summary**

The futurity component of the Premier-Ranked Tourist Destination Evaluation Program has been affirmed for Sarnia-Lambton. Product renewal and the managing of carrying capacities were both identified in the affirmative as being well developed and evident. The destination marketing component was identified as being almost fully supported. The one missing consideration was a strategic tourism marketing and development plan.

The evaluation of the Steering Committee, based on the criteria in the workbook, was that Sarnia-Lambton has a Destination Marketing Organization, has evident renewal in its product and infrastructure and is managing its carrying capacities effectively and with futuristic insight. The key strategies that were identified as needing further development involved a coherent and comprehensive development plan and a more targeted media and communications strategy.



## 4.0 CONCLUSION AND RECOMMENDATIONS

### 4.1 Conclusions

The following conclusions emerged from the evaluation process undertaken by the Steering Committee for the Blue Water Tourism Evaluation Project:

- The proximity to the United States market, particularly the Michigan market, is a significant benefit and opportunity for tourism development and its associated economic benefits for Sarnia-Lambton.
- There are five strong core attractions that have the capacity to motivate visitation to Sarnia-Lambton. These are supported by a wide array of supporting attractions which augment the visitor experience.
- The tourism industry has inherent strengths related to the coastal areas Lake Huron and the St. Clair River, the large Oak Savannah Forest in the Pinery Provincial Park, and the two gaming operations. The core attractions are further supported by the continuing growth in local and regional sport tourism initiatives and the emergence of the culturally-themed component.
- The tourism market is primarily focused on low to mid-point products and services, with limited high-end offerings in accommodations, dining, resorts, etc.
- The product component of the evaluation identified the existence of premier-ranked attractions. The performance component was seen as underdeveloped in regards to per capital expenditures, accommodations capacity utilization and an integrated tourism and marketing development plan, along with value and satisfaction tracking and monitoring systems.
- The tourism market in Sarnia-Lambton operates primarily on an individual operator basis in terms of point of sale access, tourist packages, etc. This is an area that was seen as significantly underdeveloped related to changing market conditions and expectations.
- Product and infrastructure capital investment have been significant over the last five years at \$110 million, and this investment continues, resulting in enhanced accessibility to the area for road traffic and expanded visitor offerings.
- Tourism attractiveness to Sarnia-Lambton was driven primarily by the visiting families and friends market segment and day trips by American visitors for the casino, shopping and the beaches.

- The tourism industry was identified as a year round operation with fairly balanced portions of its activities in the fall, winter and spring, with heightened activity in the summer months.
- Significant flow-through traffic existed on Highway 402, traveling to London, Toronto, Niagara Falls / Buffalo; along with boat traffic traversing Lake Huron and along the St. Clair River. This traffic represented a significant opportunity to capture visitors who are already in the immediate area, versus attracting new visitors directly to the area.
- Award winning / national and international features have not been well identified or utilized in area marketing and communication strategies.
- The current academic research being undertaken on a venue within the Oil Heritage District as a World Heritage Site requires on-going monitoring and assessment as a potential new core attraction over the next number of years.
- Infrastructure carrying capacity was not deemed to be a primary issue due to the twinning of the Blue Water Bridge. Some localized road improvements were identified for Grand Bend in regards to the Sunday morning flea markets and truck traffic waiting to cross the Blue Water Bridge. Both of these challenges are currently under assessment.
- The industry continues to be negatively impacted by three considerations that need more advocacy and to be addressed by both government and the industry:
  - o Chemical spills in the St. Clair River and the high negative visibility they generate in national and international media.
  - o The continuing reference to the "Chemical Valley" imagery that is now perceived to be a negative image compared to the 1950s boom perspective.
  - o The beach closures on the Lake Huron shore primarily due to agricultural runoff.

The evaluation work of the Steering Committee, using the Premier-Ranked Tourism Destination Evaluation Program model, indicated that Sarnia-Lambton, as an area within Ontario, has the fundamental product to be identified as a premier-ranked tourism destination area. This has been determined based on the positive assessment and evaluation of the product component of the evaluation tool, as well as the futurity component, which indicated good reinvestment and carrying capacity management. The area identified for significant further development and challenge was the performance component of the

evaluation tool. This outcome was particularly related to the underperformance in attracting overnight visitors, per capita yields, accommodation occupancy levels, etc. Also in this particular framework was the need for a comprehensive tourism development and marketing strategy, visitor satisfaction and value monitoring / tracking, enhanced media advertising and promotional activities and the need to develop a strategy to enhance product accessibility through multiple points of access and tourist / visitor packages that improve convenience, awareness and visitation levels.

#### **4.2 Key Goals**

The following goals have been identified by the Steering Committee for the Blue Water Tourism Evaluation Project as a basis for the next generation of tourism industry development in Sarnia-Lambton:

- To capture a significantly higher proportion of the flow through traffic that traverses Sarnia-Lambton on Highway 402.
- To increase overnight stays as a proportion of total visitation to Sarnia-Lambton
- To increase overall visitation to Sarnia and Lambton based on market segments other than visiting family and friends.
- To attract, where viable, upper market segment dining, accommodations and resort investments in order to balance and extend the product array / mix in Sarnia-Lambton.
- To work in a regional context with other Destination Marketing Organizations, such as Tourism London, Tourism Chatham-Kent and Tourism Windsor-Essex to enhance the awareness of the overall area and to effect more overnight stays regionally, based on a regional touring and packaged product mixes.
- To increase the per capita day visitor and overnight visitor expenditures yields to be closer to the provincial averages.
- To more effectively target and intensify media advertising and promotional activities, product packaging and point of sale access options in order to facilitate easier and more value-added visitation to Sarnia-Lambton.

- To develop a planning and statistical tracking and monitoring system that provides enhanced data and analytical capabilities to support tourism promotion and advertising, development and operations in Sarnia-Lambton.
- To develop tourist products / offerings and facilities that will enhance shoulder and off season visitation levels as a distinct tourism industry development strategy.

These goals evolved based on the evaluation process and inputs undertaken within the Premier-Ranked Tourist Destination Evaluation Program. They form the basis for the development of a Comprehensive Tourism Development and Marketing Plan that would provide the following:

- Affirmation of the goals and their further definition
- Development of objectives and strategies
- Identification of performance targets / measures by year for a minimum three to five year period.
- Measurement processes and assigned accountabilities for achievement of the approved targets and outcomes.

#### **4.3 Recommendations**

The following recommendations have been prepared based on the evaluation process undertaken by the Steering Committee using the associated analysis, the conclusions that was derived from the process and the goals that were established.

In total, five recommendations have been developed as follows

<b>Recommendation</b>	<b>Agency Responsible</b>	<b>Priority</b>
<p>1. To undertake a comprehensive Tourism Development and Marketing Plan for the area, involving:</p> <ul style="list-style-type: none"> <li>• A Market Positioning Statement focusing on the core attractions</li> <li>• Increased focus on encouraging overnight stays, including possibly advertising / promotional initiatives that are further from the destination but within the primary market areas (Ohio, Indiana, etc.)</li> <li>• A multi-year Marketing Plan approach with targets by market segment</li> </ul>	TSL	Urgent
<p>2. To develop more visitation packages across the industry, with enhanced means of customer accessibility for both gathering information on the packages and products as well as easier purchasing strategies, involving:</p> <ul style="list-style-type: none"> <li>• Development of educational programs to assist the industry in understanding the benefits and opportunities associated with packaging, the means and strategies available, etc., potentially utilizing provincial support resources</li> <li>• Have TSL act as a catalyst in the initial years in bringing groups together to develop packages and enhanced accessibility and procedures with the intent that the industry will become increasingly responsible over a three to five year period to self sustain the current packages, and on an on-going basis, to develop new packages</li> </ul>	TSL and Ministry	High
<p>3. To undertake an industry initiative to identify tourism business and infrastructure development opportunities which would be presented to the industry at large or targeted investors to facilitate future renewal of existing infrastructure / operations and the building of new infrastructure resources</p>	TSL Municipalities Economic Development Bodies Official Plans	High

Recommendation	Agency Responsible	Priority
<p>4. An industry based advocacy program that can respond to key opportunities and threats to the industry in the market area, with an initial focus on:</p> <ul style="list-style-type: none"> <li>• Enhancement of the Sarnia Waterfront as a tourism destination</li> <li>• Generation of positive stories about the area to overcome the constant barrage of negative publicity around pollution spills in the St. Clair River, polluted beaches on Lake Huron, the "Chemical Valley" air quality image, farm-based pollution, land claim issues, etc.</li> <li>• Other issues as they emerge</li> </ul>	<p>Municipalities TSL Sarnia Lambton Environmental Association Sarnia Economic Partnership Chamber of Commerce</p>	High
<p>5. To develop customer satisfaction identification and analysis processes, involving:</p> <ul style="list-style-type: none"> <li>• Training and development initiatives to support operators in understanding the importance of these tools and how to develop, implement and apply them.</li> <li>• Development of a system / process that, using provincial and other resources, aggregates operator results, possibly using a common format amongst operators that will allow for an overall view of customer satisfaction in the market area with the possibility of periodic third party surveys / audits every three to five years</li> </ul>	<p>TSL and Operators          TSL</p>	Medium
<p>6. To develop and the on-going updating of an advertising and communications program with the following components:</p> <ul style="list-style-type: none"> <li>• Capacity to identify award winning / national or world class features, operations or situations that can become the basis for the marketing program and communication strategies / core messages.</li> <li>• Development of core messages and imagery that can be used by the industry, municipalities and others, related to branding, highlights, etc., resulting in significant advertising reinforcement and better consumer awareness.</li> <li>• Use of Media Familiarity Tours to support the writing of positive articles in travel sections of major newspapers, journals, magazines, etc., that are read by tourists.</li> </ul>	<p>TSL and Municipalities</p>	Medium

#### **4.4 Potential Implementation Strategies**

The following points represent some possible implementation strategies that could be considered in developing a comprehensive Tourism Development and Marketing Plan for Sarnia-Lambton. These were based on a review of the possible responses outlined in Step 7 of the Premier-Ranked Tourist Destination Evaluation Program Workbook.

##### **1) Partner with adjacent areas in the following way:**

- Create awareness of the overall Southwestern region and its resources and features.
- Develop circle tours that are themed-based, such as birding, eg: connecting with the Jack Minor Bird Sanctuary and Point Pelee National Park.
- Undertake a competitive marketing analysis to position the wider area and make product and infrastructure recommendations accordingly.
- Seek ways to break-up or add value to the area's travel offerings, focusing on the flow through traffic patterns of Highway 402, Lake Huron and the St. Clair River.

##### **2) Within a comprehensive Tourism Development and Marketing Plan, undertake the following:**

- Reposition / create themes which appeal to new or more specific market segments / niches based on the research completed, e.g. casinos.
- Invest in product development and unique programming to clearly differentiate packages as unique, offering different values and experiences.
- Build a consistent and distinctive brand identity for the area and sub-areas.
- Add new experiences / themes in the primary, shoulder and off seasons to extend the tourist season to a more year-round economic activity.
- Undertake industry development initiatives involving:
  - o Potential creation of events and festivals that link to the strengths of the area.
  - o Pursue themed and limited packaging on a multiple segment basis

- Enhance industry capacity with respect to training, the identification of packaging opportunities, collective initiatives and performance tracking systems related to visitor satisfaction and value for dollars spent.
- Market the destination's accommodation providers, including bed and breakfast and farm visit offerings.
- Seek opportunities to add value at low cost, through training and theme-based packaging and not to be solely focused on discounting and bonuses.

### **Industry Development**

- Promote the local market in order to overcome the "assumptions of evident" local knowledge by area residents who could visit tourist venues in the area.
- Position the area as having confidence and capabilities
- Generate compelling imagery and description of the destination's experiences and offerings.
- Ensure travel channels and media are familiar with the destination's offerings.
- Incorporate market research analysis in destination marketing initiatives on an ongoing basis.
- Develop strategic directions / roles and priorities for Tourism Sarnia-Lambton as a basis to give it guidance and the resources required to fulfill its role in support of the industry and the communities of Sarnia-Lambton.
- Ensure that a comprehensive Tourism Marketing Plan is updated annually and redeveloped every three to five years. Also ensure the incorporation of a full monitoring component in terms of identifying targets and their measurement.
- Strike alliances with relevant agencies involved with economic and community development in order to promote environmental and community health as assets in support of tourism development and attractiveness.



## **Capital Development Advocacy**

- As an industry, work collectively to identify area / market strengths and features that could be invested in.
- Market the destination to potential investors
- Advocate with government in respect to necessary enhancements to public infrastructure and an enhanced operating environment, including environmental considerations and presentation.
- Ensure that there is strategic alignment involving all the key stakeholders and agencies with respect to the importance of tourism development to Sarnia-Lambton and the role and strategies necessary to continually achieve success for all stakeholders and their on-going buy in and participation.

## **4.5 Implementation Approach**

Once the Blue Water Tourism Evaluation Project recommendations are approved by the Board of Directors of Tourism Sarnia-Lambton, the Board needs to turn its attention to an implementation strategy. This strategy needs to connect two key components, the first a long-term strategy and the second a focused, shorter term initiative:

- Support the development of a Strategic Plan to be undertaken by Tourism Sarnia-Lambton
- Support and connect directly as a key building block to the development of a Marketing Plan for Tourism Sarnia-Lambton

Two levels of implementation will need to be considered. The first level involves connecting, where possible, the results of the Blue Water Tourism Evaluation Project and its recommendations with the Strategic Plans and key strategy priorities of the area's municipalities, economic development bodies and other groups. Strategic connectivity with all the stakeholders is important in order to ensure that tourism development is highlighted as a priority, retains the positioning necessary to be successful and provides the benefits and supports that are important to the communities involved.

The second level will be an internal TSL implementation program, designed to ensure that there is regular reporting on the achievement and activities around the recommendations of the Blue Water Tourism Evaluation Project, that all the Project's initiatives are coordinated, appropriate education and communication strategies are employed and related tasks necessary to fully realize the outcomes are acted upon.

