

NEW TOURISM ECONOMY



NEW BRUNSWICK TOURISM, HERITAGE AND CULTURE
TOURISM GROWTH STRATEGY

2018-2025



A wide-angle landscape photograph showing a large body of water, likely a bay or fjord, with forested hills in the background. In the foreground, there are several tall evergreen trees and a dense forest of smaller trees. The sky is clear and blue. The text "NEW TOURISM ECONOMY" is overlaid in the upper right quadrant in a white, sans-serif font.

NEW TOURISM ECONOMY

New Tourism Economy



As a tourism destination, New Brunswick has a chance to make a serious move, to become the premier destination in the Maritimes. Its location is an asset - amidst a cluster of other destinations to the north, south, east and west, and with over 14 million people within a one-day drive of the province. New Brunswick's visitation numbers have been somewhat flat in the past few years and it is time to get more than our fair share, and to stand out.

Today, we are looking ahead, all the way to 2025.

We won't grow through the "hit and hope" method: blitz the market with advertising and cross our fingers. That method is rarely successful: both our competitors and our prospective visitors are too sophisticated for it to work.

We won't become the most sought destination in the East with the "if you build it, they will come" method. Simply developing new attractions and waiting for people to arrive is a gamble.

We will grow through product innovation, which directs how we articulate our brand. And that compelling and differentiated brand directs how we go to market.

This growth will happen by starting with a vision and a plan. It happens with many components and a team effort. It happens through revitalization. It happens through immersive new products. It happens through fascinating stories and compelling marketing messages. It happens through building a superb brand that is ready to be properly unleashed. It happens through the combination of facts and magic.

And it starts today, at this watershed moment, with the unwavering support of the government.

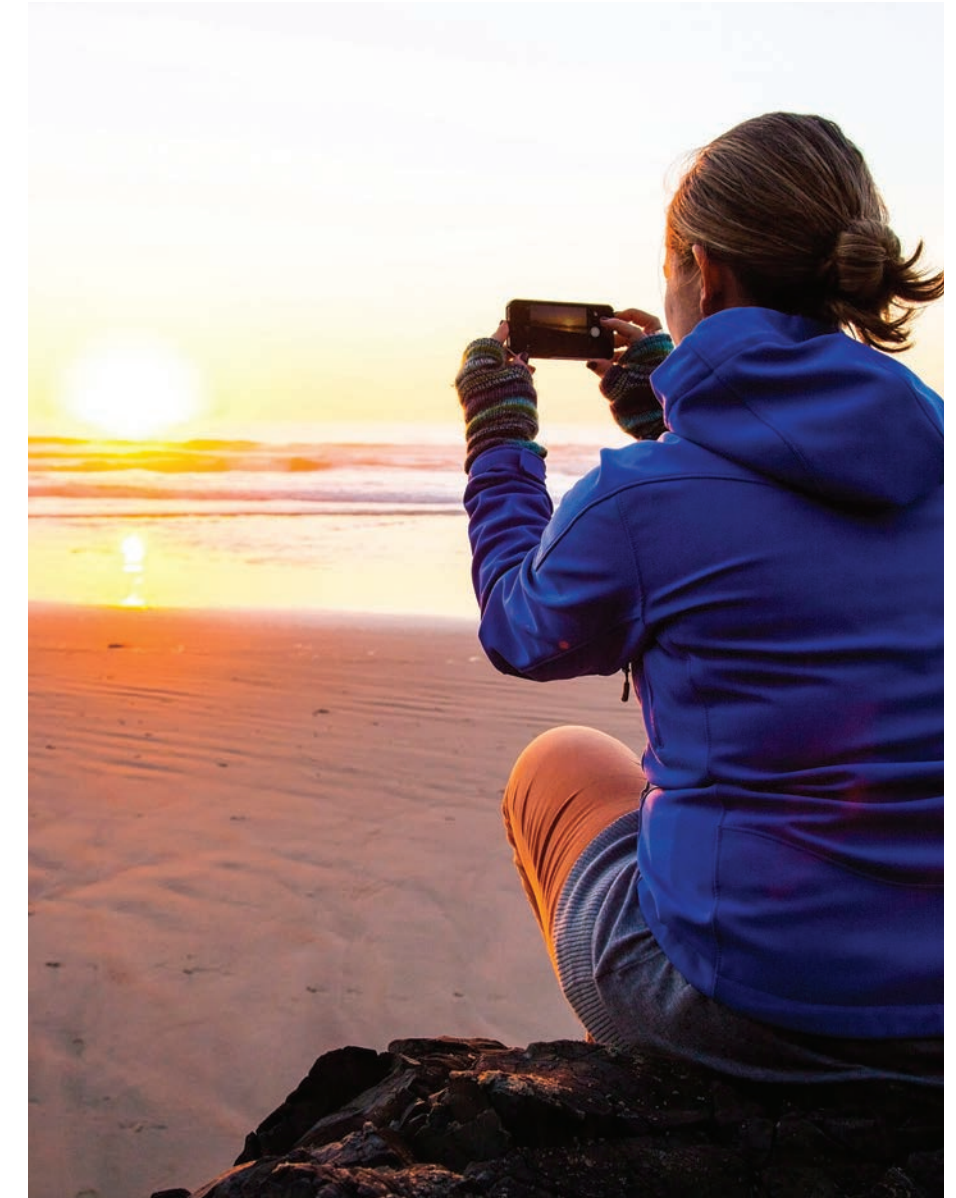
The ***New Tourism Economy***, it's now or never.



Paying Dividends

The situation that we face is an uphill climb, but it can be done. Since 2007, our own investments in marketing, innovation and staffing have dipped. Our provincial and state neighbours have become more fierce and well-funded competitors. In spite of these factors, the total amount of revenue spent by visitors in New Brunswick has remained fairly flat. We feel strongly that a new, concerted effort will pay great dividends

Currently, tourism visitor spending is estimated at \$1.3B, making it the third largest export service sector in the New Brunswick Economy. The implementation of this strategy will bring new money and more jobs to the province. It will have more people telling the New Brunswick story far and wide.



Ten Powerful Insights



The process started by talking to people: tourism leaders in the province and from around the world. They gave us advice and we are heeding it. Among the hundreds of ideas that came from these leaders, there were ten common themes that make a lot of sense.

1 First, we were told of the critical importance of investing in our product. Around the world, the best shining examples of sought after destinations continue to make their products and experiences better and better every year.

2 Here in New Brunswick, we sometimes express our disappointment about limited air access and being stuck between many other well-known destinations. But experts expressed this second insight to us: to see how amazing this is. There are 14 million people within a one-day drive of our borders, and 64 million more within a two-day drive. This 'driving market' is enormous in size and opportunity, and we can't lose sight of this.



Ten Powerful Insights

3 Thirdly, we were advised to focus very hard on bringing to life the essence of the New Brunswick brand. We were told that people often find it hard to properly describe the province, and it is in our best interests to make it simple, compelling, and powerful for people so New Brunswick will be more memorable for them.

4 Next, we were given ideas about providing visitors the ability to imagine their vacation – so they can have a true vision of what a day or a weekend or a week in New Brunswick would truly be like.

5 The fifth insight was to capitalize on the shared economy by being ready for consumers who don't shop, spend, or stay like they used to. This is about product, technology, marketing, accommodations, experiences and so many other facets.

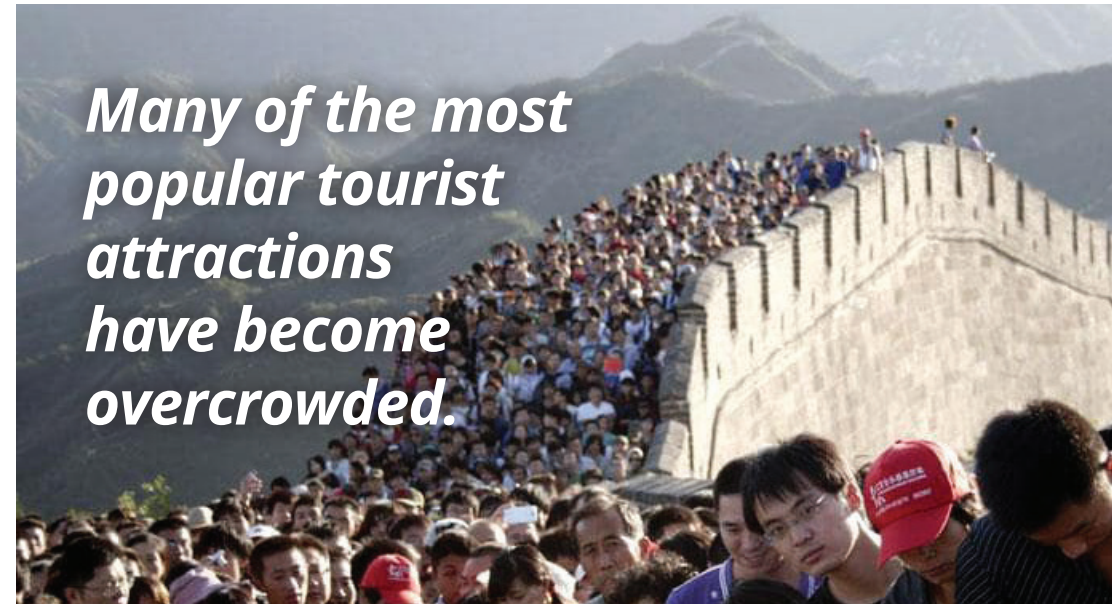


Ten Powerful Insights

6 Our experts described the importance of the resident market – not just as vacationers themselves, but as proud ambassadors of the province. When New Brunswickers know, understand and cheer for their own province, it is contagious.

7 The seventh insight was to prioritize: to focus on a small number of activities and developments and do them extremely well. These become anchors that people are drawn to and fall in love with, and will help the entire province.

8 Next was the trend happening in other parts of North America...an overcrowding of popular destinations. Some places are 'full' or cannot be properly enjoyed because of large numbers and skyrocketing rates. All of these vacationers are looking for something special and few are looking for overcrowded destinations – they just may not know enough about New Brunswick to make that choice.



Ten Powerful Insights

9 Insight number nine was to be bold. Several of our experts used examples that suggested that the absolutely worst thing that the province could do is to play it safe. New Brunswick needs to stand out. It needs to not only be different, but be seen as different.

10 Finally, and most importantly, was product innovation: to build on and rejuvenate the provinces greatest strengths. This is more than product investment, as stated in the first insight. Innovated, immersive, differentiated products and experiences are essential to drive interest, and ultimately visitation and spending, in New Brunswick



NEW TOURISM ECONOMY

*Vision: The New Destination of
Choice in Eastern Canada*



Vision: The New Destination of Choice in Eastern Canada

We took these important insights, and used them to shape our vision – a vision we want to share with you. First of all, we are determined to elevate the economic stature of tourism in the province, and talk about it as the driver of the economy that it is. Invest in it. Recognize that it can be one of the most critical sectors for growing our province. We do this through leading the country in product innovation between now and 2025. We do it through focus on strategic priorities.

We do it by being the regional leader and refusing to be second or third or fourth fiddle in Atlantic Canadian tourism. We do it through understanding our markets (including the youthful millennial market), taking some risks, and building partnerships with industry.

For each of these strategic priorities, we are crafting a plan of attack. Each has a specific goal and a number of strategies – they are being finalized through this building year of 2017, to be put in play for 2018 and beyond.



We will punch above our weight class. We will be unexpected. We will transform the tourism sector. We will be the place people are talking about. Ultimately, we will be the new destination of choice in Eastern Canada.

NEW TOURISM ECONOMY



The Math of Tourism Expenditures

So how does a tourism destination grow its revenue? There are three numbers that we can influence to affect tourism expenditures in the province.

Number of Visitors

The first one is fairly obvious: **Number of Visitors**. If more people come to New Brunswick, it stands to reason that total revenue should increase in proportion to that increase, if everything else stays the same.

Length of Stay

However, if the number of visitors stayed the same, total revenue could increase if they simply stayed longer. In tourism that is called **Length of Stay**, and naturally, people stay longer if they have more places to see and things to do.

Spend per Day

Finally, even if the Number of Visitors and the Length of Stay were flat, revenue can be increased through an increase in the amount of money people spend each day. Their **Spend per Day** is affected by the quality and quantity of products and experiences that they can choose from on a vacation.

Total Tourism Expenditures

Therefore, **Total Tourism Expenditures** can be calculated by multiplying Number of Visitors by Length of Stay by Spend Per Day. For example, if two people stay for seven days, spending \$200 per day – that party's tourism revenue is $2 \times 7 \times \$200 = \$2,800$.

**Goal: \$2.0 billion by 2025;
an increase of 57%**



Our goal is to increase visitor spending from \$1.3 Billion in 2016 to \$2.0 Billion in 2025; an increase of 57%. This translates to approximately \$133M in cumulative tax revenue over the course of the plan plus an additional 4,800 jobs and \$200 Million GDP in 2025 alone.

The Pillars of the Strategy 2018-2025

We have developed a five-pillar approach to implementing this strategy.

1. Elevation of Tourism Economic Stature

Raise awareness and appreciation of the economic importance of tourism as a key economic-export industry in the province.

2. Lead the Country in Product Experience Innovation

Develop world-class products and experiences that will achieve visitation and revenue goals in identified markets.

3. Advance Partnership Investment and Alignment

Attract partnership investment to foster product innovation, entrepreneurship and market development.

4. Brand and Market Ownership

Develop a generation-long brand resulting in increased visitor spending to New Brunswick from identified markets.

5. Research, Technology and Performance Metrics

Establish Smart Tourism leading practices in:

- Research
- Technology
- Performance metrics

In Summary

Changing the momentum in New Brunswick from flat to growth will not be easy. We need a clear vision and a tangible plan.

The vision is to be the leading and most visited destination in Atlantic Canada. This will happen through innovating our product, which will drive a rejuvenated and differentiated expression of our brand, and ultimately a more effective program to communicate with the millions of potential visitors on our doorstep.

The plan and execution will be unexpected, bold, and inspiring. It will be based on a clear understanding of our new and emerging markets, and it will result in more people, staying longer, spending more. More visitors, more revenue, more buzz, more jobs: all through year-over-year growth between 2018 and 2025.



