

TO: MUNICIPAL MANAGER 1991 February 12

FROM: DIRECTOR PLANNING & BUILDING INSPECTION

SUBJECT: BURNABY TOURISM STRATEGY DEVELOPMENT - SHORT-TERM INITIATIVE

PURPOSE: To obtain preliminary Council support for Tourism Vancouver's 1991 Municipal Initiative Program for tourism promotion in Burnaby.

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RECOMMENDATIONS:

1. THAT Council provide preliminary support for the 1991 Tourism Vancouver Municipal Initiative Program as outlined in this report on the understanding that support must be obtained from other Municipalities in the GVRD in order to proceed with the specific program components.
2. THAT a further report to Council be prepared outlining the details of the 1991 Program prior to the finalization of Burnaby's financial contribution to the program.
3. THAT a copy of this report be sent to Tourism Vancouver, Suite 665, Two Bentall Centre, 555 Burrard Street, Vancouver, B. C., V7X 1M8.

R E P O R T

1.0 GENERAL DISCUSSION:

- 1.1 Appearing as a separate item on the Council Agenda is a report from the Director Planning and Building Inspection regarding the process for preparing a tourism Strategy for Burnaby. In this report, reference is made to Tourism Vancouver's Municipal Initiative Program for 1991. Although the 1991 Program is preliminary at this time, Tourism Vancouver has prepared a general outline of the 1991 Program which is attached for Council's reference.

Recognizing that it will be several months before tangible results can be expected from the strategy development process, and that Burnaby's interests for the 1991 tourist season would be served by supporting measures that will be effective in the interim, the following is submitted for Council's consideration.

- 1.2 Tourism Vancouver's 1991 Municipal Initiative program appears to be more responsive to municipalities than in previous years. There are basically three items or components to the program. Item #2, the "Regional Touring guide," is probably the most effective component which will meet the promotional requirements of each Municipality. This guide is proposed to be a separate brochure where each Municipality will have the opportunity to feature the attractions, facilities, etc. that are significant from a tourist perspective. Item #3, the "Flat Sheet Guide" which is a separate reprint of the feature promotional placement in the Touring Guide can also be used by each Municipality in whatever manner satisfies their own requirements. Item #1, the "Base Buy-In" includes a number of items where Municipal events, maps and information are included in a variety of specific brochures such as the Calendar of Events and Information brochures which were provided in the 1990 Program.

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1.3 At this time, the proposed total financial contribution from Burnaby to the 1991 program is \$9,600 which covers the mandatory Base Buy-In at \$2,500, the Regional Touring Guide Buy-In (at one full page for Burnaby) at \$5,600 and the Individual Flat-Sheet guide at \$1,500. Burnaby's contribution to the 1990 Program was \$18,164 and the same amount has been budgeted for 1991. As a result, Burnaby's financial contribution to the proposed 1991 program, if Council agrees to participate in it, will represent a cost reduction of \$8,564 from 1990's participation level as well as from the level budgeted for 1991, and at the same time will provide much better coverage of the Municipality assuming full participation in the program.

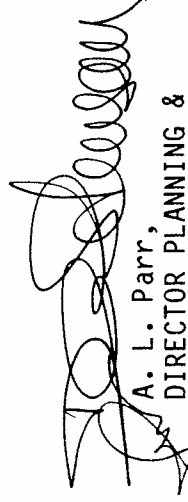
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1.4 It is important to note that the details of the 1991 Program have not been finalized since the two most important items from the Municipal perspective, that is, the production of Regional Touring Guide and the Municipal Flat Sheet Guide are contingent upon obtaining appropriate support from individual Municipalities. That is to say, unless a sufficient number of Municipalities financially participate in the production of these two items, then they may not be produced at all. As a result, the Base Buy-In would be the only item available to Municipalities.

1.5 In order for Tourism Vancouver to proceed with their 1991 Municipal Initiatives Program, a preliminary indication of Municipal support is required. If sufficient Municipal support is obtained, Tourism Vancouver will proceed with the next step which includes working out the specific details regarding the Touring Guide brochure with the respective Municipalities. As outlined in the Tourism Strategy preparation report appearing on this Agenda, if the Municipality proceeds with the strategy, it could take until the end of the year to complete the process. Until such time as the tourism strategy is prepared, it would be appropriate to continue with Burnaby's participation in the Tourism Vancouver's 1991 Municipal Initiative Program. As an interim measure, Tourism Vancouver provides the most effective tool that Burnaby can utilize to promote the tourism industry. It is therefore recommended that Council provide preliminary support for the 1991 Program as outlined above on the understanding that sufficient support must be obtained from other Municipalities and that a further report to Council on the details of this matter be provided prior to the finalization of Burnaby's financial contribution.


PS/ds

Attachment


A. L. Parr,
DIRECTOR PLANNING &
BUILDING INSPECTION

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1991 MUNICIPAL INITIATIVE PROGRAM

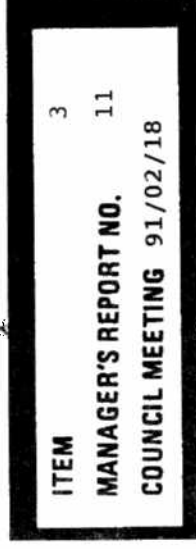
I. OVERVIEW

In 1990, the economic performance of the tourism industry in the Province of British Columbia was excellent. Preliminary data from the Ministry of Tourism suggests that total accommodation revenues in the Province during 1990 surpassed revenues realized during the 1986 Expo year. The tourism industry was singled out as one of the primary reasons for B.C.'s continued strong economic performance when the balance of the country had slipped into recession.

Nowhere is the strength of British Columbia's tourism industry more apparent than in the Greater Vancouver region. Tourism in the Greater Vancouver region represents approximately 40% of the total tourism industry throughout the Province. Vancouver Facts and Research estimates that in 1989 the total economic impact of tourism in Greater Vancouver was \$2.75 billion - including 48,500 jobs and \$569 million in Government tax revenues. Preliminary indications on the growth rate of the tourism industry in Greater Vancouver during 1990 indicate that total industry growth approximated 5% over the course of the year. This means that throughout the Greater Vancouver region during 1990 over 2,400 new jobs were created in the tourism industry. This makes the tourism industry the single largest source of new job growth in the region.

II. REGIONAL TOURISM MARKETING STRATEGY

During the 1980's, the GVRD identified tourism as a major component in the development of a regional economic development strategy.



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To this end, Tourism Vancouver, in conjunction with Greater Vancouver municipalities, has embarked on a regional tourism marketing strategy to promote the development of tourism within Greater Vancouver. The components of this strategy are:

i) Generate Awareness in Targeted Markets:

Using a combination of destination advertising and direct mail fulfilment, Tourism Vancouver has succeeded in raising the awareness of "Vancouver" (the recognisable name associated with the region) to potential visitors about the attributes and attractions of the region.

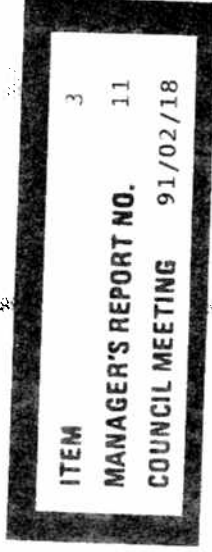
ii) Draw Visitors to the Region:

Through the development of retail oriented marketing programs and the promotion of major tourism events, potential visitors are encouraged to make a journey to the Greater Vancouver region on the basis of value or due to an interest in local parks, attractions or events, located or taking place in the Greater Vancouver region.

iii) Encourage Visitors to Travel Throughout the Region:

Through the production of effective tourism marketing material (maps, calendar of events, guide books with regional reference maps) visitors are encouraged to move throughout the entire region during the course of their stay. These materials are produced by Tourism Vancouver with input from the Municipal Initiative Committee. These materials are distributed by Tourism Vancouver and participating municipal chambers of commerce and tourist bureaus.

Of course, a strategy is only as good as the results it realizes. As per the attached tourism monitoring report, I am pleased to say that to September 30, 1990, the results have been excellent. Not only has Greater Vancouver been able to sustain and protect its share of the tourism market, but the tourism industry in the region continues to



expand when tourism in other major North American cities has been flat or dropping substantially. As well, both accommodation expenditures and hotel occupancy rates have increased in 1990 at higher rates in Greater Vancouver (exclusive of the City of Vancouver) than in the City itself. In short, from a business prospective this regional tourism marketing strategy has not only been successful at drawing people into the region, but also at moving visitors throughout the region in conjunction with local municipal tourism marketing efforts.

III. THE 1991 MUNICIPAL INITIATIVE PROGRAM

As you know, since 1988 the municipal initiative program has taken on several different forms. One thing has always been consistent, however, that being that it was a grant based program. This was originally due to Tourism Vancouver's unstable funding status. Since being awarded the use of the 2% hotel tax proceeds from the City of Vancouver, Tourism Vancouver has embarked on a program of producing the necessary "core" tourism marketing production pieces, such as maps, calendar of events and guide books to assist members and participating municipalities in realizing a share of the region's tremendous tourism potential. Over the past two years, Tourism Vancouver has worked hard with its now over 1000 members and representatives of local municipalities to develop these marketing materials as an important component in the regional tourism marketing strategy described above.

In early 1990 it became apparent that the present format of the program - that being grant based with a complicated funding formula - was no longer acceptable as several municipalities chose to deviate substantially from the previously accepted funding formula. Therefore, the Municipal Initiative Committee recommended that for 1991 the program be changed from a grant based relationship to a contract based, fee-for-service relationship for all participating municipalities. It is felt that this will eliminate the inequities inherent in any funding formula and allow participating municipalities to purchase those products/services from Tourism Vancouver which are consistent with their own municipal tourism marketing objectives. Not only is there increased equity in the

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program, but by offering several levels of participation flexibility is also provided in the 1991 program. However, the foundation for the program is based on a sound business proposal flowing out of the regional tourism marketing strategy discussed above.

IV. 1991 PROGRAM SUMMARY

Recognising that each participating municipality has different tourism marketing needs and objectives, Tourism Vancouver and the Municipal Initiative Committee developed the 1991 program with three "packages" of products/services available for purchase by participating municipalities from Tourism Vancouver:

1. BASE BUY-IN FOR PARTICIPATING MUNICIPALITIES (\$2,500)

- Essentially will consist of municipal infocentre support including the supply of tourism promotional materials:

- i. Fold-out and Tear-off maps (10,000 and 5,000 of each);
- ii. City Information Brochures (1,500);
- iii. Lure Pieces (2,500);
- iv. Calendar of Regional Events/Festivals Brochure (3,000); and
- v. Convention Schedule One copy twice per year.

- Provide information fulfilment and distribution services for municipal enquiries directed to Tourism Vancouver;

- Provide Vancouver Facts and Research reports and information on a regular basis;

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- Provide one racking space for each participating municipality in Tourism Vancouver's main infocentre, specifically for municipal information; and
- Membership in Tourism Vancouver for each municipality or designated Chamber of Commerce/Tourist Bureau including bi-monthly newsletter and participation in Tourism Vancouver events and seminars.

2. REGIONAL TOURING GUIDE BUY-IN (\$5600 FULL-PAGE, \$2800 HALF-PAGE)

- 30,000 four colour, 12 page, 8 1/2" x 11" regional driving tour publication to act as companion piece for existing guide books;
- Participating municipalities will have option to purchase feature space in the publication.
- To be distributed by Tourism Vancouver and participating municipal infocentres (2,000 to be made available to each participating municipality);
- Tourism Vancouver to act as creative and production agents on behalf of participating municipalities;
- Municipalities to provide support as to what they would like included as to copy and images in their respective purchased space;
- 8 pages available for individual municipal copy and images; and
- Tourism Vancouver to purchase front & back covers and centre-spread insert map (number keyed to each municipality) to reduce costs.

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3. INDIVIDUAL MUNICIPAL "FLAT-SHEET" GUIDE (\$1,500)

5,000 four-colour 8 1/2" x 11" separate "flat-sheet" reprints of a respective municipalities insertion in the municipal touring guide to enable each municipality to utilize these flat-sheets for their own tourism fulfilment.

(Note that to purchase options 2 & 3, you must also purchase option 1.)

Both Tourism Vancouver and the Municipal Initiative Committee feel that moving the basis for Tourism Vancouver's relationship from grant based to business based is a progressive step. This format will eliminate the inequities of previous programs and allow Tourism Vancouver, in conjunction with the Municipal Initiative Committee, to develop and produce products which are responsive to the needs of the participating municipalities and are contributory to an overall regional tourism marketing initiative.

V. SUMMARY

The regional tourism marketing strategy for Greater Vancouver has begun to produce positive results for the regional economy in the form of higher tourism business revenues and more jobs. However, a new series of major external factors (recession, GST) threaten this progress and must be addressed in 1991. We feel that the changes to the 1991 Municipal Initiative Program and new products and services offered will help to protect the tourism industry from these external threats and represent an investment for the future of the tourism industry in all participating municipalities.