

ITEM	3
MANAGER'S REPORT NO.	30
COUNCIL MEETING	92/04/27

TO: MUNICIPAL MANAGER 1992 APRIL 14

FROM: DIRECTOR PLANNING & BUILDING

SUBJECT: TOURISM VANCOUVER, MUNICIPAL INITIATIVE PROGRAM-1992 FUNDING

PURPOSE: To obtain Council approval of Burnaby's financial contribution to the 1992 Tourism Vancouver Municipal Initiative Program.

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RECOMMENDATIONS:

1. THAT Council approve payment of \$6,500 to Tourism Vancouver for funding the 1992 Tourism Vancouver Municipal Initiative Program which provides tourism promotion of the Greater Vancouver area.
2. THAT a copy of this report be sent to Tourism Vancouver, Suite 665, Two Bentall Center, 555 Burrard Street, Vancouver, B. C. V7X 1M8.

R E P O R T

1.0 BACKGROUND INFORMATION:

1.1 Since 1988, Burnaby has participated in the Tourism Vancouver Municipal Initiative Program as a means of marketing local tourist attractions and supporting associated businesses in the community. Until 1990, all Municipal contributions to the program were made to Tourism Vancouver through an intermunicipal contract administered through the GVRD Board. In 1991, the program was changed to become a fee-for-service contract that was established between each participating Municipality and Tourism Vancouver.

1.2 In 1991, Burnaby contributed \$9,888 to the Municipal Initiative Program which included the following basic components related to individual municipalities:

- a) "Base Buy-In"
- b) "Regional Touring Guide"
- c) "Flat Sheet"

The production of a number of promotional items including maps, brochures, etc. that provide general information about the various attractions, facilities, features and events found within the Greater Vancouver Region.

The production of a separate brochure in which each participating Municipality had the opportunity to feature the attractions, facilities, etc. that are significant from a tourism perspective. A full page of the brochure was devoted to Burnaby with a regional map provided on the centre page. The back cover outlined a variety of suggested touring itineraries. These brochures were displayed at Tourist Info Centers and widely circulated through Tourism Vancouver's information and promotion networks.

The production of 5,000 copies of a single page reprint of the Burnaby feature promotional placement in the Touring Guide with a map of Burnaby on the back side. The flat sheet guides were displayed and circulated at the Municipality's discretion.

To: MUNICIPAL MANAGER
From: DIRECTOR PLANNING & BUILDING
TOURISM VANCOUVER, MUNICIPAL INITIATIVE PROGRAM-1
1992 APRIL 14

ITEM	3
MANAGER'S REPORT NO.	30
COUNCIL MEETING	92/04/27

1.3 In 1991, Burnaby initiated the development of its own Tourism Strategy which is expected to be completed within the next two months. Participation in the 1991 Municipal Initiative Program was considered by Council to be an appropriate interim measure until such time as the Tourism Strategy is complete and further promotional and marketing efforts are determined and implemented.

110

2.0 GENERAL COMMENTS:

2.1 In reference to the Burnaby Tourism Strategy, Council is advised that the strategy development process is nearing completion. The Tourism Advisory Committee has held 5 workshops since October with two more to come prior to the completion of the Draft Strategy document which will be presented to Council for consideration. The Tourism Advisory Committee has reviewed the proposed 1992 Tourism Vancouver Municipal Initiative Program and concluded that the Municipality should continue to participate in the 1992 program pending implementation of the promotion and marketing program that will be identified through the Tourism Strategy to fulfill Burnaby's specific requirements. The Committee also concluded that Tourism Vancouver provided excellent international exposure to the Greater Vancouver area through its marketing program which has had a positive impact on Burnaby. In addition, the Committee felt that it would be difficult for the Municipality to provide this degree of exposure given the relatively small budget that is currently spent on tourism promotion through Tourism Vancouver. It was thus concluded that Burnaby's contribution to Tourism Vancouver's Municipal Initiative Program was money well spent and that consideration should be given to future participation with Tourism Vancouver to complement the marketing program for Burnaby which will be developed through the Tourism Strategy process and implementation.

2.2 The proposed 1992 Tourism Vancouver Municipal Initiative Program is almost identical to the 1991 Program. A copy of the Municipal Initiative Program Outline has been attached for reference. The 1992 Program essentially includes the Base Buy-In, the Regional Touring Guide and the Individual Flat Sheet components which are described in section 1.2 above. All of the individual promotional items (maps, brochures, etc.) will be updated as required. The proposed Regional Information Center Research Study component has been cancelled. Burnaby's costs for the various items in the 1992 program are quoted as follows:

Regional Touring Guide - Buy-In Reprint, includes Base Buy-In - 50,000 copies	\$6,500.
Individual Municipal Flat Sheet -	<u>\$1,500.</u>
TOTAL:	\$8,000.

2.3 The Regional Touring Guide has been a successful component of the program. It is an attractive document which provides good exposure to facilities and attractions throughout the region. The suggested itineraries on the back cover along with the regional map encourage travel throughout the region. The Burnaby Flat Sheet has also been successfully used for both tourism and general information purposes. The various other maps, brochures and lure pieces have also been used well for a variety of marketing and general information purposes. Ten municipalities participated in the 1991 Program including seven municipalities who participated in the Regional Touring Guide component. In general, the 1991 Program was well received and provided a more responsive approach to the needs of individual municipalities than in previous years. It is expected that the same if not an increased level of municipal commitment will be made to the 1992 program.

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1992 APRIL 14

ITEM 3
MANAGER'S REPORT NO. 30
COUNCIL MEETING 92/04/27

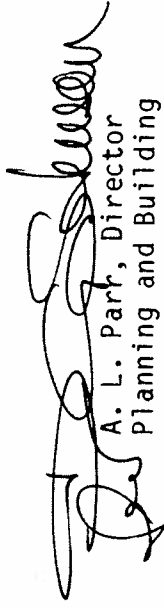
2.4 Burnaby's total contribution to the 1991 Program was \$9,888. Should Burnaby purchase all of the items proposed in the 1992 program as outlined above, the total cost would be \$8,000 (plus applicable GST). Since a significant number of the Burnaby Flat Sheets remain and are not in need of updating, it is recommended that we do not purchase this component of the 1992 program. The current supply of the Flat Sheets will be sufficient to carry the Municipality through the remainder of this year. The Municipal contribution to the 1992 program would thus be reduced by \$1,500 to a total of \$6,500 (plus applicable GST).

3.0 CONCLUSIONS:

In view of the foregoing information, it recommended that Council approve payment of \$6,500 to Tourism Vancouver which will represent Burnaby's contribution towards the 1992 Municipal Initiative Program for tourism promotion in the Greater Vancouver area. The proposed 1992 program along with the 1991 program have been considerably improved over previous Tourism Vancouver programs and are now more responsive to the needs of individual municipalities. Participation in the 1992 program has also been reviewed and supported by the Burnaby Tourism Advisory Committee which concluded that the money would be well spent until such time as the Municipality implements its own marketing and promotional program through the Tourism Strategy. Funds have been provided for this expenditure in the 1992 Provisional Budget.

AP
PS/ds

Attach.



A. L. Park, Director
Planning and Building



1992 MUNICIPAL INITIATIVE PROGRAM

I. OVERVIEW

For the past five years, the municipalities of the GVRD and Tourism Vancouver have worked together to create a program which promotes tourism to our region and encourages a better distribution of visitors amongst all municipalities.

During this period the tourism industry in Greater Vancouver has benefitted from substantial real growth at an annual rate of 2.4 %. Actual visitor growth during this period has grown from 5.3 million to 5.9 million annually. The most recent industry data available from Vancouver Facts & Research indicates that in 1990 a total of 9 million tourists visited Greater Vancouver, spending approximately \$1.77 billion, generating \$3.09 billion in economic output and generating full time jobs for almost 52,000 people in the region. This makes the tourism industry Greater Vancouver's largest resident industry.

While 1991 has seen some fall-off in industry growth and visitor arrivals, the Greater Vancouver tourism industry remains strong and, relative to other major competing destinations in Canada and the U.S who have seen industry fall-offs by as much as 20%, well positioned to capitalize on future success.

Signals abound throughout the Region as to the promising future of the tourism industry in Greater Vancouver. Investors continue to plan new hotel and retail developments; the international cruise industry continues to increase sailings and capacity on the Vancouver/Alaska route; local development of attractions such as the Fraser River Discovery Centre and the expansion of the Steveston village area press ahead; and of course, approval of a parallel runway at Vancouver International Airport bodes improved air access for the entire region.

ITEM	3
MANAGER'S REPORT NO.	30
COUNCIL MEETING	92/04/27

These investments are being undertaken now to take advantage of the anticipated growth projected for the tourism industry in Greater Vancouver over the next five years.

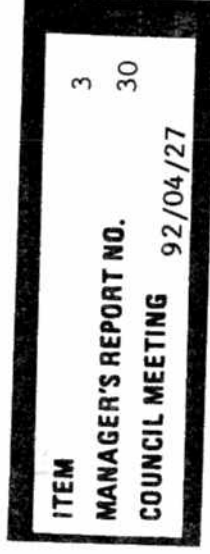
With this in mind, it is critical that both the private sector and local government work together to enhance tourism marketing initiatives begun in the past years in order to ensure Greater Vancouver's tourism industry maintains its "leading edge" position and competitive advantage in the international marketplace.

II. REGIONAL TOURISM MARKETING STRATEGY

Our regional tourism marketing strategy has been developed on the principle that an increasing proportion of our tourism business is based on international travel, particularly from the U.S. and the Pacific Rim, and that only by working together in partnership can we achieve a level of awareness and recognition necessary to draw business from these highly competitive markets. This approach offers particular benefit to municipalities, other than the City of Vancouver, in that it allows them to capitalize on the significant level of awareness that Vancouver already enjoys in many market areas.

In its simplest form, the regional tourism marketing strategy consists of the following:

1. To generate and build awareness and interest in our region through a program of destination marketing and promotion;
2. To create and introduce specific travel products, packages and programs, either directly or indirectly through air carriers and tour operators, to generate direct consumer action; and
3. To develop promotional programs and products that encourage visitors to move out and take advantage of unique cultural events and experiences, restaurants, attractions, recreational facilities and other tourism-related enterprises in municipalities throughout the region.



114

In short, we promote Greater Vancouver as a single destination, using Vancouver's considerable existing profile in key markets to create a flow of visitors who may then be encouraged to explore new opportunities in all municipalities of the region.

The Greater Vancouver approach - as distinct from identifying each municipality individually - is far clearer and more effective in distant markets where there is little chance of effective presentation of a complex message. Furthermore, it better reflects the actual situation in our regions, since most municipalities do not have the hotel capacity to actually accommodate the numbers of potential visitors to their respective municipalities.

III. PROGRAM BACKGROUND

The first two components in our regional tourism marketing strategy have worked - and worked well - over the last two years. Greater Vancouver has sustained a major promotional program in key markets and built an even greater level of awareness and interest than that which existed after Expo '86. As a result, we have generated substantial increases in tourism business at a time when most other parts of Canada have experienced equally substantial declines.

We have also succeeded in developing specific travel products through the efforts of our Association, the Provincial Government and private industry in the form of the Discover the Spectacular off-season marketing campaign. A further success has been the fact that the campaign was launched during Vancouver's traditional off-season, and resulted in the creation of a 280% increase in our off-season program traffic in a single year.

With input from the Municipal Initiative Committee, all program visitors were provided with transit passes, effectively encouraging them to explore all municipalities throughout the region during their stay in Vancouver.

ITEM	3
MANAGER'S REPORT NO.	30
COUNCIL MEETING	92/04/27

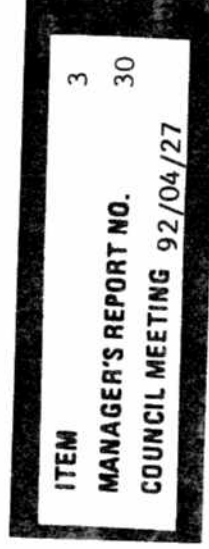
To help ensure the tourism marketing requirements of GVRD municipalities are represented in the third part of Tourism Vancouver's regional strategy, the Municipal Initiative Program was created in 1989. A committee, providing direct input and guidance on program initiatives, was struck consisting of representatives from the municipal staff and tourism marketing body in each GVRD municipality along with a representative from Tourism Vancouver. The committee has sign-off authority on behalf of their respective municipality on all program items and on production items of regional interest such as maps and calendars of events.

In 1991, the committee developed as part of the Municipal Initiative Program, an effective co-op opportunity - a Regional Touring Guide that identifies attractions, points of cultural interest and tourist facilities throughout the GVRD along with a distribution system that delivers it into the flow of visitors coming into Vancouver. This Regional Touring Guide became a key information fulfilment brochure at Tourism Vancouver's three Travel Infocentres and was distributed to all relevant international tour operators as a primary marketing tool used by Tourism Vancouver's sales personnel at over 25 international trade shows.

Quantities of the Touring Guide were provided to each participating municipality for their own Travel Infocentre distribution purposes. As well, each participating municipality could elect to purchase production overruns of their respective municipality's information for their own tourism information distribution purposes.

As its contribution to the program, Tourism Vancouver made a commitment to cost-sharing in which Tourism Vancouver would pay 50% of all production costs and 100% of the direct distribution costs made through its sophisticated distribution network.

In total, 10 regional municipalities participated in the 1991 Municipal Initiative Program including 7 municipalities who participated in the Regional Touring Guide component. At the completion of the program, all participants agreed that the Touring Guide had made the 1991 Municipal Initiative Program a success as it provided participating



municipalities with a much improved level of regional effectiveness and allowed their respective municipalities excellent coverage in target market areas. All participants look forward to renewing their commitment in the 1992 Municipal Initiative Program and have called for increased participation in the Regional Touring Guide from those municipalities who chose not to participate in 1991.

IV. THE 1992 MUNICIPAL INITIATIVE PROGRAM

The 1992 Municipal Initiative Program will pursue a similar course as was first introduced in the 1991 program, so as to build upon the momentum generated during the previous year. The program will again be a contract based, fee-per-service relationship with optional levels of participation for all municipalities. All components of the program will be conducted at the direction of the participating municipalities. It is felt that by pursuing this strategy, individual municipal tourism marketing needs can be adequately represented throughout all aspects of the program.

During 1992, Tourism Vancouver will participate with Tourism B.C., Tourism Victoria and the Whistler Resort Association in a number of cooperative marketing initiatives to help lever investment dollars in much the same way as the Municipal Initiative Program. One of these will be the publication of a Vancouver Tour Planner - to be directed at international tour operators and travel wholesalers with the focus on Greater Vancouver touring opportunities for group travel organizers. Some copy reference in the planner will be provided to participating municipalities. This represents an excellent opportunity for participants to obtain municipal tourism industry coverage with key international travel trade representatives and further augments coverage already delivered through the consumer-directed Regional Touring Guide.

V. 1992 PROGRAM SUMMARY

As noted above, the 1992 Municipal Initiative Program items were selected by the Committee to help participants realize increasing returns on their investment in the Program over the past two years. In recognition of this, for municipalities who previously invested in the Regional Touring Guide there will be no charge for the Base Buy-In. For 1992 the program will consist of three packages of products/services available for purchase by participating municipalities from Tourism Vancouver:

1. BASE BUY-IN FOR PARTICIPATING MUNICIPALITIES (\$2,600)

- Essentially will consist of municipal infocentre support including the supply of tourism promotional materials:
 - i. Fold-out and Tear-off maps (5,000 and 5,000 of each);
 - ii. City Information Brochures (1,500);
 - iii. Lure Pieces (1,500);
 - iv. Calendar of Regional Events/Festivals Brochure (2,500); 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;
- 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 participating municipality or designated Chamber of Commerce/Tourist Bureau including bi-monthly newsletter and participation in Tourism Vancouver events and seminars.

ITEM	3
MANAGER'S REPORT NO.	30
COUNCIL MEETING	92/04/27

2. REGIONAL TOURING GUIDE BUY-IN (\$5,600 FULL PAGE, \$2,800 HALF-PAGE) (First-time Guide participants only - Base Buy-In must be purchased)

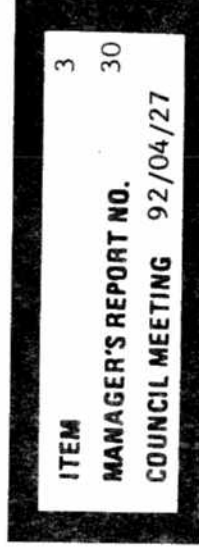
- 50,000 four colour, 12 page, 8 1/2" x 11" regional driving tour publications for consumer distribution to act as companion piece for the 1992 Vancouver Tour Planner (for tour operators);
- Participating municipalities will have option to purchase feature space in the publication.
- To be distributed 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;
- Tourism Vancouver to purchase front & back covers and centre-spread insert map (number keyed to each municipality) to reduce costs;

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

- 5,000 four-colour 8 1/2" x 11" separate "flat-sheet" reprints of a respective municipality's 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).

4. REGIONAL TOURING GUIDE BUY-IN REPRINT (\$6,500 FULL-PAGE, \$4,000 HALF-PAGE) (For 1991 Guide participants only)

- ▶ Quantities as in #2 above.
- ▶ Note that for those past participants in the Regional Touring Guide minimal copy changes will be permitted. Any changes necessitating revised artwork will be charged back to the municipality at cost only.



- ▶ An upgrade from 1/2 page to a full-page inclusion is available for \$1,500 for those who participated in the 1991 Touring Guide.
- ▶ Includes Base Buy-In - a \$2,600 value.

5. REGIONAL INFORMATION CENTRE RESEARCH STUDY
(\$750 PER PARTICIPANT)

- ▶ The committee has recommended that a tourism market research component be added for the 1992 Program utilizing Tourism Vancouver's in-house departmental research capabilities - Vancouver Facts & Research.
- ▶ The objective of the program would be to allow participating municipal infocentres an opportunity to access information about the travel patterns and demographics of municipal infocentre visitors. Statistics gathered from this research study could also provide base-line information on tourism industry economic impact for each municipality.
- ▶ Vancouver Facts & Research will manage the project in conjunction with the Municipal Initiative Committee. All data will be collected with the assistance of the participants and then coded, analyzed and reported by Vancouver Facts & Research. Participants will have access to the data when and how they need it.

VI. SUMMARY

The 1991 Municipal Initiative Program was primarily successful as a result of the direct input of the participating municipalities. Without this input, reflecting each individual municipality's needs, the programs and programs produced as a result would not have the effectiveness realized to date. It is essential that the municipalities of the GVRD continue to support the Municipal Initiative Program and its program items. We look forward to the 1992 program as a further step forward in effective regional tourism marketing for Greater Vancouver.

ITEM	3
MANAGER'S REPORT NO.	30
COUNCIL MEETING	92/04/27

120

1992 MUNICIPAL INITIATIVE PROGRAM BUY-IN SCHEDULE

ITEM	1991	1992-PREVIOUS GUIDE PARTICIPATION	1992 - NO PREVIOUS GUIDE PARTICIPATION
BASE BUY-IN	\$2,500	-	\$2,600
REGIONAL TOURING GUIDE *	\$5,600/2,800	-	\$5,600/2,800
INDIVIDUAL MUNICIPAL "FLAT SHEET"	\$1,500	\$1,500	\$1,500
REGIONAL TOURING GUIDE REPRINT **	-	\$6,500/4,000	-
RESEARCH STUDY	-	\$750	\$750

* First price indicates rate for one full page, second for one half page.

**Includes Base Buy-In.

PLEASE NOTE GST IS PAYABLE ON ALL ITEMS