

Building Back Tourism in Ontario

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At the Economic Developers Council of Ontario 2021 annual conference "EvolveOn", Catherine Dipoce and Priya Gopaul, students in the post-graduate Public Administration Program at Seneca College summarized the workshop entitled "Building Back Tourism in Ontario". The speakers included panel moderator Beth Potter, Tourism Industry Association of Ontario (TIAO's) President/CEO; Chris Bloore, TIAO's Director of Policy and Government Affairs; Janet O'Connell, Executive Director for Muskoka Tourism; Debra Mansillo, Vice President of Industry Relations & International Markets for Destination Ontario; and Michele Harris, Director, Economic & Community Development for the Municipality of Grey Highland.

Abstract

The tourism industry has been drastically affected by the COVID-19 pandemic which has caused a drawback in the economic sector. Economic Developers Council of Ontario's (EDCO) Building Back Tourism discussion recognized the current state of affairs and more importantly how to rebuild by expediting tourism regionally and locally in Ontario. To evaluate this further, panelists discussed the importance of working locally with businesses, stakeholders, and consumers through (1) supporting policies and strategies; (2) facilitating business success; (3) winning consumer confidence; and (4) focusing on improving domestic tourism.

Keywords: *Rebuilding Tourism, Safe Travel Stamp, COVID-19 Travel, Domestic Tourism, Economic Development, Regional Tourism Organizations (RTO), Tourism Industry Association of Ontario (TIAO), Economic Developers Offices (EDOs), Highly Affected Sectors Credit Availability Program (HASCAP)*

Introduction

The COVID-19 pandemic has decimated the Ontario tourism sector resulting in business closures due to government implemented travel restrictions. Industry experts will have to collaborate with all levels of government and community stakeholders to rebuild a vibrant tourism industry.

Dramatic changes in tourism activity are not expected until late summer 2021. Solutions will be coordinated with the roll-out of the COVID-19 vaccine, industry experts need to develop strategies and clear communication to consumers on how to move forward, collaborate, and adapt to what will be a changing industry.

1) Supporting Policy and Strategy

The Government of Ontario needs to make effective policies to adapt to the changing functionality of local businesses that rely on the success of tourism. Businesses will then be able to adapt and act responsibly once restrictions are lifted. Innovating operations to a more outdoor experience will most likely be one of the biggest

challenges to rebuild and recover the tourism industry. Policy changes with creative strategies will help bond economic and community development, and place-making initiatives with rural community development.

Recently, the Rural Ontario Municipal Association conference gathered industry leaders to develop strategies to rebuild the tourism industry. TIAO was in attendance to proactively promote strategies to acknowledge changing travel behaviours amongst consumers. As a result, they developed the Evidence Generation Strategy with real-time information and statistics coming in from members on the frontline. The Evidence Generation Strategy is a two-prong approach with research to aid economic developers and the government to form policy. This strategy measures what is happening on the frontline and measures the capacity for those businesses to survive the next two to three months while it measures the capacity to rebuild. Economic developers should use this trending industry data to develop long-term strategies to improve infrastructure, and transportation to move industry workers and consumers across the province. TIAO's prime strategic focus is to work on the insolvency of businesses and provide the provincial and federal government data tools and up-to-date information to help make those long-term decisions to rebuild the industry.

In addition to policy changes, the government needs to create provisions for tourism businesses. Industry leaders are facing pressure to convince the government that financial support is not a handout, but necessary for future tax revenue to benefit Ontario's livelihood and its economy. Collaborative efforts demonstrate how economic developers, policy makers, and government officials are working together to provide direct support for businesses to rebuild tourism.

2) Facilitating Business Success

Tourism provides more than 400,000 jobs in Ontario and employs three times the amount of Ontario's automotive industry, which has historically received government financial support. Tourism is a \$36 billion industry in Ontario, and an integral part of the province's economy. The most pressing problem is keeping businesses solvent when there is a dramatic drop in revenue as a result of the COVID-19 pandemic.

TIAO is working with the provincial and federal governments to determine funding for the survival of local tourism. So far, there is a commitment from the government to invest \$150 million in a travel tax credit to encourage Ontarians to rediscover their province. The federal government has introduced the Highly Affected Sectors Credit Availability Program (HASCAP) for businesses to access loans of up to \$1 million at a low interest rate and support grants of up to \$20,000.

In addition, TIAO has submitted an \$800 million budget for funds to directly help tourism businesses and attractions in Ontario. TIAO's next budget will be similar so they can be in the best position to rebuild the industry. It was predicted that over 100,000 tourism businesses will not make it past the next 90 days.

The next challenge is educating rural businesses of the funding and credits available to them, as some may have difficulty navigating the application process. Municipalities need to collaborate with all available resources, using their Business Improvement Associations (BIAs), Regional Tourism Organizations (RTOs), Chamber of Commerce, Economic Development Offices (EDOs), and using social media to encourage consistent messaging on government funding and COVID-19 protocols. Collaboration is key to launching successful strategies to rebuild the tourism industry in Ontario.

3) Winning Consumer Confidence

The COVID-19 pandemic has destroyed consumer confidence in all sectors of travel and tourism. Industry experts have been collaborating to develop strategies that aim to rebuild consumer confidence and rebuild visitor experience through a critical lens. All tourism businesses need to develop a clear and consistent message from region to region with the help of EDOs, RTOs, and BIAs. This will help to recover control and trust, by reassuring residents and consumers that tourism will be safe again.

TIAO promotes the Safe Travel Stamp, a cross-vetted global standard for safe tourism. The Safe Travel Stamp protocol will vary for each tourism sector and be approved by local health units and these health units will ensure the safety protocols are followed. It is available to all businesses following protocols of their local health unit designed by the Ministry of Labour or sector association like Dine Safe. Businesses that follow these standards are eligible to enroll to use the Safe Travel Stamp. Using this stamp will provide a confidence boost to tourism while reducing anxiety with safe travel. It will be important to deliver this messaging to BIAs and RTOs so they can begin consumer awareness campaigns when restrictions are lifted.

4) Focus on Improving Domestic Tourism and Adapting to Current Trends

Experts feel the best option in the recovery of the tourism industry is to increase the focus and value of domestic tourism. Domestic tourism already accounts for 80% of Ontario's tourism and there is still great economic potential to increase this sector. The industry can work to promote the staycations and convince Ontarians to choose domestic tourism over international. If 10% of those thinking about international travel changed their plans to domestic tourism, it would bring \$2 billion to the Ontario economy.

After the first lockdown, there was an uptick in travel to Northern Ontario, but it led to some overcapacity issues and there was a cost to the over tourism, occasionally with no economic benefit. Industry experts should consider how consumers may feel more comfortable exploring the outdoors, with that being said, outdoor tourism should be prioritized to support economic standing. Consumers are looking for a customized experience with the connection to places where they are safe.

Moving forward the industry needs to continue to put pressure on outdoor activity but simultaneously promote businesses to partner and promote each other to translate

hikers for example, to an economic benefit. Local BIAs, RTOs, and EDOs need to promote courteous and respectful experiences and include that as part of their tourism messaging. Destination Ontario aims to promote those hidden gems to prevent overcapacity of tourism in certain regions in Ontario. Increased messaging of best practices to consumers through social media and company websites of the types of COVID-19 protocols tourists can expect when making travel plans.

Sector groups need to work together to refine travel patterns and trends in visitor's preferences. The industry needs to use the demographic and psychographic data available to them to create meaningful travel experiences that will also provide economic benefit to a region. The quality of experience will matter more than ever, as Ontario has a captive audience as tourists need to be targeted properly with more purposeful and sustainable visitor experiences.

Conclusion

Pre-COVID-19 travel had been taken for granted, now the industry needs to find ways to reassure consumers that they will be embarking on a safe and customized experience. To protect tax revenues for the benefit of Ontario's economic future it is important to measure frontline activity, utilize federal and provincial tools, and rebuild. This is an opportunity for the tourism industry to embrace the challenge and take advantage of using local travel to generate economic activity. Nevertheless, the travel industry needs to take the necessary means to communicate and support businesses to ensure readiness for the demand of travel when the vaccine is administered, and herd immunity has taken effect.