DESTINATION ONTARIO

An Agency of the Government of Ontario ANNUAL REPORT 2018-2019

MESSAGE FROM THE CHAIR

With a new government in place, this year underwent a transition time for all of government. As an agency of the Ministry of Tourism, Culture and Sport, Destination Ontario was also subject to transitional changes or directions. I am pleased that the team at Destination Ontario worked well and steadfastly during this time, demonstrating to the new government the organization's value as a strong contributor to tourism.

This marked the first year of Destination Ontario's three-year *Strategic Playbook 2018-2021* and the organization did its best to undertake planning, activities and programs to work toward the objectives set out in the Playbook.

The Board is particularly pleased with several of the organization's marketing activities that took place this year, such as travel trade activities that generated $29 million in incremental expenditures, earned media relations activities that resulted in an advertising value equivalency of $65.7 million and social media engagements of over 1.3 million. Of importance is how Destination Ontario's work delivers direct results for tourism stakeholders – over 3.3 million leads to partners.

On behalf of the Board, I want to recognize and thank the dedicated team at Destination Ontario, especially Lisa LaVecchia, President and CEO; the many industry stakeholders who serve on Advisory Committees; and the Ministry of Tourism, Culture and Sport colleagues who provide support to the organization.

Jim Marchbank, Chair

Destination Ontario

MESSAGE FROM THE PRESIDENT & CEO

As President and CEO, I continue to be appreciative and proud of the team that I work with at Destination Ontario. During a year of transition, with a new government in place, it was welcoming to have the guidance of a strategic Board, the support of strong team members and the sound direction from colleagues at the Ministry of Tourism, Culture and Sport.

Entering the first year of our three-year *Strategic Playbook 2018-2021* has been exciting to be able to execute some of our forward-thinking planning. Due to the transition time, some of our planned activities were not fully realized. However, we accomplished several actions beneficial to growing the tourism industry and strengthening our organization for the future.

Destination Ontario continued to deliver strong results for our tourism partners through our marketing and partnership activities. We are pleased that our work with our stakeholders generated significant leads, driving direct economic impact to tourism businesses across the province.

I want to personally recognize and thank our Chair, Jim Marchbank, and our Board of Directors for their support and strategic leadership. I also want to thank our industry partners, those on our Advisory Committees, as well as our partners at-large, Regional Tourism Organizations, destination marketing organizations, sector associations and individual tourism businesses, whose collaboration with us yields strong outcomes for the industry. Finally, I want to thank my team at Destination Ontario for their unwavering work towards growing tourism in Ontario.

Lisa LaVecchia, President & CEO

Destination Ontario

CORPORATE OVERVIEW

In the fall of 2017, the organization announced a new corporate operating name, Destination Ontario. The Ontario Tourism Marketing Partnership Corporation (OTMPC) will continue to be the official legal name of the organization as per Ontario Regulation 618/98 under the *Development Corporations Act*.

Vision
To position Ontario as a preferred global destination.

Mission
To generate increased visitation by Ontario, Canadian and international tourists, enhance tourism expenditures in Ontario, and contribute to provincial economic prosperity through impactful marketing and results oriented investment partnerships.

Mandate
Destination Ontario is governed by Ontario Regulation 618/98 under the *Development Corporations Act*. Its mandate, as provided for in the regulation, is:

(a) to market Ontario as a travel destination;
(b) to undertake joint marketing initiatives with the tourism industry;
(c) to support and assist the marketing efforts of the tourism industry; and
(d) in cooperation with the tourism industry, the Government of Ontario, other governments and other agencies of governments, to promote Ontario as a travel destination.

The following principles support the mandate:

(a) Destination Ontario is to lead the marketing of Ontario as a travel destination nationally and internationally;
(b) Destination Ontario and regional organizations are to work together to market travel within Ontario;
(c) Destination Ontario is to deliver marketing services that contribute to regional and economic development;
(d) Destination Ontario is to become a centre of excellence supporting provincial marketing; and
(e) Destination Ontario is to engage in partnerships to support the above objectives.

ORGANIZATIONAL OVERVIEW

Destination Ontario works cross-functionally amongst all areas of the organization to deliver on our mandate to position Ontario as a renowned tourism destination, while also generating a strong economic impact for tourism businesses. All activities are focused on outputs and outcomes that result in a beneficial return on investment for the tourism industry and the organizations involved.

Destination Ontario is organized under five key areas; the President's Office, Marketing, International Marketing and Industry Relations, Northern Partnerships and Visitor Engagement, and Corporate Services. We work together to ensure the best use of all organizational resources and expertise is applied to all activities and programs.

PRESIDENT'S OFFICE

The President's Office provides executive support to the President and CEO in the operational planning, management and implementation of the agency's initiatives, including corporate communications and management of the Board of Directors and Advisory Committees. As an agency of the Ministry of Tourism, Culture and Sport we regularly liaise with the Ministry.

Corporate communications staff work closely with other areas of the organization to develop and implement targeted, strategic communications and public relations that enhance Destination Ontario's profile and promote tourism's contribution to economic prosperity. This area is also responsible for corporate documents such as the strategic plan, annual business plan and annual report.

MARKETING

Brand Marketing

Destination Ontario's core function as an organization is marketing Ontario as a tourism destination. Destination Ontario builds brand awareness through integrated marketing campaigns within Ontario, across Canada and in priority international markets to promote Ontario as a top travel destination.

As part of our content strategy, Destination Ontario delivers impactful 'Always ON' campaigns that connect travellers with dynamic travel ideas through social channels such as Facebook, Twitter, Instagram, written content, short and long-form video, as well as WeChat and Weibo for China.

Our multilingual consumer website (ontariotravel.net) promotes experiences, festivals, events and travel packages, while also directly connecting consumers to industry partners to book their travel. There are ten country websites as part of the consumer system.

Our corporate website (destinationontario.com) provides the tourism industry with marketing tools, as well as information on Destination Ontario's plans, strategies, programs and partnership opportunities. There is also an array of inspiring Ontario images through an online image database (imageontario.com), for partners and media to access for promotional purposes.

Strategy, Insights and Market Research

Destination Ontario conducts tourism research that provides market intelligence and consumer behaviour analysis to enable Destination Ontario and tourism operators to make informed business decisions, be flexible to changing landscapes and deliver results for tourism businesses. Mobile and digital is massively impacting how visitors dream about, research and plan their travel, so it is even more important now that Destination Ontario develops consumer-centric, relevant and engaging marketing campaigns and content.

Further to developing effective marketing, we must measure our results, understand where we have succeeded and where we must continuously improve and bring value to the consumer. The Strategy and Insights team focuses on measurement, data and insights to inform marketing strategies. This team is responsible for designing in-market tests, agile marketing initiatives and evaluation of campaign effectiveness. Learning is further enhanced by consumer insights like brand health research to further refine our strategies to meaningfully connect with visitors while maximizing value for money.

Creative Services

The Destination Ontario Creative Services team manages all in-house creative work, including managing and creating video content, photography, graphic design and campaign asset development. The team also manages the imageontario.com website and provides assistance to stakeholders interested in using Destination Ontario visual assets.

INDUSTRY RELATIONS AND INTERNATIONAL MARKETING

Partnerships and Regional Relations

As the lead provincial marketing organization, Destination Ontario is uniquely positioned to offer industry stakeholders the opportunity to leverage our programs and activities to market their products, including for example, Indigenous, Francophone and culinary experiences; and to enter into important markets that might be challenging to access on their own. Partners include a broad array of industry stakeholders, including Regional Tourism Organizations (RTOs), destination marketing organizations (DMOs), sector associations, other government departments and agencies, attractions and private sector businesses.

International Marketing

Destination Ontario strategically targets global source markets that show high potential for strong and increased visitation and visitor expenditures. Our priority international markets, in addition to the United States (U.S.), include the United Kingdom (U.K.),

Germany, France, China, Japan, South Korea and Mexico. Destination Ontario's aim is to increase brand awareness and position Ontario as a preferred global tourism destination. Initiatives are often undertaken in partnership with Destination Canada to leverage Canada's national brand recognition and Destination Canada investments, ensuring Ontario's interests are represented in the national story.

Travel Trade

Destination Ontario works closely with travel trade (tour operators, wholesalers and travel agents) in targeted countries abroad to drive sales of Ontario tourism products and experiences. Destination Ontario works with travel companies in key markets (i.e., travel trade) and this is a key strategy we employ for differentiating Ontario from global as well as national competition.

Earned Media Relations

To generate media coverage of Ontario as a must-see destination, Destination Ontario works with members of the travel media in key markets, including journalists, influencers and broadcast media partners. Ontario is highlighted through regular features and broadcast programs, customized media tours, media marketplaces and events to develop positive coverage with targeted and influential media outlets. This generates interest among the outlets' readership/listenership/viewership and social media followers, delivering strong travel results for Ontario.

NORTHERN MARKETING AND VISITOR ENGAGEMENT

Northern Marketing and Partnerships

Destination Ontario has a specific focus on increasing visitation to Northern Ontario. Destination Ontario works with Northern tourism partners to market Northern Ontario's unique experiences and natural landscapes. In addition to marketing Northern Ontario as a destination overall, our marketing focus includes experiences often highlighted by the northern tourism industry, such as, angling, hunting, powersports touring and nature and outdoor experiences.

Ontario Travel Information Centres

Ontario Travel Information Centres (OTICs) provide a welcome to visitors. Operated by travel counsellors, Destination Ontario's OTICs offer visitors valuable and on-the-spot information on travel ideas in Ontario. Two of Destination Ontario's OTICs are located in ONroute service centres along Highway 401, in Bainsville and Tilbury.

CORPORATE SERVICES

The Corporate Services team oversees business operations, financial management, procurement, human resources, legal, facility, and information technology services management for Destination Ontario. This program area is also responsible for business continuity planning in the event of an emergency.

CORPORATE GOVERNANCE

Board of Directors

Destination Ontario is governed by a Board of Directors comprised of business leaders who are appointed by the Lieutenant Governor in Council, based on recommendations from the Minister of Tourism, Culture and Sport. The Minister receives advice on Board membership from the Chair and other interested parties. The volunteer Board Directors do not receive remuneration, though are eligible to claim allowable expenses under Ontario's *Travel, Meals and Hospitality Directive*.

The Directors sit on committees of the Board, including the Executive Committee and the Audit, Finance and Risk Committee. Some Directors also sit on the Advisory Committees as a Board representative.

Executive Committee: Sets priorities and recommends objectives and strategies to the Board.

Audit, Finance and Risk Committee: Reviews financial performance and ensures that effective operating controls are in place.

Northern Tourism Marketing Committee: Serves as a Committee of the Board with representation from northern tourism industry stakeholders. The Committee develops and monitors marketing strategies, tactics and programs for key Northern Ontario markets.

Advisory Committees

Destination Ontario also benefits from advice of industry leaders through three Advisory Committees:

> **Regional Tourism Organization Advisory Committee:** Supports the coordination, collaboration and alignment of RTO and Destination Ontario marketing programs and the Ontario tourism brand.
>
> **Sector Advisory Committee:** Focuses on tourism industry collaboration and promotion of experiences to all markets.
>
> **Marketing Metrics Advisory Committee:** Ensures appropriate performance measures for both Destination Ontario and the tourism industry are in place and reported.

Board of Directors

Jim Marchbank, Chair
Tourism Industry Representative
Sudbury
September 8, 2014-September 7, 2020 (Chair)
September 24, 2008-September 7, 2014 (Member)

Grace Sammut, Vice Chair
Executive Director
Resorts of Ontario
Alliston
August 7, 2013-March 20, 2021

Patrice S. Basille
Executive Vice President & General Manager Brookstreet Hotel
Ottawa
August 15, 2012-November 17, 2018

Michelle Caine
Academic Chair, Hospitality, Tourism and Culinary Arts
Centennial College
Toronto
February 2, 2017-February 1, 2020

David de Launay
Deputy Minister
Ministry of Northern Development and Mines
Toronto
March 11, 2015-March 10, 2021 (retired September 1, 2018)

Peter C. Fullerton
Finance and Audit Industry Representative
Toronto
March 23, 2011-March 22, 2020

Anita Gaffney
Executive Director
Stratford Festival
Stratford
August 31, 2017-August 30, 2020

Donna Hilsinger
Tourism and Hospitality Industry Professional
Sault Ste. Marie
February 2, 2017-February 1, 2020

William Knowlton
Vice President
Jonview Canada
Toronto
October 25, 2012-October 24, 2018

Leslie Krueger
Executive Director
CloudRaker
Toronto
August 29, 2012-August 3, 2019

David Kuo
Head of Branch Network - Ontario
HSBC Bank Canada
Toronto
October 20, 2010-October 19, 2019

Allan Luby
President, Captain
Lake Navigation (Kenora) Ltd.
Kenora
June 27, 2007-October 4, 2019

Minto Schneider
CEO
Waterloo Region Tourism Marketing Corporation
Kitchener
September 13, 2017-September 12, 2020

Leslie Smith
Tourism and Hospitality Industry Representative
Toronto
January 9, 2013-January 18, 2020

Gregory Treffry
Communications/Media Industry Representative
Toronto
February 9, 2011-March 21, 2020

Chris Williams
Vice President, Digital
Association of Canadian Advertisers
Toronto
February 2, 2017-February 1, 2020

Hua Yu
Managing Partner,
Level5 Strategy Group
Toronto
August 17, 2017-August 16, 2020

STRATEGIC DIRECTIONS

Strategic Playbook 2018-2021

In spring 2018, Destination Ontario released its *Strategic Playbook 2018-2021*, a new three-year strategic plan for our organization. Fiscal year 2018-19 marked the first year of the new three-year plan. The following outlines key highlights of Destination Ontario's *Strategic Playbook 2018-2021*.

Objectives

- Grow visitor volume and expenditures from Ontario's priority markets
- Work across the industry through content and partnerships
- Build a strong Ontario brand and regularly measure its impact
- Provide content that visitors want and need

Strategic Priorities

1) Visitor First Marketing

Destination Ontario will start with an empathetic understanding of the traveller's needs, interests, planning and purchase behaviour. We will focus marketing campaigns on inspiring consumers through their passions and interests. We will inspire travel to and around Ontario and focus investment on highest return markets. We will have modern marketing campaigns informed by data and analytics. Emerging technology and marketing trends will inform the mediums that we market in and activities we undertake.

2) Re-defining Partnerships

Destination Ontario will lead partners toward mutual success and provide value to our tourism partners. In the international markets, we will leverage the Canada brand and Destination Canada's work internationally to put Ontario first and drive economic impact. We will also lead Ontario stakeholders looking to access new market opportunities internationally.

3) Strong Research, Strong Outcomes

Destination Ontario will continue to develop a holistic research approach and improve how data is mined to incorporate insights into strategic planning and in all marketing activities across the organization. We will strengthen advertising impact tracking and investigate and adopt new, innovative measurement tools. Additionally, we will further enhance understanding of the consumers' path to purchase. We will have strong value-for-money evaluation practices and focus on campaign performance, insights and investment**.**

4) Dynamic Organization

Destination Ontario will connect, lead and inspire a team approach within our organization and across the industry. We will be nimble, adopt a culture of ongoing program evaluation and regularly evaluate program performance.

ACTIVITIES AND ACHIEVEMENTS

In spring 2018 a provincial election took place, followed by the introduction of a new government in June 2018. As the new government went through a transition period, a number of Destination Ontario's planned activities were not fully realized over 2018-19 and Destination Ontario adjusted its plans accordingly.

Activities continued to be focused on growing tourism visitation and increasing expenditures through targeted marketing campaigns, media relations, travel trade activities, joint marketing and partnerships opportunities, consumer information services, visitor services, market development education, and consumer insights from market research. Destination Ontario's base allocation for the year was $37.97 million.

PRESIDENT'S OFFICE

President's Office

Throughout 2018-19, the President's Office was the organization's lead through the new government's transition time. This included the preparation and presentation of key briefing materials, information notes and required transition information. The President's Office worked closely with the Board of Directors, Destination Ontario's senior management team, and the Ministry of Tourism, Culture and Sport to demonstrate Destination Ontario's value as an organization. This included our unique position as the marketing lead for Ontario tourism, our capacity to deliver strong results and our collaborative efforts with partners.

Board of Directors/Advisory Committees

Destination Ontario's Board of Directors met four times throughout the year to provide advice, strategic direction and oversight related to agency activities. A significant part of the Board direction this year was their important input through the new government's transition time. In recognition of the new government's direction to identify and improve efficiencies across government, the Board of Directors held one meeting through a webinar format, as well as implemented reductions in meeting expenses.

The Advisory Committees continued to serve an important role in providing guidance and strategic feedback to Destination Ontario on its activities and programs.

BRAND MARKETING AND STRATEGIC INSIGHTS

Ontario Market Spring/Summer 2018 Co-marketing Partnerships

Destination Ontario developed and executed collaborative co-marketing partnerships for the Ontario and U.S. markets, leveraging the Ontario brand's creative platform. The objective was to get Ontarians to be aware of and interested in experiencing the unique travel offerings throughout the province while creating value for partners through creative development, leveraging Ontario's creative platform, lead generation to partners and matched media investment.

This activity was cost-shared (matching) and collaboratively developed with partners, primarily RTOs. With the goal of raising the profile of tourism products, experiences or destinations with campaigns that were aligned to the Ontario brand, media utilized was a mix of digital, video, radio, influencers, paid broadcast television and public relations. Destination Ontario executed individual co-marketing campaigns with RTOs 1,2,4,5,6,10,11, as well as with Resorts of Ontario, Attractions Ontario, and the St. Lawrence Parks Commission.

The co-marketing partnerships delivered strong results, meeting or exceeding almost all pre-determined and agreed-to metrics and generating an output of over 560,000 leads directly to RTOs and industry partners. Partner feedback was resoundingly positive.

Ontario Market Winter 2019 Campaign

Between January and March 2019, Destination Ontario developed and executed a marketing campaign to promote Ontario's winter products and experiences. The campaign business objective was projected to achieve 700,000 leads directly to tourism businesses in Ontario. The marketing objective was to increase discoverability and connection with Ontario experiences through a visitor first marketing approach, targeting the Ontario market leveraging a passions strategy. Specifically, the focus was to get Ontario adults (couples, families, friends) to book one additional overnight getaway this winter.

The media objective used different elements:

- Dream: upper funnel awareness tactics (video)
- Plan: mid-funnel consideration tactics that drive to passion pages on ontariotravel.net (banners, social, video)
- Act: direct to business conversion tactics driving consumers to businesses websites (native, social, banners)

Destination Ontario utilized different media to promote the campaign including:

- Television: OMNI 15 second multi-language (24 languages)
- YouTube, Facebook and Instagram video (English and French)
- Facebook, Google and Yahoo ads (English)
- Facebook Blog post (French)

There were three categories of passion themes matched to audience personas and products and each were staged to be in-market during different dates throughout the winter months of January to March 2019.

Passion Theme	Persona	Interest	Product	Demographic
Bragworthy Outdoors	Adrenaline Seekers	These are lovers of the outdoors regardless of the elements. They want to feel the rush and challenge of something new.	ice fishing, snowshoeing, snowmobiling, fat biking, winter camping, snow kiting, ice climbing, etc.	21+ yrs. old
I ♡ Outdoor	Family Social Director	Mom and/or Dad are all about creating memories for the whole family by embracing the (soft) outdoors in winter.	skating/skate trails, snowtubing, downhill skiing/x-country skiing/snowboarding, family resorts	25+ yrs. old with children
Relax & Unwind	Zen Seekers	This year is all about wellness and self-care. These Zen seekers want to rest, relax and recharge.	spas, retreats, resorts, girls' getaways	21+ yrs. old

With inspiring content and cohesive creative messaging throughout the consumer funnel, Destination Ontario generated an output of 2.14 times more leads to industry partners than the campaign goal.

The topline results of the campaign are:

- Dream: over 40 million completed video views (23.9 million completed video views of the 15 second video) – 3.6 times the campaign target
- Plan: over 1.2 million clicks on ads – 3.4 times the campaign target
- Act: over 1.5 million leads to partners – 2.14 times the campaign target

Multi-market Campaigns - Paid Search Strategy

Search plays an important role in promoting the destination when consumers are searching for travel experiences and provides content that focuses on the consumer's mindset. Destination Ontario's paid search campaign included Ontario, Canada, U.S., France, Germany and the U.K., Mexico, Japan and China.

In 2018-19, this search campaign generated over 980,000 visits to ontariotravel.net and over 307,000 leads to industry partners. Paid search represents 22.4% of all visits to the

website and 31.8% of all leads to partners from ontariotravel.net. The cost per lead for paid search was 25% lower and converted two times as many leads, delivering a strong return on investment for this marketing tactic.

Content Marketing – Social Media
Destination Ontario used social media channels to drive content marketing focused primarily on the Ontario market. The business objective was to increase social advocacy by 4.1%, generate an increase in link clicks of 14%, contributing to the 2.2 million leads to tourism businesses and grow the @OntarioTravel social community (Facebook, Instagram, Twitter and YouTube) by 6.3%. We aimed to provide value to visitors by providing the right stories for the right people at the right time, increasing our community sentiment by 2%.

Destination Ontario's marketing objective was to showcase Ontario as an inspiring travel destination, by creating and distributing authentic, inspirational, actionable, and targeted content to build relationships with potential travellers.

Media utilized included:

- Influencer Programs
- In-House Paid Promotion
- UGC Curation
- Blog Promotions
- Direct to Partner Promotions

Destination Ontario's investment in content marketing was $150,000 which generated strong output and outcome results and garnered a sound return on investment. Highlights of the results include:

- 1.3 million actions of social advocacy (8.3% increase)
- 60,000 community growth (10% increase)
- 843,000 link clicks - visits and leads (23% increase)
- 90% positive community sentiment (1% increase)
- 58% average Instagram Story retention rate (11% increase over the course of Q1 to Q4)
- A weekend-first strategy around people within driving distance to a destination (excluding those within a one-hour radius) produced leads for partners, and value for consumers
    - Leads: close to 20,000 leads were generated to 3rd party blogs featuring ideas for weekend getaways
    - Sentiment Analysis: over 12,000 engagements, total. As a sentiment sample, a Toronto brunch post indicated highly positive sentiment with 88% of commenters tagging a friend and indicating intent to travel
- Timely, wow-factor and image based was the formula for success on organic Facebook posts that consumers received with positive sentiment and signals of intent

        - As our top two most organic “loved” on Facebook, these posts also generated a total of 10,000 link clicks
- Instagram was the strongest channel for consumer actions of advocacy and growth
    - 66% of new fans were on Instagram
    - 80% of all actions of advocacy were on Instagram.
    - Average organic engagement per post was:
        - 4,000 per post
        - 501 on Facebook and
        - 134 on YouTube
- Refining Instagram stories to align with our visitor first focus generated five key story themes, which generated over 7,000 organic leads and over 55,000 consumer actions within the story environment

As part of Destination Ontario’s content marketing on social media, we implemented a community management plan to: manage comments and responses, provide customer service, connect with our community, build relationships, create value for our followers and mitigate unforeseen issues. We regularly maintained daily moderation of organic and paid social posts on all channels. This included responding to consumer questions and comments with relevant answers providing travel planning and inspiration. One-on-one moderation included Facebook Messenger, Instagram Direct Message, Twitter Direct Message and emails sent through Destination Ontario’s consumer website.

Hub Video
Storytelling has changed, and with the evolution of digital/social video we now have the ability to inspire action, create advocacy and drive passionate travel across Ontario. Responding to this evolution, Destination Ontario prioritized creating valuable story-based video in-house. The stories we tell include:

- Visual Itineraries - a complete day for the consumer
- Features - unique, interesting, bragworthy experiences across Ontario. They come in three forms: 1) Featured experiences 2) Featured regions 3) Featured products
- Blog Features - bringing our written blog content to life
- Promotional - timely relevant content showcasing events across Ontario

These efforts resulted in an output of 1.6 million video views and 33,000 likes, comments and shares

Written Content
Destination Ontario also focussed on written content that spanned the breadth of Ontario product themes and were targeted at diverse audience segments. This included:

- 54 blogs produced in English and French for ontariotravel.net, forming a key component of promoted social content

- 148,000 story views that generated 19,000 leads to partners
- 20 direct-to-partner content promotions that generated 41,000 leads to partners

United States Market

Between January 1 and December 31, 2018, Destination Ontario partnered with Destination Canada targeting U.S. markets accessible by a short-haul flight, with a focus on New York City, Chicago and Philadelphia. Destination Ontario's $500,000 investment was matched 1:1 by Destination Canada. The program utilized the combined $1 million budget to produce and distribute Ontario-specific digital content with major U.S. publishers such as, *The New York Times* (written content), *The New Yorker* (written content), *The Washington Post* (video and written content) and *National Geographic* (video and written content). Key results include outputs of 436,000 article views, 6.6 million video views and an outcome of 21,000 leads to industry.

Overall based on Destination Canada's results from the Longwoods International Ad Tracking Study and Statistics Canada International Travel Survey spend data, the partnership with Destination Canada – including a combined $2 million investment by Destination Ontario, Tourism Toronto, Ottawa Tourism and the Tourism Partnership of Niagara – generated 97,000 incremental trips to Ontario, resulting in about $59 million in visitor expenditures.

U.S. Digital Campaign Pilot

Destination Ontario undertook a pilot project to gain insights about our U.S. markets of interest. The insights will help inform the 2019-20 U.S. marketing strategy to better understand travel motivators and interests in Ontario experiences to help build a meaningful connection with a tailored content.

The campaign included advertising in Facebook and Instagram driving web traffic to 11 pieces of long-form content (three ontariotravel.net blogs, four northern portal blogs, four third-party articles). Through the four-week campaign we reached 8.3 million people. The results have been useful, and we will continue to analyze the data.

Creative Services

As part of our commitment to the traveller and the industry, Destination Ontario in collaboration with tourism partners work together to capture our tourism products to enhance our collective ability to capture the province in stunning video and photography. Through imageontario.com, we offer an image distribution library with a collection base of more than 25,000 images. Destination Ontario continued to contribute to building the collection of visual assets this year.

Destination Ontario focuses on research and incorporating insights into strategic planning in all marketing activities across the organization. The focus of our approach in 2018-19 included:

- Strengthening advertising impact tracking and adopting new measurement tools
- Establishing strategic marketing planning initiatives to enhance our understanding of the consumers path to purchase

- Ensuring that all marketing activities and programs start with stronger insights and a strong value-for-money evaluation that focuses on campaign performance, insights and investments
- Evaluating our activities through data and dashboards customized to each initiative

Strategic Planning and Insights
The following is a summary of the strategic planning and insights initiatives established in 2018-19:

Measurement Plans
- Developed and implemented defined measurement plans for each marketing and co-marketing campaign
    - The measurement plan established campaign targets aligned with the consumer journey with targets defined using benchmarks
    - The measurement plan allowed us to set targets for performance, create a visual summary of results with a dashboard, maximize learnings at each consumer journey touchpoint and create a roadmap for future campaigns based on business objectives

Projection Model
- A predictive model helps Destination Ontario make strategic business decisions based on anticipated initiatives and outcomes
    - We defined a projection model with data sources from all lines of business to set better business objectives and develop targets. The 2018-19 results will provide targets for 2019-20 marketing planning

Scorecards
- Defined reports to communicate, track and measure our progress towards our strategic targets. The scorecards allow us to communicate our business goals and monitor progress towards strategic targets, align the team's day-to-day work to the broader strategy, offer visualized outcomes against different phases of the consumer journey and optimize and adjust marketing campaigns as needed for optimal performance and results

Cross-Organizational Database
- Established a framework for development of a cross-organizational database which allows us to integrate data from different project areas with one database under a robust structure. This helps us make data driven decisions to:
    - Identify opportunities for collaboration and organizational synergies
    - Track performance of projects through business intelligence tools and provide recommendations
    - Store, analyze and provide insights organization-wide and for specific project areas
    - Analyze and visualize data to create success stories and learnings for future campaigns and projects

Passion Personas

- Took a passion persona approach to targeting consumers more effectively, offering products to attract, delight and keep intriguing people with inspiring content based on their interests and motivations
    - A persona represents a group of individuals that share common interests, values, motivations, and behaviours, based on data about them
    - Approach considered 'micro-moments', intent-rich moments when a person turns to a device to act on a need-to know, go do, or buy *(Google)*
    - Knowing what to tell audiences and when to tell them, will allow us to seize the micro-moments to ultimately shape how that journey ends in consumers choosing Ontario as their travel destination

Mix Media Model

- Initiated a mixed media model analysis using historical information for various media, web visits, etc. to understand and quantify the effectiveness of each of the marketing tactics and investment levels in contributing to marketing campaign objectives. The learnings will be incorporated to 2019-20 marketing strategies and tactics

Tools And Technology To Improve Effectiveness

- A number of new tools were adopted including: Power BI, an interactive data visualization tool for dashboards; Facebook Creative Hub to collaboratively develop and share creative mock-ups and test on platforms; utilization of Google Trends to analyze the popularity of top search queries across various regions and languages for seasonal impact and trending topics; Google Invite Studio, offering insights into travel specific destination search queries; and, Google Audience Manager Insights to better target potential customers with specific interests, intents, and demographics

INDUSTRY RELATIONS AND INTERNATIONAL MARKETING

Industry Relations

Destination Ontario implemented ten collaboratively developed and cost shared co-marketing partnerships with tourism industry stakeholders including Regional Tourism Organizations, sector associations and private sector operators. These campaigns were all aligned to the Ontario tourism brand and involved collaborative planning and development. Through these collaborative marketing campaigns, Destination Ontario leveraged $723,500 in cash contributions. The campaigns' outcomes met or exceeded pre-set performance targets and all together drove over 560,000 business leads to industry stakeholder partners.

Examples of co-marketing partnerships included a multi-media campaign with Regional Tourism Organization Four (Huron, Perth, Wellington and Waterloo region) into southern Ontario to promote the Elora-Fergus area to couples in the fall season; a

digital campaign with a private sector company in Niagara Falls to drive traffic to their website to purchase tickets for the April and May tourism season; and a multi-media campaign to promote cultural festivals and events in Mississauga over the summer period. All partners indicated they were pleased with the results.

> *"Overall, we found the co-marketing partnership to be very successful, highlighting the unique aspects of our region. Working with the Destination Ontario team was highly effective, and the marketing tactics resulted in metrics way above expectations. Furthermore, our team was able to use a lot of the learnings and expertise in our own marketing strategy moving forward."*
>
> - Julie Mulligan, Marketing Manager, Ontario Highlands Tourism Organization
>
> *". . . it was a great experience to be part of this successful campaign and a pleasure working with everyone. Thank you to everyone at Destination Ontario who helped before, during and after the campaign. . . so thank you!"*
>
> - Ashley Travassos, Tourism Coordinator, City of Mississauga

Throughout the year, the Partnerships and Regional Relations team tracked over 2,900 engagements with stakeholders by staff across the organization. The team also generated over $851,000 in revenues associated with paid advertising and co-marketing partnerships.

Additionally, Destination Ontario partnered with:

- Festivals and Events Ontario to produce more than 225,000 copies of the Festivals and Events in Ontario guide which are distributed province wide;
- Attractions Ontario to produce and distribute more than 725,000 copies of the Attractions Ontario Passport magazine and coupon book throughout Ontario resulting in over 48,000 coupons redeemed generating $1.5 million in revenues;
- Resorts of Ontario for print and digital advertising to Ontario consumers which generated over 21,000 leads to resort operators with an estimated return on investment of over $600,000 in sales to resort members; and
- The Tourism Industry Association of Ontario (TIAO) for the implementation of the 2018 Ontario Tourism Summit in Windsor in October 2018, which saw over 400 industry stakeholders attend and 72% indicating a likelihood to attend again in 2019.

Partnerships with Ministry of Tourism, Culture and Sport and Government Agencies

Destination Ontario worked with our partner Ministry colleagues and government agencies to promote tourism, culture and sport offerings. In 2018-19, four Ministry agencies leveraged Destination Ontario marketing opportunities including Royal Botanical Gardens, Niagara Parks Commission, Fort William Historical Park and Huronia Historical Parks. This was in addition to the partnership with St. Lawrence

Parks Commission in the production and media purchase associated with their television campaign.

Tourism Industry Partners Program
The Tourism Industry Partners Program is an application-based transfer payment grant program that provides funding for campaigns that market Ontario destinations and tourism experiences to consumers in markets outside of Ontario. The campaigns are led and funded by a consortium of partners, must have strong potential to generate an incremental increase in tourism visitation and revenues.

Fourteen applications were approved for a total of $772,000. Approved consortiums reported that over 80,700 overnight packages were sold, with an average stay of over 1.5 days for visitors from Canada and the U.S.

Educational Outreach
Educational outreach also took place to industry partners on topics such as marketing internationally and working with travel trade; and how to align to Destination Ontario's brand platform and incorporate the brand into marketing activity that stakeholders undertake alone. All together 135 industry partners participated in these instructional webinar engagements.

Destination Ontario also developed informative one-pagers that were distributed at the Tourism Industry Association of Ontario conference as well as being available for download on our industry facing website, destinationontario.com. The one-pagers provide information on the organization and areas of work as well as a market snapshot on each of the international markets we focus on, providing information on visitation and expenditure, travel trends, our approach and results.

International Marketing
International travellers are a high-yield market for Ontario’s tourism industry. These visitors stay longer and spend more per visit than domestic travellers, accounting for 38% of Ontario’s visitor expenditure (*Source: Statistics Canada, Total visits and spending by origin 2016*).

Destination Ontario’s efforts directly resulted in over two million leads, $29 million in estimated incremental direct expenditures in Ontario and over $65 million in advertising value equivalency.

Travel Trade & Earned Media Relations
Through travel trade activities and earned media relations, Destination Ontario drives increased visitation and expenditures from important international markets. Travel trade includes tour operators and travel planners who focus on packaging, promoting and selling leisure travel to escorted groups and individual travellers. Earned media relations is a proven tactic for attracting tourism visitors. Destination Ontario partners with local businesses to be featured in travel stories and ensures that travel to all areas of the province is promoted, drawing visitation and expenditure to Ontario; resulting in direct revenues for tourism businesses.

Across our markets of priority, (U.S., U.K., Germany, France, China, Japan, South Korea and Mexico) Destination Ontario's activities included consumer campaigns to increase awareness and drive bookings; working with travel trade to expand our audience, introducing new Ontario product and regions and converting interest to sales; and working with media and influencers to increase awareness of Ontario's many travel products and experiences.

Travel Trade Results

An output of over 3,100 agents from targeted international travel companies were trained on Ontario product and 47 new Ontario products being offered as part of promoted trips to Ontario was achieved. Across all markets, as a direct result of joint marketing initiatives with targeted travel companies, an additional 46,300 trips to Ontario were directly booked with trade company partners, generating over $29 million in estimated incremental expenditures in Ontario. Examples include:

- A comprehensive joint promotion project with the world's largest and most innovative creator of experiential learning opportunities based in the U.S. that included the opportunity for Ontario stakeholders to participate in product development workshops; the introduction of two new products, as well as broader promotion of selected Ontario itineraries. Destinations featured included: Sault Ste Marie, Manitoulin Island, Midland, Windsor, Niagara Falls, Toronto, Ottawa, Kingston and Thousand Islands, the Rideau Canal, Niagara on the Lake, Leamington, Chatham and Simcoe. Destination Ontario contributed $40,000, which was matched, the initiative resulted in 2,100 travellers to Ontario, generating an estimated $1.4 million in estimated direct local expenditures.
- One joint promotion initiative with a key travel company in Japan focused on a newly developed gourmet food tour featuring the Niagara region. Promotion was executed through online banners, influencer content in the travel company's widely circulated magazine and on their booking website. For the modest $8,500 that Destination Ontario invested to promote this specific new tour, and that the company matched, there were 122 passengers who stayed two nights in Niagara, translating into an estimated $61,000 in direct expenditures.
- A small pilot joint promotion with a leading travel company in Germany to test interest in a three-day winter stay in Toronto and area as a pre- or post-ski trip to western Canada. Destination Ontario leveraged the travel company's e-newsletters and Facebook advertising to drive leads to the package add-on option. Destination Ontario contributed $3,500 which translated into over $17,500 in local direct expenditures. The success of this pilot demonstrated to industry that winter in Toronto is a viable/sellable product in the Germany market and will be leveraged in future years.

Earned Media Relations Results

International earned media relations performance targets were exceeded, with an estimated Advertising Value Equivalency (AVE) of $65.7 million. In accordance with a Ministry of Tourism, Culture and Sport innovation award-winning and proprietary quality rating system, overall quality of results were high. Achievement examples include:

- A feature on Stratford Theatre Festival 2018 season in the U.S. based publication “NY1” that reached two million homes/businesses in New York City and the Tri-state area and achieved AVE of $41,100.
- A print and digital article assignment “Discovering Canada’s Best-Kept Secrets” for The Times (U.K.), featuring Toronto, Tobermory, Manitoulin and Killarney. West Jet provided partnership on flight costs. The outcome achieved over 1.6 million impressions, and AVE of over $100,000.
- A U.S.-based influencer video assignment for AOL.com, MSN.com featuring Manitoulin Island and focused on discovering Indigenous culture and experiences with Great Spirit Circle Trail that resulted in 2.7 million impressions, an AVE of $69,700 and was also picked up by Air Canada for enRoute programming.
- A two-article assignment for National Geographic Traveller (China). One 16-page article in August that featured Ontario Road Trip Experiences; and another eight-page feature in October, together covering Ottawa, Haliburton, Muskoka, Parry Sound, Sault Ste Marie. Together they achieved a reach of 1.9 million, an AVE of $2.4 million.
- A six-page article in the “The Style Guide” (Mexico), a luxury consumer lifestyle magazine from the iconic Andares shopping district/centre in Guadalajara that is distributed to its targeted VIP high-end consumer mailing list, as well as nationally throughout Mexico’s high-end districts. Reach of 35,000, AVE of $24,400 with the content highlighting the Niagara-on-the-Lake wine region, with mention of partners such as Peller Estates Winery, Inniskillin Winery, Ravine Vineyards, the Shaw Festival and Fort George.

Leveraging Destination Canada

To inspire the global traveller and convert interest into travel bookings, Destination Ontario works in partnership with Destination Canada to leverage the global recognition of the Canada brand and Destination Canada’s significant investments and resources in key markets internationally, while ensuring that Ontario is recognized as a renowned travel destination within Canada. Destination Canada matches partner investments in their programs. Focussing on international travellers has direct benefits to Ontario tourism businesses, including:

- international travel patterns are not focused around weekends and can help to level out seasonality challenges;
- spreading business across different geographic source markets mitigates risks/dependency on one source market; and
- booking lead times are typically longer, allowing for better business planning.

In 2018, Destination Ontario leveraged Destination Canada to execute consumer marketing campaigns in the U.K., Germany, France, China, South Korea, Japan and Mexico. These campaigns took a multi-channel approach, leveraging publisher platforms and social channels and resulting in article and video views and leads to Destination Ontario’s international websites, Ontario destinations and operator partners, as well as to tour operators featuring Ontario itineraries. Altogether, the consumer campaigns drove an output of over two million leads. Examples include:

- The campaign in China, which saw 17 Ontario-specific video content pieces that generated over 22 million views and ten high performing Ontario-specific social posts that achieved over 13 million impressions and achieved 5,460 social engagements (likes, shares, etc.) and total leads of 165,420.
- The campaign in Germany, which saw 38 pieces of Ontario-specific content, achieving 212,000 views and 2,600 leads, in addition to two National Geographic pan-Canada content pieces that featured Ontario and achieved an additional 14,600 views and 9,450 leads. The campaign also featured 11 Ontario-specific video content pieces, which saw 1.87 million 75% competed video views.

Destination Ontario leveraged its partnership with Destination Canada on earned media initiatives and the travel trade. Examples include:

- A partnered earned media activity was the development of a two-page article on Niagara's wine region with a special focus on icewine that was featured in GQ Magazine in France. This print article achieved a reach (readership) of 568,000 and an AVE of over $61,000.
- A four-episode Korean TV Game Show feature (Battle Trip) that featured Korean celebrities experiencing natural wonders and small-town charms of Ontario in Niagara Falls, Kingston, Thousand Islands, St. Jacobs and Sault Ste Marie. Potential impressions of over 40 million and AVE of $25.6 million.
- Through a partnership with Destination Canada in Mexico, a targeted travel company created and promoted six new 4-12-nights Ontario summer and winter program itineraries that included Ottawa, Blue Mountain, Algonquin Park, Toronto, Keene, Belleville, Haliburton and Huntsville. Room nights and estimated direct expenditures will be reported in 2019-20.
- Through a partnership with Destination Canada in the U.K., a targeted travel company created and promoted a new 12-night Ontario winter itinerary that included Ottawa, Blue Mountain, Minett, Toronto and Niagara-on-the-Lake. This new itinerary is in addition to their existing tourism product offered in Ontario. The initiative achieved incremental 72 passengers specifically on the new itinerary and a direct estimated expenditure of over $105,000.

In-Market Business to Business Sales Programs

Through coordinating and executing In-market Business to Business Sales Programs in key international markets, Destination Ontario leverages international travel companies to increase tourism visitation and expenditures in Ontario and broaden the products, experiences and destinations that international travellers experience in Ontario. These involve leading Ontario stakeholders to high potential source markets and facilitating business between these stakeholders and targeted international travel companies.

In 2018-19, Destination Ontario executed four In-market Business to Business Sales Programs, including to the U.S., U.K., China and Japan, altogether leading 49 Ontario stakeholders. Over the course of the program, this resulted in one-on-one in-market business development meetings with an output of 200 targeted travel company decision makers, as well as an output of 1,468 travel agents trained on Ontario products.

Incremental visitation and expenditure outcomes from this activity will be realized later in 2019, resulting from the sale of new product itineraries and joint marketing programs.

Rendez-vous Canada

Rendez-vous Canada (RVC) is an annual signature tourism marketplace, where representatives from international companies that sell travel to Canada connect with Canada's tourism industry partners during four days of meetings and networking opportunities. The event is co-managed and produced by Destination Canada and the Tourism Industry Association of Canada. The event represents the most significant annual opportunity for Ontario tourism businesses (attractions, tours, accommodations, resorts, wineries, etc.) to sell experiences to international travellers, driving increased visitation and expenditures, to grow our economy. Approximately 1,900 delegates take part in RVC, comprised of tourism businesses from across Canada and about 600 delegates from travel companies from 30 countries around the world. Destination Ontario takes a leadership role and coordinates the participation of Ontario stakeholders each year. RVC2018 was held in Halifax, NS and saw a strong representation of Ontario suppliers, an engaging trade event presence and impactful, pre-scheduled business meeting.

Together with Tourism Toronto, Destination Ontario will co-host RVC 2019, taking place in Toronto in May. The immediate estimated economic impact of hosting RVC in Toronto is $3.6 million and the estimated future business to Ontario's tourism industry generated from meetings conducted during the event is estimated to be over $90 million. As co-hosts, Destination Ontario is responsible for coordinating the participation of Ontario seller delegates. In 2019, there is a record number of Ontario sellers represented. There will be over 150 sellers, with 16 first time participants. Through-out the year, Destination Ontario delivers training, education and mentoring for Ontario destinations and businesses that are looking to became export ready so that they will be prepared to participate in our international programming, including RVC.

Canada-China Year of Tourism

2018 was the Canada-China Year of Tourism (CCYT), a bilateral federal government initiative to increase tourism between China and Canada. Destination Ontario leveraged Destination Canada's activities, such as an Ontario presence at a series of Canada pop-up events and provision of compelling Ontario travel content for the dedicated CCYT website. As well, Destination Ontario capitalized on the profile of CCYT through content on the Destination Ontario china website and social channels; and by executing a consumer event in partnership with two key travel companies in China to increase awareness of Ontario as a travel destination and stimulate interest in booking a trip; as well as by working with travel companies to develop CCYT specific trip itineraries for promotion throughout 2018. For example, Guangzhou DISTA International Travel and Total Travel International promoted 10 itineraries featuring 4-5-nights in Ontario which resulted in output sales to 1,383 visitors, resulting in $1.05 million in estimated direct visitor expenditures.

NORTHERN MARKETING AND VISITOR ENGAGEMENT

Outdoor Adventure

The Outdoor Adventure program effectively promoted fully outfitted, guided and/or lodge-based paddling, cycling and trail experiences through a content-based strategy. Through the development of quality content, social media channels, a robust influencer program, media familiarization tours and the Canadian Canoe Culture campaign, we targeted consumers that will grow visitor volume and expenditures from priority markets (Ontario and U.S. border states). Through Destination Ontario campaigns, we generated results in qualified leads focused on overnight guided, fully outfitted and/or lodge-based adventures. The program results include leads to directly to Destination Ontario, partners and/or operator websites, phone enquiries, use of trip planning tools, and any other channels that demonstrate an intent to book.

Results included online and print (*Paddling Magazine)* stories that generated 1.5 million page views of 27 stories. These stories were complimented by double-page or full-page ads, also receiving 1.5 million page views. 3.7 million impressions were generated for digital display and ad views. Campaign tracking continues until end of May 2019.

The outdoor adventure page on ontariotravel.net was also a strong performer, resulting in 597,417 page views, a dramatic increase of 250% over the previous year. A contributing factor for this includes the awareness generated from the winter brand campaign. The output of these page views resulted in an outcome of 43,948 leads to partners, an increase of 38%.

On the Northern Portal (northerontario.travel), the outdoor adventures, paddling and cycling pages had a combined 253,711 page visits, up from 157,000 in 2017-18. These results for website visits generated an output of 44,171 leads to operators. With 40 stories uploaded in Q4, tracking leads will continue into new fiscal year.

Destination Ontario partnered with Ontario by Bike for two consumer shows, one in Montreal and the Toronto Outdoor Show. Reports demonstrate high engagement with consumers for biking opportunities in Ontario.

A Canadian Canoe Culture Awareness Campaign in the U.S. was executed, targeting paddling enthusiasts in U.S. border states who want to explore nature as an escape from the daily grind. Whether they are seeking a calm, tranquil route or the action of paddling in rapids, the campaign speaks to the epic paddling product available in Ontario. Destination Ontario connected to paddling enthusiasts through visually stunning landscapes to explore, leveraged visuals that showcase the perfect combination of exploration and peacefulness and established Northern Ontario as a premiere paddling destination. The campaign targeted both Illinois and Michigan residents. From the social media side, impressions for both targets combined was 8.6 million, with 1.3 million unique individuals in Michigan and 1.2 million in Illinois. The campaign results include over 1.6 million complete video views with over 2.5 million impressions for both the six second and 22 second videos.

Angling and Hunting
The Destination Ontario Angling and Hunting program continued to build on partnerships with lead influencers in Ontario and the U.S. The program generated 66 television shows and 48 radio shows featuring 114 different lodge/resort properties. To date, 61 television shows have aired once with 29 operators to date reporting a total of $458,000 in sales with the first airing of the shows. The remaining five shows will be aired after March 31st and likely will generate further sales. Tracking will be ongoing with shows, aired a minimum of twice before also going into a re-run format and being posted online.

New for this year, Destination Ontario incorporated all of the television media reporting on social media traffic based on posts driving to Ontario operators, to ontariotravel.net and their Northern Portal stories, the total social results are as follows:

- Number of Facebook posts: 800,000+
- Impressions: 5.9 million
- Reach: 6.3 million
- Post clicks: 268,000
- Engagement: 275,000 *(This number performed well above the advocacy rate benchmark of 0.5%)*

The angling and hunting pages on ontariotravel.net had a combined visitation of 398,456, an increase of 13% when compared to the previous year and surpassing our target of 367,000 visitors. With an outcome of 46,125 leads to partners this is an upsurge of 40% when compared to the previous fiscal and beating our target of 29,000 leads by over 17,000.

On the Northern Portal, the angling and hunting pages surpassed a target of 302,000 visits, by successfully increasing traffic by 24%. Traffic counts reached an output of 356,000 resulting in an outcome of 30,065 leads to operators from these two areas. Ninety-six stories were developed for the Northern Portal from influencers that included all television media. Each story had a minimum of three high-quality photographs submitted for uploading onto the Northern Portal.

New Avid Angler Campaign
With an aging demographic the New Avid Angler Campaign is engaging younger families, whose parent(s) have fished as a child but have not engaged in this sport as an adult. The Angling program is targeting this younger demographic in an effort to build a new generation of avids. These ‘lapsed anglers’ are being targeted for this first year in the Greater Toronto Area through social media channels and influencers. Results are still pending while the campaign is underway.

GoFish in Ontario Facebook Page

	# of posts	Followers	Impressions	Reach	Post clicks
2018-19	342	48,410	1,869,795	1,478,073	21,736
2017-18	220	44,824	1,647,703	1,220,671	12,884
Change	Up 45%	Up 8%	Up 12%	Up 18%	Up 68.71%

Destination Ontario participated in the Toronto Sportsmen's Show in partnership with Northern partners. Destination Ontario was able to target an engaged audience of visitors by highlighting angling and hunting experiences in Ontario. A major draw for visitors to come to the Destination Ontario booth included meet and greets with television media personalities from *Fish'n Canada*, the *New Fly Fisher Show*, *Extreme Angler* and *Canada in the Rough*. New this year was the live radio broadcast of the Fan590 *Fish'n Canada Outdoor Journal Radio Show* on the busy Saturday morning. The radio show included guest interviews with the Honourable Michael Tibollo, Minister of Tourism, Culture and Sport and Honourable John Yakabuski, Minister of Natural Resources and Forestry who promoted messages about Ontario's tourism offerings.

Powersports Touring

Destination Ontario's Powersports Touring program, represents motorcycle, snowmobile, all-terrain vehicles, boating and RV touring. This program successfully focused on the development of online content and social engagement. This year, 85 stories were published, and 40 resource articles were updated, resulting in 877,000 visitors to the powersports areas on the Northern portal (boat, RV, motorcycle, snowmobile and ATV sub-portals). The output of these visits resulted in an outcome of 214,590 leads to partners.

Fourteen media familiarization tours were completed with 40 partners including RTOs, DMOs and operators. In addition, Destination Ontario engaged two specialty television shows on *Snowmobiler Television* and attended the Toronto Super Show in January with 18 industry partners. The reach of all campaign elements was an audience of 36 million potential tourists with 455,000 trackable actions and generated 13,000 leads through 295 developed social media posts.

On ontariotravel.net the GoRide web traffic for all Powersports pages was 96,492, an increase of 2% when compared to the previous year. This generated an outcome of 39,248 leads to partners, an increase of almost 3%. Additionally, the powersports digital display and online advertising resulted in 36.3 million impressions.

Northern Partnerships Program

Destination Ontario developed nine partnered project campaigns. Overall, Destination Ontario invested $500,000 and partners invested $1,136,231 for a total collaborative marketing spend of over 1.6 million.

Group of Seven

The Destination Ontario Group of Seven 2018 program and campaign was developed out of learnings from the 2017 program, as well as a consultative process in 2016 with

Northern Ontario stakeholders resulting in the creative concept: ‘Connecting the art on the walls to the landscape on the ground’.

The objective was to create awareness of the Group of Seven, iconic Canadian artists who formed in Ontario, as a compelling reason to visit Group of Seven-related Ontario destinations across the province.

The 2018 campaign was in-market from June to August 2018 with Facebook, Instagram linked ads, video and six Discovery Routes downloadable on ontariotravel.net. New in 2018 was a digital partnership with *The Globe & Mail* which generated click-through rates over two times Destination Ontario benchmarks. Results included digital ad impressions of over 2.7 million; over 1.3 million completed video views; and, strong ad recall at 116%, which is four times the average ad recall across all Google campaigns.

Ontario Signature Experiences Program
The Ontario Signature Experiences (OSE) program was established in 2014 to promote and market must-see travel experiences that will appeal to global target markets. The OSE program is designed to showcase the best and most unique tourism experiences in the province that will motivate more people to visit Ontario. OSE is linked with the Canadian Signature Experiences (CSE) collection, managed by Destination Canada, to align Ontario tourism operators who aspire to be included in Canada’s international marketing and to highlight the diversity of Ontario experiences.

This year, the Canadian Museum of Nature, Arctic Gallery was designated an OSE and 1000 Islands Helicopters became a Canadian Signature Experience.

As of spring 2019, there are 60 Ontario Signature Experiences of which 35 are also in the Canadian Signature Experiences collection. These 60 OSEs are highlighted and marketed by the Destination Ontario team through several activities and campaigns including 18 at Rendez-vous Canada 2018.

Ontario Travel Information Centres
Through their impact on the visitor path to purchase OTICs welcomed 869,788 visitors (a slight increase over last fiscal) who contributed close to $1 million in revenue to the province ($984,121). OTICs facilitated 834 hotel reservations totalling $189,744 by inspiring travel to and around Ontario with an emphasis on overnight visitation.

Broadcast Program
Destination Ontario’s Broadcast program continues to grow and expand achieving 2,825 broadcasts (57% increase from 2017-18) with 111 media outlets resulting in 7,335 air time minutes (14% increase over last fiscal).

Highlights for the Broadcast program included a broadcast with *Breakfast Television* in the fall to promote Parry Sound in response to the impact of fires in Northern Ontario. Also, through the Broadcast program was northern Ontario winter activities with *The Weather Network* in Sault Ste. Marie, winter fun with Corus Radio Group (95.3 Fresh

Hamilton, 93.1 Fresh Barrie, Magic 106 Guelph) from Blue Mountain Village and with *The Morning Show* on Global TV through an in-studio segment. For the first time, the Broadcast program penetrated the Ottawa market with winter promotions on local outlets including *CTV Morning*, *CTV News at Noon*, AM580 Radio.

The Broadcast program also integrated with Destination Ontario's co-marketing campaign with Tourism Toronto (RTO5) through a successful broadcast with *The Weather Network* from Mississauga Waterfront Festival, CP24 *Breakfast TV* from Dufferin Museum and a co-marketing partnership with Attractions Ontario and CP24 *Breakfast TV* at Casa Loma.

CBC Fresh Air radio, introduced in 2017-18, continues to be a successful promotional outlet airing on 74 stations across the province every Saturday and Sunday morning. Ontario's tourism offerings, as well as upcoming festivals, events and experiences are highlighted.

OTICs Modernization

The OTICs conducted an in-house survey to better understand the traveller's needs, interests, planning and purchase behaviour. A total of 33,198 in-person surveys, 555 by phone and 73 by email were compiled. In November 2018, a follow up survey was introduced to track visitor spend and will continue into November 2019 to evaluate the economic return on investment.

In an effort to implement measures to modernize the delivery of visitor information services, Destination Ontario conducted an internal review of each centre and prepared a situational analysis to assist in the development of a long-term OTIC strategy that includes harmonizing and rationalizing service delivery.

Key performance measures were further refined including a new quarterly OTIC placemat with a comprehensive analysis of year-over-year data to measure OTICs economic impact on visitor spend and influence on incremental visitor spend to the province and inform potential future options for modernization.

Destination Ontario also modernized and updated OTIC training by measures that included evolving the 2018 Travel Information Services conference to an in-house two half day pilot training program bringing together all 35 OTIC staff across the province through webinar technology.

Destination Ontario purchased and installed cycling equipment (racks, lockers, repair stations, water bottle stations etc.) at five OTICs and corporate head office for staff and as a visitor service to travellers. This aligns with visitor first marketing and supports the Ministry's commitment to the cycling industry. OTIC staff received a Ministry of Tourism, Culture and Sport Applause Award for this project.

CORPORATE SERVICES

Destination Ontario's Corporate Services continue to provide quality oversight of the agency's corporate services – financial, human resources, administrative, information technology equipment and facilities management. The area delivered on and achieved many activities that will improve the effectiveness and efficiency of Destination Ontario.

This included:

- In order to ensure consistent records management and adherence to the Archives and Recordkeeping Act (2006), the 2008 Government of Ontario Common Record Series was formally adopted by Destination Ontario
- Conducted agency wide Contract Management Workshops to provide staff with an overview of the various tools and templates available to administer contracts
- Implemented improved collections policy and procedures, resulting in an all time organizational low for outstanding receivables
- Transitioned to modernized invoice payment process by implementing electronic funds transfer to vendors/suppliers
- In collaboration with Ministry of Transportation identified cost efficiencies for procuring fleet vehicle for Destination Ontario staff travel
- In collaboration with Ministry Legal, implemented improved contract management processes with updated templates and definitions
- Eliminated mail-out of paper paystubs to reduce operational costs
- Implementation and staff orientation of Destination Ontario Smart Phone User Guide, and Public Transportation & Taxi User Guide
- Installed Local Duress System at head office location in Toronto as part of the improved emergency prevention procedures
- Set-up an internal Destination Ontario Financial Administrators Group with cross representation of staff that have oversight of financial administration to review existing financial administrative processes and financial reporting, discuss best practices and recommend ideas for implementing process improvement
- Conducted all staff Finance & Accounting Overview Workshop to review applicable Ontario Public Service financial administration and compliance directives
- Successfully completed installation of bike infrastructure at head office and seven OTICs to support visitors and staff that bike to work
- Modernized Budget Coding to improve corporate reporting to better reflect activities.

Compliance with Accessibility for Ontarians with Disabilities Act

Destination Ontario continues to comply with the Accessibility Standards for Customer Service, Ontario Regulation 429/07 (Customer Service Standard) and Integrated Accessibility Standards, Ontario Regulation 191/11 under the *Accessibility for Ontarians with Disabilities Act (AODA), 2005* administered by the Accessibility Directorate of Ontario.

Destination Ontario's multi-year Accessibility Plan and policies, as well as documentation on training, public notification and individualized workplace emergency response information for employees who have a disability, are available on both Destination Ontario's public websites.

Destination Ontario continues to ensure corporation-wide compliance and that all staff are trained and aware of the obligations under the AODA.

ORGANIZATION STRUCTURE



RISK ASSESMENT

This fiscal, Destination Ontario moved forward with contractually-obligated activities and adjusted planned activities accordingly. Destination Ontario also developed and executed marketing plans and activities that aligned with the *Strategic Playbook* 2018-2021.

Destination Ontario remains a flexible and dynamic organization that is able to adjust accordingly when changes related to government directions are presented.

PERFORMANCE MEASURES

VISITOR VOLUME AND EXPENDITURES			
	2017-18 Actual	**2018-19 Goal**	**2018-19 Actual**
Incremental Expenditure Generated by Advertising: Ontario	$58.4 million	$45 million[1]	N/A[2]
Incremental Expenditure Generated by Advertising: U.S.	$25.6 million	N/A[2]	N/A[2]
Incremental Expenditures from Travel Trade Channel Bookings	$30.6 million	$30 million	$29 million
New Ontario Product Developed by Travel Companies	66	33	47

[1]Goal for Ontario based on a media investment of $5 million.
[2]Due to paused activity, no research vendor was procured or brand campaign. U.S. market was predominantly driven by co-marketing efforts with partners.

VISITOR FIRST MARKETING			
	2017-18 Actual	**2018-19 Goal**	**2018-19 Actual**
Earned Media Relations (AVE $millions)	$97.5 million	$48 million	$65.7 million
Earned Media Relations (Reach, billions)	New Key Performance Indicator	In development for 2019-20	
Paid Broadcast (Reach)	New Key Performance Indicator	62,092,504	5,454,200
Earned Broadcast (Minutes)	6,396	6,500	7,345
Online Video (Completed Views)	New Key Performance Indicator	31,695,297	56,451,819
Online Video (3 seconds or more Views)	New Key Performance Indicator	27,349,712	51,716,721
Social Engagement (Likes, Reactions, Comments, Shares and Clicks)	1,240,447	2,500,000	1,381,841
Social Advocacy (Likes, Reactions, Comments and Shares)	New Key Performance Indicator	In development for 2019-20	
Travel Trade Trained (#)	5,394	2,500	3,193
Consumer Website Visits (#):	4,109,845	4,000,000	4,537,232
New (Year-To-Date Data)	2,901,298	N/A*	3,456,185
Repeats (Year-To-Date Data)	738,752	N/A*	886,451
OTIC Parties Counselled (#)	347,506	280,000	338,676

RE-DEFINING PARTNERSHIP			
	2017-18 Actual	**2018-19 Goal**	**2018-19 Actual**
Total Leads to Industry Partners	2,394,026	2,200,000	3,369,374
Partners' Cash Contribution ($M)	New definition	In development for 2019-20	
Ontario Stakeholders Participating in Destination Ontario-Led Programs (#)	New Key Performance Indicator	In development for 2019-20	
Partner Engagements (#)	New Key Performance Indicator	N/A*	2,957
Corporate Website Visits (#):	32,599	33,000	31,674
New (Year-To-Date Data)	19,574	In development for 2019-20	19,717
Repeats (Year-To-Date Data)	12,949	In development for 2019-20	11,851
Download Rate (%)	New Key Performance Indicator	In development for 2019-20	37%

*Measurement was not included as part of organization's Key Performance Indicator prior to 2019-20 fiscal; therefore, target was not set but data was collected and available to be reported on.

DEFINITIONS

Key Performance Indicator	**Definition**
Incremental Expenditure Generated by Advertising – Ontario and U.S.	Number of trips taken by those influenced by the campaign multiplied by average visitor spending, as measured through the *Brand and Advertising Tracking Study* (for Ontario and U.S. near markets) reporting by a third-party research supplier.
Incremental Expenditures from Travel Trade Channel Bookings	Estimated direct expenditures from travel trade channel bookings. An expenditure based on estimated number of trips booked as a direct result of campaign or joint marketing initiatives with travel trade internationally. Average per person/night pleasure trip expenditure of visitors to Canada as reported by Destination Canada (based on Statistics Canada's International Travel Survey) is applied to the number of nights reported by trade channel partners.
New Ontario Product Developed by Travel Companies	New Products Developed: A new additional overnight or experience in Ontario incorporated into an existing travel trade itinerary, or a new Ontario itinerary introduced into a travel trade offering, as a result of interaction with Destination Ontario.
Earned Media Relations (AVE)	The amount in Canadian dollars a similar size story would cost if it appeared as paid advertising at a 1:1 equivalency ratio, determined by measuring the size/length of the story by the advertising rate of the relevant media outlet.

Earned Media Relations (Reach)	Circulation for print; listenership for radio; viewership (households) for TV; unique daily visitors for websites; and number of followers for social channels.
Paid Broadcast (Reach)	Number of people reached from on-air paid advertising on television and/or radio.
Earned Broadcast (Minutes)	Unpaid content and reports provided and/or presented by Destination Ontario representative measured as broadcast minutes earned on radio and television stations.
Online Video Views (Completed)	Video advertising viewed in its entirety either on digital or social platforms (paid and organic)
Online Video Views (3-sec or more)	Video advertising viewed more than 3 seconds either on digital or social platforms (paid and organic).
Social: Engagement	Destination Ontario's social handles @ontariotravel likes, reactions, comments, shares and clicks.
Social: Advocacy	Destination Ontario's social handles @ontariotravel likes, reactions, comments and shares.
Travel Trade Trained (#)	Number of tour operator staff and travel agents trained on Ontario tourism products by Destination Ontario or in conjunction with Destination Canada.
Consumer Website Visits	All visitors/consumers who arrive on ontariotravel.net (Canada, United States, France, India, Brazil, United Kingdom, Mexico, Japan, Korea, Germany and China markets), no matter how many times the same visitor may have been to the site, and proceeds to browse the site.
Consumer Website Visits: New	The cumulative number of new visitors from the start of the fiscal year to the end of the reporting period that visited ontariotravel.net (Canada, United States, France, India, Brazil, United Kingdom, Mexico, Japan, Korea, Germany and China markets).
Consumer Website Visits: Repeat	The cumulative number of visitors with two or more site visits from the start of the fiscal year to the end of the reporting period that visited ontariotravel.net (Canada, United States, France, India, Brazil, United Kingdom, Mexico, Japan, Korea, Germany and China markets).
Ontario Travel Information Centre (OTIC) Parties Counselled	An individual or group of visitors who receives service in person from a Travel Counsellor at an OTIC for travel and tourism related enquiries. Each party counselled is tallied only once, regardless of the size of the party, the number of questions answered/services provided, or the duration of the visit.
Total Leads to Industry Partners	Ad clicks or tracked website visit to partner websites • from ontariotravel.net (Canada, United States, France, India, Brazil, United Kingdom, Mexico, Japan, Korea, Germany and China markets) • from Destination Canada partnered initiatives • from Destination Ontario-led campaigns or initiatives
Partners' Cash Contribution Leveraged	The dollar amount of cash that partners provide to Destination Ontario to execute a Destination Ontario-led campaign or initiative.
Ontario Stakeholders Participating in Destination Ontario-Led Programs (#)	The number of stakeholders that participate in a specific program, initiative or marketing project with measured deliverables where Destination Ontario staff lead the coordination and execution.

Partner Engagements	Engagements include: unique interactions with industry stakeholders in the form of outreach, meetings or other forms of interactions pertaining to specific projects/initiatives; as well as presentations and events attended that provide the opportunity to achieve alignment and stronger return on investment (ROI).
Corporate Website Visits	All visitors/consumers who arrive on destinationontario.com, no matter how many times the same visitor may have been to the site, and proceeds to browse the site.
Corporate Website Visits: New	The cumulative number of new visitors from the start of the fiscal year to the end of the reporting period that visited ontariotravel.net.
Corporate Website Visits: Repeat	The cumulative number of visitors with two or more site visits from the start of the fiscal year to the end of the reporting period.
Corporate Website Download Rate (%)	Number of documents downloaded from corporate website divided by total website visits.

FINANCIAL STATEMENTS

For the Year Ended March 31, 2019

Ninety-three per cent ($38.1 million) of Destination Ontario's $41.1 million operating revenue was received from the Ontario government. Most of the remaining $3.0 million revenue was earned from advertising and product sales to marketing partners and consumers. Destination Ontario recorded an operating surplus of $3.1 million after depreciation of $2.2 million on capital assets, largely Tourism Consumer Information System. One of the main drivers of the surplus is reduced spending by Destination Ontario in response to a Secretary of Cabinet memo dated June 18, 2018 to freeze discretionary spending. Salaries and benefits for Destination Ontario staff, including its OTICs, comprised 25.4 per cent of its total operating expenses.

Ontario Tourism Marketing Partnership Corporation

(operating as Destination Ontario)

Financial Statements

For the Year Ended March 31, 2019

Ontario Tourism Marketing Partnership Corporation

(operating as Destination Ontario)

Financial Statements

For the year ended March 31, 2019

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Ontario Tourism Marketing Partnership Corporation

(operating as Destination Ontario)

Management Report

The accompanying financial statements are the responsibility of the management of the Ontario Tourism Marketing Partnership Corporation. The financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. The statements include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects.

Management maintains a system of internal accounting and administrative control that is designed to provide reasonable assurance the financial information is relevant, reliable and accurate and that the Corporation's assets are properly accounted for and adequately safeguarded.

The financial statements have been audited by BDO Canada LLP, a firm of independent external auditors appointed by the Board of Directors, whose report follows.



Lisa LaVecchia
President and CEO
June 4, 2019



Ronald Ting
Treasurer
June 4, 2019

Independent Auditor's Report

To the Board of Directors of
Ontario Tourism Marketing Partnership Corporation

Opinion

We have audited the accompanying financial statements of Ontario Tourism Marketing Partnership Corporation (operating as Destination Ontario (the "Corporation")), which comprise the statement of financial position as at March 31, 2019, and the statements of operations, changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2019, and the results of its operations, and its cash flows, for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

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Mississauga ON L5B 1M2 Canada

Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants
Mississauga, Ontario
June 4, 2019

ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION
(operating as Destination Ontario)

Statement of Financial Position

	March 31 2019 ($ 000)	March 31 2018 ($ 000)
ASSETS		
Current		
Cash	**11,517**	7,580
Accounts receivable	**916**	857
Prepaid expenses	**359**	94
	12,792	8,531
Capital assets (Note 3)	**2,687**	4,681
	15,479	13,212
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	**4,855**	5,478
Obligation for retirement benefits (Note 2h)	**309**	-
Deferred revenue (Note 4)	**9**	100
	5,173	5,578
Obligation for retirement benefits (Note 2h)	**1,528**	1,860
Deferred capital contributions (Note 5)	**231**	325
	1,759	2,185
	6,932	7,763
Net assets		
Unrestricted fund	**6,091**	922
Special projects fund	**-**	171
Investment in capital assets	**2,456**	4,356
	8,547	5,449
	15,479	13,212

Approved on behalf of the board:

The accompanying notes are an integral part of these financial statements

ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION
(operating as Destination Ontario)

Statement of Operations

For the year ended March 31	2019 ($ 000)	2018 ($ 000)
Revenues		
Province of Ontario Grant (Note 6)	**38,132**	37,156
Advertising sales	**1,249**	2,719
Travel Information Centres - sales and rentals	**1,093**	1,092
Trade promotions	**280**	208
Interest income	**223**	90
Amortization of deferred capital contribution	**185**	186
	41,162	41,451
Expenses		
Advertising and marketing	**17,450**	21,394
Administration (Note 7)	**7,460**	7,915
Travel Information Centres (Note 8)	**6,035**	5,798
Tourism Consumer Information System (Note 9(b))	**4,144**	3,852
Amortization of capital assets	**2,146**	2,101
Partnerships and sales	**581**	592
Research	**221**	406
Board and committee expenses (Note 10)	**27**	48
	38,064	42,106
Excess (deficiency) of revenues over expenses	**3,098**	(655)

The accompanying notes are an integral part of these financial statements

ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION

(operating as Destination Ontario)

Statement of Changes in Net Assets

For the year ended March 31

	Unrestricted Fund ($ 000)	Special Projects Fund ($ 000)	Investment in Capital Assets ($ 000)	2019 Total ($ 000)	2018 Total ($ 000)
Net assets, beginning of year	**922**	**171**	**4,356**	**5,449**	6,262
Excess (deficiency) of revenues over expenditures for the year	**5,059**	**-**	**(1,961)**	**3,098**	(655)
Transfer of reserve for TCIS redevelopment project	**171**	**(171)**	**-**	**-**	-
TCIS redevelopment expenses	**-**	**-**	**-**	**-**	(158)
Purchase of capital assets, net	**(61)**	**-**	**61**	**-**	-
Net assets, end of year	**6,091**	**-**	**2,456**	**8,547**	5,449

The accompanying notes are an integral part of these financial statements

ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION
(operating as Destination Ontario)

Statement of Cash Flows

For the year ended March 31	**2019 ($ 000)**	2018 ($ 000)
OPERATING		
Excess (deficiency) of revenues over expenses	**3,098**	(655)
Add (less) non-cash items:		
Amortization of deferred capital contributions	**(185)**	(186)
Amortization of capital assets	**2,146**	2,101
Obligation for retirement benefits	**(23)**	138
	5,036	1,398
TCIS Redevelopment Expenses – Special Project Fund	**-**	(158)
Change in non-cash working capital	**(1,038)**	1,737
	3,998	2,977
CAPITAL		
Capital asset additions	**(152)**	(456)
Deferred capital contributions	**91**	62
	(61)	(394)
Increase in cash during the year	**3,937**	2,583
Cash, beginning of year	**7,580**	4,997
Cash, end of year	**11,517**	7,580

The accompanying notes are an integral part of these financial statements

1. NATURE OF CORPORATION

The Ontario Tourism Marketing Partnership Corporation (the "Corporation") was established as a corporation without share capital on November 30, 1998 pursuant to Ontario Regulation 618/98 made under the *Development Corporations Act.* The Regulation was amended by Ontario Regulation 271/04 in September, 2004 to extend the mandate of the Corporation indefinitely. The Corporation commenced active operations on April 1, 1999. In the fall of 2017, the organization announced a new corporate operating name, Destination Ontario (DO). The Ontario Tourism Marketing Partnership Corporation (OTMPC) will continue to be the official legal name of the organization. The objects of the Ontario Tourism Marketing Partnership Corporation (operating as Destination Ontario) are:

(a) to market Ontario as a travel destination;
(b) to undertake joint marketing initiatives with the tourism industry;
(c) to support and assist the marketing efforts of the tourism industry; and
(d) in co-operation with the tourism industry, the Government of Ontario, other governments and other agencies of governments, to promote Ontario as a travel destination.

The Corporation enters into agreements with private and public sector partners in order to add value to tourism marketing programs. The Corporation tracks the dollar value (leverage, in-kind) of such agreements to demonstrate the impact of the Corporation's investment on the partnered marketing programs. However, related partner revenues and expenses are not included in the Corporation's financial statements.

The Corporation is a not-for-profit organization, and thus not subject to income tax.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements are the representations of management and are prepared in accordance with Canadian Public Sector Accounting Standards including the 4200 series of standards contained in the Chartered Professional Accountants (CPA) Canada handbook.

(b) Revenue Recognition

The Corporation follows the deferral method of accounting for revenues.

Province of Ontario Grant

The Corporation is funded primarily by the Province of Ontario. Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant is related to a future period, it is deferred and recognized in a subsequent period.

Advertising Sales and Travel Information Centers – sales and rentals

Revenue from Advertising sales and Travel Information Centres – sales and rentals are recognized in the period in which the service is provided or the program is run, the amount can be reasonably estimated and collection is reasonably assured.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Interest Income

Interest income is recognized in the period in which it is earned.

Trade Promotions & Other

Trade Promotions and Other revenue items are recognized in the period in which they relate, when the amount can be reasonably estimated and collection is reasonably assured.

(c) Partner Support

The Corporation benefits from donated services provided by the tourism industry, such as transportation costs (airline and bus tickets), and accommodation and meal costs (discounted or free hotel rooms and restaurant charges). Because of the difficulty of determining their fair value, donated services are not recognized in the financial statements.

(d) Capital Assets

All capital assets are recorded at cost. Amortization is provided on a straight-line basis over the estimated useful life of the asset, with half a year amortization taken in the year of acquisition and disposition. All capital assets are amortized over three to five years.

(e) Deferred Capital Contributions

Deferred capital contributions represent amounts received from the Ministry of Tourism and Culture and Sport to finance the acquisition of capital assets. The amortization of deferred capital contributions is recorded as revenue in the statement of operations on the same basis as the amortization of the related assets.

(f) Use of Estimates

The preparation of financial statements in accordance with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates as additional information becomes available in the future.

(g) Financial Instruments

Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest, currency, liquidity or credit risks arising from its financial instruments.

Financial instruments are recorded at cost when acquired or issued. In subsequent periods, investments traded in an active market are reported at fair value. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Retirement Benefits

The costs of any legislated severance under *the Public Service Act of Ontario* and earned by employees are recognized when earned by eligible employees. During the year, the obligation was decreased by $23,000 (2018 – increased by $138,000) based on assumptions derived from the March 31, 2016 actuarial valuation completed by the Province of Ontario. The liability is calculated using management's best estimate of future inflation rates and other underlying assumptions. The liability calculated using the projected benefit method and the following assumptions approximates $1,837,000 (2018 - $1,860,000). The discount factor used was 0.82 (2018 – 0.79) and the estimated average years to retirement was 6.0 years (2018 – 7.0 years).

The current portion of the obligation for retirement benefits represents the staff retirements in the next fiscal period.

(i) Foreign Currency Translation

Foreign currency accounts are translated into Canadian dollars as follows;

At the transaction date, each asset, liability, revenue and expense is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in income in the current period.

3. CAPITAL ASSETS

	2019 ($ 000)		2018 ($ 000)	
	Cost	**Accumulated Amortization**	Cost	Accumulated Amortization
Furniture	**396**	**396**	396	396
Leasehold improvements	**2,708**	**2,422**	2,556	2,231
Tourism Consumer Information System	**15,657**	**13,256**	15,657	11,301
	18,761	**16,074**	18,609	13,928
Cost less accumulated amortization		**2,687**		4,681

4. DEFERRED REVENUE

	2019 ($ 000)	2018 ($ 000)
Ministry of Tourism, Culture and Sport		
OTICS – Capital assets	**2**	93
Advertising programs	**7**	7
	9	100

5. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent contributions received relating to acquisition of capital assets:

	2019 ($ 000)		2018 ($ 000)	
	Contributions	**Accumulated Amortization**	Contributions	Accumulated Amortization
Contributions received	**969**	**738**	1,810	1,485
Contributions less accumulated amortization		**231**		325

6. REVENUE: PROVINCE OF ONTARIO

The Corporation received funding that is recognized as revenue from the Province as follows:

	2019 ($ 000)	2018 ($ 000)
Core funding	**37,968**	36,968
Fun Pass	**-**	30
Ontario Travel Centres Capital	**-**	39
Summer Experience Program	**164**	119
	38,132	37,156

7. ADMINISTRATIVE EXPENSES

Certain costs of administration such as legal and human resources support services were provided by the Ministry of Tourism, Culture and Sport without charge. All other administrative expenses are borne by the Corporation and are as follows:

	2019 ($ 000)	2018 ($ 000)
Salaries and benefits	**6,627**	6,753
Lease	**432**	621
Supplies and equipment	**191**	21
Services	**114**	391
Transportation and communications	**96**	129
	7,460	7,915

The Corporation provides pension benefits for all its full-time employees through participation in the Public Service Pension Fund (PSPF) and the Ontario Public Service Employees' Union Pension Fund (OPSEU Pension Fund) which are both multi-employer defined benefit pension plans established by the Province. These plans are accounted for as defined contribution plans, as the Corporation has insufficient information to apply defined benefit plan accounting to these pension plans. Included in salaries and benefits are contributions to the PSPF and OPSEU pension funds for the year of $491,000 (2018 – $470,000).

Costs of post-retirement non-pension employee benefits are paid by the Management Board Secretariat and are not included in administrative expenses.

8. TRAVEL INFORMATION CENTRES

The expenditures for the Travel Information Centres are as follows:

	2019 ($ 000)	2018 ($ 000)
Salaries and benefits	**3,058**	2,822
Lease	**1,361**	1,344
Merchandise for sale	**921**	818
Services	**531**	578
Transportation and communications	**92**	196
Supplies and equipment	**72**	40
	6,035	5,798

Included in salaries and benefits are contributions to the PSPF and OPSEU pension funds for the year of $174,000 (2018 - $179,000).

9. TOURISM CONSUMER INFORMATION SYSTEM REDEVELOPMENT AND COMMITMENTS

a) After a competitive procurement process in 2017, ESIT Canada Enterprise Services Co. (ESIT) has been awarded a five year contract as the service provider for hosting, operations, maintenance and redevelopment of the Tourism Consumer Information System. During the year, $4,144,000 was paid out against the total committed amount to ESIT of $21,242,000.

b) During the year, total costs incurred for the Tourism Consumer Information System amounted to $4,144,000 (2018 - $4,404,000) of which $Nil (2018 - $158,000) was charged directly to the Special Projects Fund and $Nil (2018 - $394,000) was capitalized to the Investment in Capital Assets.

c) The Corporation has various operating leases for its premises and advertising. The minimum annual payments for the next four years are as follows:

	($ 000)
2019	1,123
2020	1,022
2021	1,058
2022	741
	3,944

10. BOARD AND COMMITTEE EXPENSES

Board and committee members do not receive per diems. Board and committee members are reimbursed for meal and travel expenses incurred to attend board of directors and related committee meetings, consistent with the OPS Travel, Meals and Hospitality directive.