DESTINATION ONTARIO

An Agency of the Government of Ontario

ANNUAL REPORT

2019-2020

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MESSAGE FROM THE CHAIR

On behalf of the Board of Directors, I am pleased to report that the activities of Destination Ontario continued to deliver strong results for Ontario's tourism industry this year. It was another year of success showcasing Ontario as a destination of choice both domestically and in key markets around the world. In particular, I want to highlight that Destination Ontario's work in the travel trade generated over $22 million in incremental visitor spending and 21,000 incremental trips. Earned media relations was also an impressive $79.7 million in advertising value equivalency.

While COVID-19 resulted in a significant impact on tourism near the end of the fiscal, I was pleased to see the Destination Ontario team quickly adjust to deal with the impact. It was clear that Destination Ontario would be one of the leading organizations to help the industry through the pandemic.

This will be my final 'Message' as Chair, given that my term is ending in September 2020. It has been an honour to serve for 12 years, as first a Board member, and then as Chair of Destination Ontario. I want to thank my fellow Board members, the Ministry of Heritage, Sport, Tourism and Culture Industries and of course the team at Destination Ontario for their support over the many years. It has been a wonderful experience to be a part of guiding the work of Destination Ontario.

Jim Marchbank, Chair
Destination Ontario

MESSAGE FROM THE PRESIDENT & CEO

In the second year of Destination Ontario's *Strategic Playbook 2018-2021*, the organization continued to work towards the goals and objectives of the plan. This year Destination Ontario achieved success in returning to the United States market with a strong fall campaign that delivered 241,000 incremental trips and over $64 million in visitor spend. An Ontario market winter campaign was also successful showcasing partners and experiences in all 13 regions across Ontario. The campaign delivered an impressive 219,000 leads to partners.

I was also pleased with our organization's specific marketing campaign to highlight Indigenous experiences in partnership with Indigenous Tourism Ontario, as well as a Franco-Ontarian travel experiences campaign. Both campaigns were successful and will help build future collaborations for these important Ontario products and experiences.

A highlight for myself was Destination Ontario having the honour of co-hosting Rendez-vous Canada (RVC) in Toronto in May 2019. The successful delivery of RVC generated positive results including an immediate economic impact of approximately $3.6 million and more than $90 million in future business to Ontario's tourism industry.

Unfortunately, with the impact of COVID-19, our organization had to cease all marketing programs and activities near the end of the fiscal year. The staff quickly turned their attention to immediate action to help the industry work through the challenging times. While tourism may look very different in the future, Destination Ontario will be more attentive than ever to helping the industry with recovery and rebuilding efforts.

I want to thank the entire Destination Ontario team for their hard work in delivering results for Ontario's tourism industry. I am always impressed by the level of strategic thinking, diligent delivery of work and overall enthusiasm of our staff. I also want to thank our colleagues at the Ministry of Heritage, Sport, Tourism and Culture Industries for their support. Finally, I want to thank the Board of Directors for their on-going support and guidance; and most importantly to our Chair, Jim Marchbank whose term will be ending in September 2020 but whose positive impact both as a leader and as a friend will be felt for the many years ahead.

Lisa LaVecchia, President & CEO
Destination Ontario

CORPORATE OVERVIEW

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.

Destination Ontario is the organization's corporate operating name; 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*.

ORGANIZATIONAL OVERVIEW

Destination Ontario works cross-functionally amongst all areas of the organization to deliver on the 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 four key areas; the President's Office; Marketing, Strategy and Insights; Industry Relations, Communications and International Marketing; and Corporate Services and Operations. All areas 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 organization's initiatives, including management of the Board of Directors and Advisory Committees. Additionally, as an agency of the Ministry of Heritage, Sport, Tourism and Culture Industries (MHSTCI) Destination Ontario regularly liaises with the Ministry and collaborates across Ministerial portfolios where applicable.

The President's Office also oversees corporate communications, working closely with all areas of the organization to develop and implement targeted, strategic communications and public relations that support Destination Ontario's activities and highlight 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, STRATEGY AND INSIGHTS

Marketing and Creative Services

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 the 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.

The organization's 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.

The 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.

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.

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, the marketing focus includes experiences often highlighted by the northern tourism industry, such as, angling, hunting, powersports touring and outdoor adventure experiences.

Strategy, Insights and Market Research
Destination Ontario conducts tourism research that provides market intelligence and consumer behaviour analysis to enable the agency 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, Destination Ontario must measure results, understand where the organization has succeeded and where it must continuously improve and bring value to the consumer. The team focuses on measurement, campaign performance and insights to inform marketing strategies. This team is also 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 strategies to meaningfully connect with visitors while maximizing value for money.

INDUSTRY RELATIONS, COMMUNICATIONS AND INTERNATIONAL MARKETING

Industry Relations
As the lead provincial marketing organization, Destination Ontario is uniquely positioned to offer industry stakeholders the opportunity to leverage programs and activities to market their experiences and products; and to enter into important or new markets that might be challenging to access on their own.

Earned Media Relations and Broadcast Program

To generate media coverage of Ontario as a must-see destination, Destination Ontario works with editors, journalists, influencers and broadcast media partners. Ontario is highlighted through regular radio broadcast programming, special radio and TV broadcasts, customized media tours, regular provision of travel information to key media contacts, and participation in media marketplaces and events. Positive media coverage in global and domestic markets generates consumer interest that delivers travel results.

International Marketing

Destination Ontario promotes Ontario as a travel destination in priority international markets. Destination Ontario works closely with travel companies (tour operators, wholesalers and travel agents) in targeted countries abroad to drive sales of Ontario market-ready tourism products and experiences. Destination Ontario puts Ontario first by leveraging the work of Destination Canada and the strength of the Canada brand internationally. Travel to Ontario is promoted through consumer campaigns, tradeshows, business-to-business activity, marketplaces and participation in select events in key markets.

CORPORATE SERVICES AND OPERATIONS

Human Resources and Corporate Services

The Human Resources and 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.

Ontario Travel Information Centres

Ontario Travel Information Centres (OTICs) provide a warm welcome to visitors. Staffed by travel counsellors, Destination Ontario's OTICs offer visitors valuable, on-the-spot information on travel ideas to influence travel plans and personalize itineraries resulting in increased tourism expenditures in Ontario. Two of Destination Ontario's OTICs are located in ONroute service centres along Highway 401, in Bainsville and Tilbury.

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 Heritage, Sport, Tourism and Culture Industries. The Minister receives advice on Board membership from the Chair and other interested parties. The volunteer Board of Directors do not receive remuneration, though are eligible to claim allowable expenses under Ontario's Travel, Meal and Hospitality Expenses 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 Destination Ontario's 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 the advice of industry leaders through three Advisory Committees:

> **Regional Tourism Organization Advisory Committee:** Supports the coordination, collaboration and alignment of Regional Tourism Organizations (RTOs) 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 on.

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

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

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

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

Deborah Richardson
Deputy Solicitor General — Correctional Services
Toronto
May 16, 2019-May 15, 2021

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 the organization. Fiscal year 2019-20 marked the second 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

For the fiscal year 2019-20, Destination Ontario 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 reduced from the previous fiscal year to $32.97 million. While some adjustments were made to realize savings, the organization preserved as much as possible for core marketing activities that would deliver the strongest return on investment.

While Destination Ontario delivered strong results throughout much of the year, the impact of the COVID-19 pandemic during the last three months of the fiscal was felt immediately by the tourism industry. Marketing activities in international markets and some key travel periods such as the week of March Break resulted in a shift in plans and a direct impact on activities underway. Destination Ontario initiated immediate action to keep a close review on how the situation was affecting the industry and ended the year with initiating plans for a post-pandemic recovery effort.

PRESIDENT'S OFFICE

President's Office

The President's Office worked closely with the Board of Directors, Destination Ontario's senior management team, and MHSTCI to demonstrate Destination Ontario's value as an organization and the organization's unique position as the marketing lead for Ontario tourism. The President's Office supports work across the organization to deliver strong results and collaborative efforts with partners. A key achievement was the completion of a new Memorandum of Understanding between Destination Ontario and MHSTCI, an important tool that establishes the relationship between Destination Ontario and the Ministry.

The President's Office also supported the organization through the required adjustments to realize necessary savings. This included the preparation and presentation of key briefing materials and information notes for both the Board of Directors and MHSTCI.

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. An additional strategic meeting was also held to manage the reduced allocation for the fiscal and the Board's input was valuable to help guide the organization.

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

MARKETING, STRATEGY AND INSIGHTS

United States (U.S.) Market Fall 2019 Campaign

Destination Ontario has long been planning for a strong re-engagement with the U.S. consumer. With consumer insights driven from market research, digital data and search intent coupled with a passions lens, the opportunity to invite key U.S. drive market designated marketing areas (DMAs) to Ontario to experience the beauty of fall was just right.

From mid-September to early November 2019, Destination Ontario developed and executed a marketing campaign to promote Ontario's fall urban and outdoor experiences to targeted U.S. rubber-tire audiences in the five DMAs of Detroit, Buffalo, Rochester, Pittsburgh and Cleveland.

Media Objectives:

i. Dream (Primary Objective): Generate awareness and inspire travel to Ontario leveraging digital video and traditional and digital radio.
ii. Plan (Secondary Objective): Leverage social video and traffic drivers to facilitate trip planning.

Campaign Impact[1]:
With inspiring creative, a clear media strategy and refined targeting (focusing on select DMA regions and interest-based audience targeting), the campaign generated**:**

- 241,000 incremental trips (2.17 times the target) and $64.36 million[2] in visitor spend (2.47 times the target), according to Destination Ontario's campaign ad tracking study results, and generated a 36:1 return on advertising investment.
- The same study found a 13% awareness of Ontario as a short getaway destination in the target markets, a marked improvement over 7% in the same markets during the summer wave of the research conducted in support of the U.S. Pilot campaign; demonstrating the importance of advertising in the U.S. rubber-tire market.
- 17% among the ad recall sample indicated that the ads influenced their decision to travel to Ontario.
- 44% among the ad recall sample indicated that the ads made them more interested in travelling to Ontario.

Campaign Results:
Video and radio creative resonated with the audience and the campaign generated:

- 2.7 million reach through radio (57% over target).
- 10.1 million completed digital video views (23% over target).
- 86,900 clicks to content on ontariotravel.net with an average of three minutes spent engaged with landing page content.

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[1] Source: Destination Ontario Advertising Tracking Study 2019 – U.S., Fall

[2] Source: U.S. Expenditure Data: Statistics Canada International Travel Survey 2017

- Destination Ontario explored Spotify as an audio media tactic for the first time through this campaign with positive results. This tactic generated 2.95 million audio completions.
- Destination Ontario's media relations team conducted a series of in-studio radio broadcasts in select U.S. markets, amplifying campaign messaging and generated 251 minutes of earned airtime and 580,000 in additional radio listenership.

Successfully building on the learnings from the 2018-19 U.S. pilot campaign, the results and learnings from the fall 2019 campaign will continue to inform future U.S. marketing initiatives.

Ontario Market Winter 2020 Campaign
Destination Ontario has strategically set its sights on bringing value to partners and industry by focusing on a shoulder market strategy targeting overnights. Winter is often a shorter season and can be harder to encourage travel. However, with a campaign objective to share winter inspiration through our identified passion content themes – 'I Heart Outdoors', 'Bragworthy Outdoors' and 'Relax and Reconnect' – the campaign had something to inspire almost everyone.

From mid-January to mid-March 2020, Destination Ontario developed and executed a marketing campaign to promote Ontario's winter products and experiences. The campaign's business objective was to drive overnight visitation of Ontarians within Ontario by directly driving consumers to trip planning content developed by all 13 RTOs. The campaign piloted longer form video content and equal partner representation; therefore, current benchmarks and targets did not apply.

Media Objectives:

i. Plan (Primary Objective): Leverage social video and traffic drivers to facilitate trip planning.
ii. Act (Primary Objective): Drive leads to industry partners.

Campaign Results:
The campaign showcased industry partners and experiences in 13 RTOs and generated:

- 167,000 completed video views.
- 51,000 advocacy actions on social channels (reactions, comments, shares, saves and story actions).
- 219,000 leads to industry partners.

Additional Learnings:

- Long-form video content and traffic-driving ad units were developed in-house and resonated well with the audience to deliver results through this campaign.
- Organic amplification of partners through the use of Instagram Stories generated over 2,900 leads to industry partners.

- The campaign successfully supported the lead generation objective during the core of the winter travel season, however, the escalating COVID-19 situation in early March resulted in lower-than-expected actions taken in the final two weeks of the campaign and in advance of March Break.

Partnered Campaigns
Although formal co-marketing partnership campaigns could not be executed in 2019-20 as they had been in recent years, Destination Ontario did successfully execute three partner-driven initiatives.

LCBO Food & Drink Video Series
In partnership with the LCBO, Destination Ontario executed '5 Stops: A Food & Drink Original Series' in fall 2019 which included 10 high-production-value video episodes, each highlighting the food and drink scene in a different region of Ontario. The campaign generated over 58,000 completed video views and facilitated the collection of high-quality image and video assets for future use.

Indigenous Experiences with Indigenous Tourism Ontario
In partnership with Indigenous Tourism Ontario, Destination Ontario executed a Fall 2019 campaign to promote Indigenous culinary, outdoor and cultural experiences. The social media campaign generated over 43,000 views of Indigenous travel content on ontariotravel.net and laid the groundwork for future collaboration.

Franco-Ontarian Experiences
In support of Destination Ontario's commitment to promoting Franco-Ontarian travel experiences to French and English-speaking Ontarians, Destination Ontario executed a Fall 2019 / Winter 2020 social media campaign that highlighted Franco-Ontarian cultural events and experiences which generated over 24,000 leads to industry in Northern Ontario. Plans for a year-long, province-wide initiative was initiated.

Flood Recovery in Explorers' Edge
In response to spring flooding that hampered the start of the tourist season in the Muskoka region, Destination Ontario assisted Explorers' Edge (RTO12) in June 2019 to amplify the message that the region was open for business, achieved through a series of television and radio segments with a reach of 1.67 million, social media posts with a reach of 245,000, and a four-part Toronto Star sponsored content execution that generated 23,000 views.

Content Marketing
Social Media
Destination Ontario's prime social media channels (@OntarioTravel on Facebook, Instagram, Twitter) drive the organization's content marketing efforts through its objective of showcasing Ontario as a must-see travel destination by creating and distributing authentic, inspirational, actionable and targeted content. Having built relationships with past, current and future travellers, our social channels achieved a 90% positive community sentiment and a 10% growth in community size. In addition to

positive engagement results, Destination Ontario's social channels have proven to be effective at driving traffic to industry-owned content, generating 455,937 leads to industry in 2019-20.

In addition to organic posts, content creation and paid amplification tactics included:

- Influencer Programs.
- In-House Paid Promotions.
- User-Generated Content Curation.
- Blog Promotions.
- Direct-to-Partner Promotions.

Key results in Destination Ontario's investment in social-driven content marketing in 2019-20 included:

- 380,777 leads to industry.
- 1.3 million actions of social advocacy (a 4.8% increase from 2018-19).
- 60,000 community growth (10% increase from 2018-19).
- 90% positive community sentiment (consistent with 2018-19).
- 61% average Instagram Story retention rate (5.7% increase from 2018-19).

Additional learnings:

- Posts containing third-party content demonstrated a high level of consumer interest.
- A curated collection of partner-owned written content featuring getaway ideas promoted via Facebook produced 68,000 leads and 15,000 advocacy actions.
- Instagram posts (mostly organic) accounted for 70% of all consumer advocacy actions taken in 2019-20.
- Refining Instagram stories to align with key content themes generated over 13,000 organic leads (85% increase from 2018-19) and over 100,000 consumer actions within the story environment, (100% increase from 2018-19).
- A 25.7% increase from 2018-19 in inbound messages received indicated an increase in consumer trust of @OntarioTravel channels as a go-to resource for travel advice.
- Joining the conversation about the Toronto Raptors' basketball playoff run in a meaningful and authentic way generated over 20,000 organic advocacy actions.

An integral part of Destination Ontario's content marketing on social media is the community management plan which: manages comments and responses, provides customer service, build connections/relationships with the community, creates value for followers and mitigates unforeseen issues – all through daily moderation of organic and paid social posts on all channels. In addition, one-on-one community management includes consumer communication via Facebook Messenger, Instagram Direct Message, Twitter Direct Message and emails sent through Destination Ontario's consumer website.

Video Content
Destination Ontario's digital/social video storytelling continued to inspire action, create advocacy and drive passionate travel across Ontario in 2019-20. Utilizing nimble, in-house resources, visual storytelling offers consumers compelling content in the following formats:

- Features – unique, interesting, bragworthy experiences across Ontario are captured in three forms:
    1) Featured experiences.
    2) Featured regions.
    3) Featured products.
- Promotional – timely, relevant content showcasing events across Ontario.

The 2019-20 video content program generated 8.5 million video views with an average 5.8% completion rate.

Written Content
Destination Ontario's focus on original, long-form written content spanned the breadth of Ontario's regions and product themes in 2019-20. A carefully considered editorial calendar supported by paid social media amplification generated the following results:

- Total number of blogs produced: 85 (46 English, 39 French).
- Total blog views: 350,068.
- Total leads to industry generated via blogs: 29,413.
- Average time on page for blogs: 195 seconds.

U.S. Program with Destination Canada
Between January 1 and December 31, 2019, Destination Ontario partnered with Destination Canada targeting U.S. markets accessible by a short-haul flight, with a focus on Washington and Boston. Destination Ontario's $250,000 investment was matched 1:1 by Destination Canada. The program utilized the combined $500,000 budget to produce and distribute Ontario-specific digital content with major U.S. publishers such as The New York Times (written content), The Washington Post (video and written content) and National Geographic (video and written content). Key results include outputs of 224,212 article views, 4,445,432 video views and an outcome of 6,148 leads to industry.

Multi-Market Paid Search
Paid Search plays an important role in promoting Ontario experiences globally when consumers are in a searching-for-travel mindset, and in driving leads to industry. Destination Ontario's paid search strategy includes a year-round presence in Ontario, the U.S., the United Kingdom, France, Germany, Mexico, Japan and China.

In 2019-20, paid search generated 1,392,000 visits to Destination Ontario's domestic and international websites and over 233,000 leads to industry partners from links within.

Creative Services
As the in-house design, photography and video production suite for Destination Ontario, the Creative Services department serves Destination Ontario's multi-market and multi-channel marketing needs.

Creative Services works in collaboration with industry partners to capture Ontario travel product and experiences, and to enhance Destination Ontario's collective ability to promote the province through stunning video and photography. Through imageontario.com, the organization offers an image distribution library with a collection base of more than 8,000 high quality images. The site boasts over 26,000 registered users globally. In 2019-20, imageontario.com saw 7,684 visits and 30,730 page-views.

The Creative Services team continues to build the collection of visual assets by acquiring, on average, over 500 high quality images and over 30 hours of usable high definition footage per season through photo/video shoots around the province. All shoots are completed in cooperation with RTOs, Destination Marketing Organizations (DMOs) and attractions. Creative Services also maintains regular communication with tourism partners to acquire visual assets that they are producing in order to fill any gaps in the Image Ontario platform.

Aligned with Destination Ontario's 'AlwaysON' content strategy and in tune with the evolving nature of content market, the Creative Services department expanded its in-house video production and editing capabilities in 2019-20 to produce high-quality and high-performing videos optimized specifically for social media distribution.

Northern Marketing and Partnerships
The Northern marketing strategy is anchored in the principles of value-driven content marketing with a goal of connecting avid consumers with timely, relevant and compelling content that encourages Northern Ontario as the destination of choice for angling, hunting, powersports and outdoor adventure experiences.

Angling and Hunting Program
Destination Ontario's Angling and Hunting program continued to build on partnerships with lead influencers in Ontario and the U.S. The program generated 65 television shows and 17 radio shows featuring 82 lodge/resort properties. To date, 58 television shows have aired once with 29 operators reporting a total of $575,578 as of March 31, 2020. The remaining shows will be aired after March 31st and likely will generate further sales. Tracking will be ongoing with shows; each show will be aired a minimum of twice before going into a re-run format and then posted online.

For the second year, Destination Ontario incorporated all the television media reporting on social media traffic based on posts driving to Ontario operators, to ontariotravel.net and their Northern Portal stories. Last year, Destination Ontario created the first social tracking benchmark for this program. The social results are as follows:

- Number of Facebook posts: 1,141.
- Impressions: 9.7 million, an increase of 24% when compared to last year.

- Reach: 7.4 million, an increase of 14% compared to last year that resulted in 201,000 leads.
- Engagement: 319,000.
- Engagement Rate: 4.3%, the targeted audience resulted in higher performance well above the overall organization's 2.06% result.
- The television media posted 547 times on their Instagram accounts resulting in 1.6 million impressions, 900,000 in reach and 48,000 in engagement.

The angling and hunting pages on ontariotravel.net had a combined visitation of 325,385 page-views with an outcome of 16,146 leads to partners.

On the Northern Portal, the angling and hunting pages surpassed last year's visitation of 356,000, increasing traffic by 13% to 492,620 page-views. Traffic counts resulted in 31,456 leads. Ninety-five stories were developed for the Northern Portal from influencers, including the television media. Each story had a minimum of three high-quality photographs submitted for uploading onto the Northern Portal.

With an aging demographic, the New Angler Campaign is engaging younger families, whose parent(s) may have fished when they were children but have not engaged in this sport as an adult. The campaign is targeting this younger demographic to build a new generation of avids. Results for the New Angler Campaign include:

- 31 Instagram posts by three distinctive Ontario influencers that resulted in 190,000 in engagement, which is a 49% engagement rate (well above the industry average 5 to 10%).
- Native amplification of four influencer posts resulted in 320,000 in reach and 2,000 in engagement.
- Verizon Native Ads resulted in 30,000 clicks, 20% above target.
- Overall social campaign results were: Eight million impressions, 192,000 in engagement and 13,000 in leads, a click thru rate of 16%.

These 'lapsed anglers' (anglers who have not taken a keen interest in fishing in their adult years) will be targeted for the coming year in the Greater Toronto Area and surrounding areas, considering all of the learnings and recommendations from this initial program. Destination Ontario developed a toolkit of new assets which will serve as strong marketing content for future campaigns.

Destination Ontario continued to support content on the GoFish and GoHunt Facebook pages. Results were positive and delivered engaging content for the consumer avids captured through this social channel. This year, the GoFish Facebook page delivered 373 posts which resulted in 994,852 impressions and 11,168 leads to Northern partners. The GoHunt Facebook page delivered 257 posts which resulted in 213,801 impressions and 5,682 leads to partners.

Destination Ontario participated in the Green Bay All Canada Show in partnership with northern partners. Destination Ontario targeted an engaged audience of visitors by highlighting angling and hunting experiences in Ontario. A major draw to the booth was

Jim Saric, host of the Musky Hunter television show for meet and greets throughout the weekend. Plans to attend the Toronto Sportsman Show were cancelled a few weeks prior to the show opening due to COVID-19.

Powersports Touring Program
Destination Ontario's Powersports Touring program, represents motorcycle, snowmobile, all-terrain vehicles (ATV), boating and RV touring. This program successfully focused on the development of online content and social engagement. This year, 80 stories were published, and 40 resource articles were updated, resulting in 1,027,899 page-views 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 224,203 leads to partners, a 14% increase year-over-year.

Fourteen partnered Ontario product media and influencer tours were completed with 35 partners including RTOs, DMOs and operators. In addition, Destination Ontario engaged three specialty television shows (*Snowmobiler Television, ATV World and Snowtrax TV);* and attended the Toronto Powersports Show in October, the Novi Snowmobile Show in November, and the Toronto Super Show in January, in partnership with 30 DMO partners. The reach of all campaign elements was an audience of 40 million potential tourists with 450,000 trackable actions and79,000 page-views to content through 346 developed social media posts.

The ontariotravel.net web traffic for all powersports pages was 78,685 page-views. This generated 27,946 leads to partners, and a conversion rate of over 35%. Additionally, the powersports digital display and online advertising resulted in over three million impressions.

Through the Open Roads Campaign, Destination Ontario's powersports program promoted motorcycle touring in the U.S. markets of Michigan and Minnesota during the months of February and March 2020.

Campaign Objective:
Increase overnight visitation to Northern Ontario during the spring/summer season, by promoting motorcycle touring experiences in U.S. rubber-tire markets.

Media Objectives:

i. Awareness: Leverage video to showcase Northern Ontario motorcycle touring experiences.
ii. Plan: Leverage social and digital traffic drivers to facilitate trip planning.

Campaign Results:

- 2.4 million completed video views (2 times the target) with a strong video completion rate on YouTube of 50% (in line with Destination Ontario benchmarks).

- 85,000 ad clicks (24% over target) to trip planning content on the Northern portal.

Due to COVID-19, this campaign was paused on March 13, 2020.

Outdoor Adventure Program
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, an influencer program, and Ontario product tours, Destination Ontario targeted consumers that will grow visitor volume and expenditures from priority markets (Ontario and U.S. border states). Through Destination Ontario campaigns, the program generated results in qualified leads focused on overnight guided, fully outfitted and/or lodge-based adventures. Further, the program generated leads directly to Destination Ontario, partners and/or operator websites, phone enquiries, use of trip planning tools, and other channels that demonstrated an intent to book.

The outdoor adventure page on ontariotravel.net performed well, resulting in 96,765 page-views. The output of these page-views resulted in an outcome of 20,712 leads to partners.

On the Northern Portal (northernontario.travel), the outdoor adventures, paddling and cycling pages published 70 new articles (this is a 75% increase from last year) and had a combined 288,429 page-visits, up from 253,711 compared to last year. These results for website visits (which included the Group of Seven sub-portal) generated an output of 50,634 leads to operators.

The program successfully generated 49,495 leads to operators, a 16.44% increase compared to last year. Total page visits were 278,013 (a 4.89% decrease from last year) maintaining a strong interest in Ontario outdoor content. This indicated significant campaign improvements in conversion rate optimization. Page visit to lead conversion rates also increased to 18%, up from 14% from the previous year. This increase of 28.6% in page visit to lead conversion rates is attributed to better article research and planning, audience segmentation, on-page conversion optimization (i.e., links on images, links in first two paragraphs, etc.) and more highly targeted marketing promotional tactics.

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.

Destination Ontario worked with a few key DMOs on winter partnered Ontario product tours to promote the outdoor product with influencers and social media. These projects generated 13 posts on Instagram, six posts on Facebook and a YouTube video; with over 250,000 impressions, content reach of 37,173, engagement of 11,839 actions and 14,000 video views.

A Canadian Canoe Culture Awareness Campaign in the U.S. targeting paddling enthusiasts in U.S. border states who want to explore nature in our province was developed. Although this new plan was developed near the end of the fiscal year, the execution of this program was put on hold due to COVID-19.

Group of Seven
Destination Ontario's Group of Seven 2019 program was developed out of learnings from previous programs, as well as through a consultative process with Northern Ontario stakeholders. Through these consultations with partners, the decision was made to move into market in 2020. To date, all assets have been developed and market timing is still being determined.

The objective of this program is to build familiarity and awareness of the Group of Seven's connection to the beautiful, safe and assessible landscapes in Ontario. Moving forward, a further objective is to move consumers further along the consumer funnel from dreaming to planning and drive intent to book a Group of Seven touring experience.

Northern Partnered Projects
Destination Ontario worked with Northern partners to deliver eight partnered project campaigns to support development and marketing activities. Overall, Destination Ontario invested $603,000 and partners invested $1,338,000 for a total collaborative marketing spend of over 1,941,000.

Strategy and Insights and Market Research
The following is a summary of the strategic planning and insights initiatives undertaken in 2019-20:

Cross-Organizational Database: RADAR (Repository of Data Aligned to Results)
In 2019-20, RADAR expanded to capture additional business lines beyond consumer marketing. To accomplish this, a Data Champion from each Destination Ontario program area was selected and assumed responsibility for capturing and entering data in RADAR on a set frequency. Improvements to RADAR have facilitated collaborative building of measurement plans, downloading and uploading of tracking assignments, and approvals of data captures. During the course of the year:

- RADAR's Graphic User Interface was redesigned to make an easier and accessible user interface. This redesign has accelerated progress and simplified overall project communication.
- Automated validation was built into the system to ensure data integrity.
- Data Champions were trained on how to use RADAR effectively making a consistent method of tracking data across teams.

More than one hundred projects across the organization are registered to be tracked through RADAR. Data reconciliation is in progress and once completed, will ensure data integrity through automated checks and balances, and facilitate ease of tracking and

approval. Going forward, RADAR will serve as a single source of approved data for the organization and will allow Destination Ontario to develop organization-wide benchmarks.

Consumer Marketing Campaign Reports, Weekly Dashboards & Analysis
Leveraging PowerBI (data visualization tool) and RADAR in 2019-20, custom dashboards were created to track in-market progress and to provide reporting for all consumer marketing campaigns. Campaigns were tracked with data from internal and external sources to provide a holistic view of each media tactic. Using this, the team was able to:

- Analyze and visualize data on a weekly basis to provide mid-campaign optimizations and monitor campaign performance.
- Develop in-depth campaign reports that provide immediate learnings and actionable insights to inform future campaigns.

In addition, a KPI checklist was developed, providing a list of platform-agnostic metrics to evaluate the effectiveness of every marketing activity across the consumer journey.

Website Reporting & Operations
Destination Ontario's consumer website ontariotravel.net continued to play a crucial role in overall marketing efforts, welcoming 3,935,528 total visits and generating 739,463 leads to industry. Data from ontariotravel.net and consumer travel search data from Google informed a series of optimizations to the user experience, including but not limited to: identifying popular destinations and travel categories, changing content structure to allow users to find popular offerings faster, as well as facilitating more leads to partner websites. Quarterly website data and insights reports supported regional tourism partners by illustrating year-over-year changes, identifying seasonal trends and providing insights into their individual sections of the website. As well, using paid search results, strengths and weaknesses of the domestic and international websites were identified, and will inform ongoing improvements.

Facilitating Accessible Tourism through listings on ontariotravel.net
Destination Ontario, in partnership with the Ministry for Seniors and Accessibility (MSAA), updated the accessibility features to the ontariotravel.net website.

- Following consultations between the ministries and the Tourism Industry Association of Ontario (TIAO), 20 new accessibility options were identified and added to the previous list of seven options, resulting in improvements to searchable experiences for visitors to ontariotravel.net.
- Over 1,500 businesses/industry partners currently listed on ontariotravel.net can now self-select the enhanced accessibility options applicable to them.

Industry partners having previously selected accessibility options will be invited to revisit and update their business listings. A resource guide for industry is also in development by MSAA to better educate the industry on the needs of the accessible traveller and will be added to the destinationontario.com industry website once completed.

Competitive Analysis
To better understand the competitive landscape, a cross-functional team worked together to conduct a comprehensive competitive analysis of four Provincial Marketing Organizations in Canada (British Columbia, Quebec, Nova Scotia, Newfoundland and Labrador) and two State Marketing Organizations in the U.S. (Michigan, New York).

All competitors were analysed based on their brand position and most recent advertising, website content and social media, and partnership programs. Information from the competitive analysis was used to understand how Destination Ontario might be better positioned to provide for the wants and needs of the travel consumer moving forward.

Brand Health
The purpose of the 2019 Destination Ontario Brand Health Study was to assess awareness, perceived brand favourability and consideration of Ontario as a summer and fall travel destination among consumers in Ontario and select U.S. markets. The study also measured Ontario's brand position and rating against its U.S. competitive set.

Ontario market[3]:

- The study found a 52% awareness of Ontario as a short getaway destination in the summer and 51% in the fall.
- The same study found a 78% favourability towards Ontario as a short getaway destination in the summer and 77% in the fall.
- 79% among survey sample will consider a trip to Ontario in next 12 months in the summer and 76% in the fall.
- The survey sample gave Ontario an overall rating of 78% compared to 60% for New York State, 35% for Michigan.
- Brand Health Index of 47 (benchmark year), just shy of the target of 50.

U.S. Rubber Tire market (Detroit, Cleveland, Rochester, Buffalo & Syracuse)[4]:

- The study found a 7% awareness of Ontario as a short getaway destination.
- The same study found a 60% favourability towards Ontario as a short getaway destination.
- 32% among survey sample will consider a trip to Ontario in next 12 months from July 2019.
- The survey sample gave Ontario an overall rating of 64% compared to 66% for New York State, 61% for Michigan and 45% for Illinois.
- Brand Health Index of 28 (benchmark year).

[3] Source: Destination Ontario Brand Health Study 2019 – Ontario, Summer and Fall

[4] Source: Destination Ontario Brand Health Study 2019 – U.S., Summer

U.S. Short Haul market (Chicago, Boston, Philadelphia, Washington DC)[4]:

- The study found a 2% awareness of Ontario as a short getaway destination
- The same study found a 60% favourability towards Ontario as a short getaway destination.
- 25% among survey sample will consider a trip to Ontario in next 12 months from July 2019.
- The survey sample gave Ontario an overall rating of 62% compared to 63% for New York State, 49% for Michigan and 52% for Illinois.
- Brand Health Index of 30 (benchmark year).

INDUSTRY RELATIONS, COMMUNICATIONS AND INTERNATIONAL MARKETING

Industry Relations

Destination Ontario developed two new collaborative cost-shared marketing campaigns targeting short-haul fly and drive U.S. markets, and, for Northern Ontario destinations into the U.S., to build new audiences. These partnerships with tourism industry stakeholders included RTOs and DMOs.

Campaigns were aligned to the Ontario tourism brand, involved collaborative planning and development and generated $1,250,000 in leveraged partner cash contributions. Planned in-market timing of spring 2020, for both campaigns, was delayed due to the announcement of COVID-19 closures, eventually resulting in program postponements.

Destination Ontario also created two digital campaigns in support of Ontario's Francophone and Indigenous sector associations, Société Économique de l'Ontario and Indigenous Tourism Ontario. Both partners indicated they were pleased with the results.

A winter digital media campaign was developed and launched in January 2020 in support of the RTOs, with each region receiving a dedicated, calendarized week of exposure across multiple Destination Ontario social channels. One RTO supported the initiative with a $4,000 investment to further extend its reach. The campaign resulted in 167,000 completed video views, 51,000 advocacy actions (reactions, comments, shares, saves and story actions) and 219,000 leads to industry partners.

Throughout the year, the Industry Relations team reached out to RTOs, DMOs, sector associations and MHSTCI agencies and attractions for content updates for summer, fall, winter, Group of Seven and virtual experiences. These communications connected with more than 500 stakeholders who were encouraged to share with their operators and members.

In a consultative role with Marketing and Creative Services, the Industry Relations team worked on the pan-provincial LCBO culinary video series assets acquisitions, and the RTO 12 flood recovery campaign.

Sharing information and expertise with industry is an important part of Destination Ontario's outreach efforts. Throughout 2019-20, there were 10 speaking engagements undertaken by Destination Ontario staff.

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 750,000 copies of the *Attractions Ontario Passport* magazine and coupon book throughout Ontario. resulting in over 50,000 coupons redeemed generating $831,000 in revenues
- Resorts of Ontario for print and digital advertising to Ontario consumers which generated over 65,000 leads to resort operators with an estimated return on investment of more than $649,000 in sales to resort members.
- TIAO for the implementation of the 2019 Ontario Tourism Summit at Blue Mountain Village in October 2019, which saw more than 400 industry stakeholders attend and 72% indicating a likelihood to attend again in 2020.

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

Destination Ontario's senior management and social teams met with MHSTCI agencies and attractions to share social media opportunities, and other ways to collaborate going forward.

Educational Outreach

Destination Ontario also updated informative one-pagers that were distributed at the Ontario Tourism Summit, as well as being available for download on the 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 that Destination Ontario focusses on, providing information on visitation and expenditure, travel trends, 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[5].

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.

[5] Source: Statistics Canada, Total visits and spending by origin 2016

Across Ontario's markets of priority, (U.S., United Kingdom, 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 the 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 7,700 agents from targeted international travel companies were trained on Ontario products. This result represents an overachievement of the target and an increase of more than 4,500 from the previous year, in large part due to the effective implementation of virtual training tools. There was also an achievement of 111 new Ontario products being offered as part of promoted trips to Ontario. This again is an overachievement of target and previous years' result due to a specific strategic focus on encouraging travel to more places in Ontario. Across all markets, as a direct result of joint marketing initiatives with targeted travel companies, an additional 21,000 trips to Ontario were directly booked with trade company partners, generating over $22 million in estimated incremental expenditures in Ontario. Examples include:

- A joint promotion with a key Chinese travel company highlighted two itineraries that focused on Ontario (Toronto, Niagara Falls, Ottawa, Kingston and Huntsville). The promotion was executed through a variety of tactics, including online banners, WeChat posts, store window displays and elevator advertising. The promotion, which cost Destination Ontario $10,000 and was matched by the tour operator, resulted in 424 passengers booked, translating into estimated expenditures of more than $590,000.
- A joint marketing promotion with a key U.K. travel company highlighted three different fly-drives in Ontario. The new program called Georgian Bay Coastal Escape is a 13-night itinerary that includes Toronto, Blue Mountain, Tobermory, Manitoulin Island, Killarney and Algonquin Park. The promotion included numerous tactics, such as online banner advertising, social media posts, e-newsletters, in-store window displays and a two-page magazine article. The promotion, which Destination Ontario invested $25,000, was matched by the tour operator and the results were 170 new passengers booked, which generated an estimated minimum of $257,000 in expenditures in Ontario.

Earned Media Relations Results

International earned media relations performance targets were far exceeded, with an estimated advertising value equivalency (AVE) of $78 million. In accordance with a MHSTCI innovation award-winning and proprietary quality rating system, overall quality of results was high. Achievement examples include:

- *The New York Times* (*NYT*) featured Ontario on four separate occasions, in both print and online, positioning the province as a weekend getaway that offers value and diverse experiences. As per the editorial policy of *NYT,* no budget was spent on securing these articles.

    - Estimated combined reach: 17,777,580
    - Combined AVE: $521,654
- A print and digital article assignment “Discovering Canada’s Best-Kept Secrets” for *The Times* (U.K.), featuring Toronto, Tobermory, Manitoulin and Killarney. An airline partner offset flight expenses. The outcome achieved more than 1.6 million impressions, and AVE of more than $100,000.
- Canadian freelance journalist Brandy Yanchyk, on assignment for PBS’ “Seeing Canada” program, traveled to Ontario in 2017 and 2018 for two separate shows, which aired during both the 2018-19 and 2019-20 reporting years:
    - Focus of the programs was Indigenous tourism on Manitoulin Island (2017) and Thunder Bay as a great northern getaway (2018).
    - Destination Ontario worked in partnership with Great Spirit Circle Trail and Thunder Bay Tourism.
    - “Seeing Canada, Manitoulin Island”, aired on PBS in winter 2018.
    - “Seeing Canada, Thunder Bay”, aired on PBS, Create TV, Amazon Prime, CPAC in Summer 2019.
    - The journalist also sold the episodes to WestJet and Air Canada for its in-flight entertainment system, to be made available to its highly travel motivated audience in July 2019.
    - Combined potential reach: 70,292,160.
    - Combined AVE: $2,638,524.
- A double-page spread in the *Sunday Times Travel Magazine* (November 11, 2019); one of the most influential sources for travel information and inspiration in the U.K. Featuring the fall colours in Algonquin Provincial Park, the impressive piece focuses on activities that can be enjoyed in summer and fall and practical information on how to book via a top tour operator. AVE $23,582/Circulation: 57,856.
- A feature story on the lead page of *Food & Travel* (Mexico) online, published on January 26, 2020. Noting the top four reasons to visit Niagara during the winter and promoted Niagara-on-the-Lake, Niagara Falls, Icewine and Wine Regions in Ontario during the winter shoulder season. AVE $8,255/Reach: 197,430.
- A group visit by six top China travel outlets and influencers in October resulted in earned media exposure with an AVE of more than $28 million and a combined reach of nearly six million. Participants included print magazines such as *World Traveller* and popular video platform iQiYi. The group profiled Sault Ste. Marie, Manitoulin, Tobermory, Blue Mountain, Toronto and Niagara Falls.
- The German consumer travel magazine *Abenteuer und Reisen* featured an Ontario cover story in April 2019 including a six-page article about the new Le Boat product and the Rideau Canal. This print article was a result of a group press trip and achieved a circulation of 85,000 and an AVE of $143,000.
    - In total, the group press trip achieved a circulation of more than nine million and an AVE of $3.8 million and highlighted Ontario in major daily newspapers and travel magazines.
- In partnership with Ottawa Tourism, Destination Ontario achieved a 10-page article on Ottawa with special focus on winter activities that was featured in the in-flight *Lufthansa Magazin* in Germany during the month of March 2020. This

print article was a result of an individual press trip and achieved a circulation of 525,000 and an AVE of $518,000.
- 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.

Broadcast Program
Destination Ontario's broadcast program continues to grow and expand, achieving 3,867 broadcasts (37% increase from 2018-19) with 118 media outlets resulting in 9,180 air time minutes (25% increase over last fiscal). The reach of all broadcasts was 46,479,233 with an AVE of $1,624,201.

Highlights of the program included broadcasts with *Breakfast Television*, *Global News Morning* and *Fresh Radio* in RTO 12 to promote and encourage people to visit after the impact of the high-water levels and flooding in the area. Successful broadcasts also aired on *CP24* in Elora and Fergus, *Boom Radio Ottawa* at Calabogie Peaks, *The Weather Network* in Mattawa and *KX96 Radio* in Haliburton to name a few.

The broadcast program integrated Destination Ontario's fall U.S. marketing campaign through successful in-studio broadcasts on 10 radio stations throughout Buffalo, Rochester, Pittsburgh and Cleveland to encourage visitors from the U.S. to visit Ontario. Furthering U.S. broadcast media relations, the team coordinated its first on-location broadcast with a U.S. radio station *(KISS98.5)* promoting the Muskoka region as part of Destination Ontario's winter marketing campaign.

CBC Fresh Air Radio continues to be a successful promotional outlet airing on 74 stations across the province each weekend. Upcoming festivals, events and experiences are highlighted during the interviews.

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 2019, Destination Ontario leveraged Destination Canada to execute consumer marketing campaigns in the United Kingdom, Germany, France, China, South Korea, Japan and Mexico. Examples include:

- A partnership with *FRaU* magazine, one of the leading women's lifestyle magazines in Japan, was largely based on content resulting from a visit to Ontario by Japanese influencer Miyako Takayama. Ontario was featured throughout the issue, which was entirely focussed on Eastern Canada, and through a video summarizing the influencer's visit to the province. Destination Ontario received value-added exposure, including additional editorial pages (print and web) and a testimonial by Ms. Takayama during Focus Canada in Japan, where she addressed and inspired travel trade, trade media and Canadian suppliers about her travel experiences.
- The United Kingdom campaign saw several pieces of Ontario-specific content published in prestigious channels, such as *The Guardian*, *National Geographic*, *Conde Nast Traveller*. As well, a new influencer video filmed in Ontario (Sophie Sellu in Eastern Ontario, including 1000 Islands Region and RTO 11). This video yielded 1.29 million views at 75% completion rate or more. This campaign achieved 1,332 incremental travellers spending an estimated $2 million.

Destination Ontario leveraged its partnership with Destination Canada through the travel trade and media relations. Examples include:

- A key online travel agency in China increased its Ontario winter product and then promoted it through high profile online tactics. The initiative resulted in 555 incremental trips and an estimated expenditure of almost $338,000.
- One of Germany's leading sports retailers, SportScheck has 17 stores and a large online commerce platform, hosted Ontario promotions including a five-week online presence (websites, e-newsletters, social media) and offline in-store activations. Over three million consumer contacts were generated and the tour operator partner, FTI Touristik, reported 312 passengers booked, with a direct expenditure in Ontario of an estimated $393,000.
- Through a partnership with Destination Canada in South Korea, a two-episode Korean TV show "Omiscient Travel" that featured a Korean celebrity experiencing natural wonders and small-town charms of Ontario in Niagara Falls and Toronto. Potential impressions of over three million and AVE of $1.6 million. Content was also created during the production that was used for Destination Canada's consumer outreach.

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 2019-20, Destination Ontario executed three In-market Business to Business Sales Programs, including to the U.S., Germany, and Japan, altogether leading 27 Ontario stakeholders. Over the course of the program, this resulted in one-on-one in-market business development meetings with an output of 37 targeted travel company decision makers, as well as an output of 318 travel agents trained on Ontario products. Incremental visitation and expenditure outcomes from this activity will be realized through the future sale of new product itineraries and joint marketing programs. These sales programs resulted in a partner recommendation rate of 89%, showcasing the high value of these programs to Ontario stakeholders' trade strategies and reflecting the effective delivery of the programs by Destination Ontario.

Rendez-vous Canada 2019

In May 2019, Destination Ontario had the honour of co-hosting Rendez-vous Canada (RVC) 2019 alongside Tourism Toronto and in strong partnership with Destination Northern Ontario and with support from Ottawa Tourism, Niagara Parks Commission and UP Express. Additional collaboration partners included the Canadian Live Music Association, Indigenous Tourism Ontario and the Indigenous Tourism Association of 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 multi-faceted, four-day 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 Ontario's economy.

Facets of planning and executing this multi-faceted event included: partnerships, transportation, volunteers, special innovative activations to enhance the visitor experience, a destination showcase event, marketing and communications, province-wide product tours before and after the event (approximately 75 Ontario partners took part in hosting 230 international travel company and media representatives). Destination Ontario was also responsible for coordinating the participation of Ontario seller delegates. In 2019, there was a record number of Ontario sellers represented (more than 150) and there were 16 first time participants.

RVC 2019 was delivered to plan, under budget and with great results. More than 1,900 delegates took part in RVC, comprised of tourism businesses from across Canada and about 600 delegates from travel companies from 30 countries around the world. More than 31,000 pre-scheduled one-on-one meetings took place to advance tourism business for Canada. The immediate economic impact of hosting RVC 2019 was estimated to be approximately $3.6 million; and more than $90 million in future business

to Ontario's tourism industry is expected be generated from meetings that were conducted over the four days. Feedback from partners and stakeholders was extremely positive, with 99% of international travel companies 'very satisfied' or 'satisfied' with RVC 2019 and 93% 'very satisfied' or 'satisfied' with Ontario as host province.

A few Ontario stakeholder testimonials:

> *"Rendez-vous Canada 2019 was extremely successful and congratulations to everyone involved in hosting a great event! I can't say enough about everything you and your team did to make RVC a success. We are so pleased to be a part of that success. Thanks from everyone here in the North."*
> - David MacLachlan, Destination Northern Ontario (RTO13)
>
> *"Participating in Rendez-vous Canada over the past three years has contributed to growth in our group bookings. The business seen from these international markets reinforces the value of participating in Provincial, National and International programs reaching the Travel Trade markets. You and your team did a fantastic job this week. RVC was a great success!".*
> - Krista Doyle, St. Lawrence Parks Commission
>
> *"RVC continues to grow and flourish year after year and gives the entire tourism industry throughout Canada the opportunity to meet with operators from important markets. When RVC is held in Ontario, we see an immediate increase in business. There is no better way to sell Ontario than to have key decision-makers experience it for themselves. I am so proud of the Destination Ontario team, all of whom are to be commended for their superb logistics management, hosting and hospitality. Every operator who attended the event was truly impressed – as was I!"*
> - Anna Pierce, Niagara Helicopters Ltd.

CORPORATE SERVICES AND OPERATIONS

Ontario Travel Information Centres

Through their impact on the visitor path to purchase, this year OTICs welcomed 815,538 visitors who contributed $791,721 in visitor spend to the province. OTICs counselled 309,532 visitor parties and facilitated 659 hotel reservations totalling $156,575 by inspiring travel to and around Ontario with an emphasis on overnight visitation and extended stays.

OTICs – Understanding the Visitors' Needs

At the end of February, the OTICs completed their two-year informal in-house survey (English and French) aimed at better understanding the traveller's needs, interests, travel planning and purchase behaviour. Over 72,000 surveys were compiled, including 71,056 in-person surveys, 838 by phone and 121 by email. In addition to the follow up

survey that tracks visitor spend, a hunting and fishing licences survey was introduced in July 2019 to gain additional targeted insights.

Overall, 98% of respondents were satisfied with their visit to an OTIC and 96% said they would return to Ontario for a future trip as a result of their visit to an OTIC. From the follow up survey, 54% visited an unplanned attraction after visiting an OTIC and a total of $425 additional visitor spend was generated per travel counselling session.

Follow up action plans were implemented at each OTIC based on the insights and results achieved and travel counsellors at all 11 OTICs received a 2019 group Applause Award for Service Excellence.

“Amazing stay in Ontario!
The staff at the visitor’s centre in Sarnia were superb and couldn’t do enough for us!!
We will be back again very soon.”

- Visitor Testimonial

Destination Ontario also conducted formal in-person qualitative research (focus groups) in rural and urban Ontario areas and in a couple of major U.S. cities. The purpose was to investigate travel behaviours related to in-market travel information needs and travel information centres, especially in-person. Results will help to inform future planning for the delivery of Ontario’s visitor information services.

To better the delivery of visitor services, the organization continued to work to bring the OTICs to modern day standards with operational improvements to upgrade facilities with information technology enhancements (connectivity and cabling) and conducted Threat Risk Assessments to ensure the continued safety and security of staff, visitors and equipment with improved security systems, lighting and signage.

Destination Ontario continued to modernize and update OTIC staff training by continuing the successful, in-house, two half day training program bringing together all 35 OTIC staff across the province through webinar technology. The OTIC team has established themselves as the national leader through organizing semi-annual virtual meetings with visitor services provincial and territorial counterparts across the country to share best practices and updates.

Human Resources and Corporate Services
Destination Ontario's 2019-20 provincial grant allocation was reduced by $5M or 13.2% from its 2018-19 allocation. This reduction in the total base allocation required Destination Ontario to undertake a shift in its operations to realize necessary savings, while not compromising its legislated mandate.

Guided by a continued commitment to fiscal responsibility, the area provided high quality oversight of the agency’s corporate services (financial, human resources, administrative, information technology equipment, facilities and emergency management) by taking a tactical approach to identifying cost saving measures, that

included a comprehensive zero-based budget analysis of all business lines to prioritize spending, and a full organizational review to optimize opportunities for modernization. As a result, the area delivered on many activities that achieved improved effectiveness and efficiency, including:

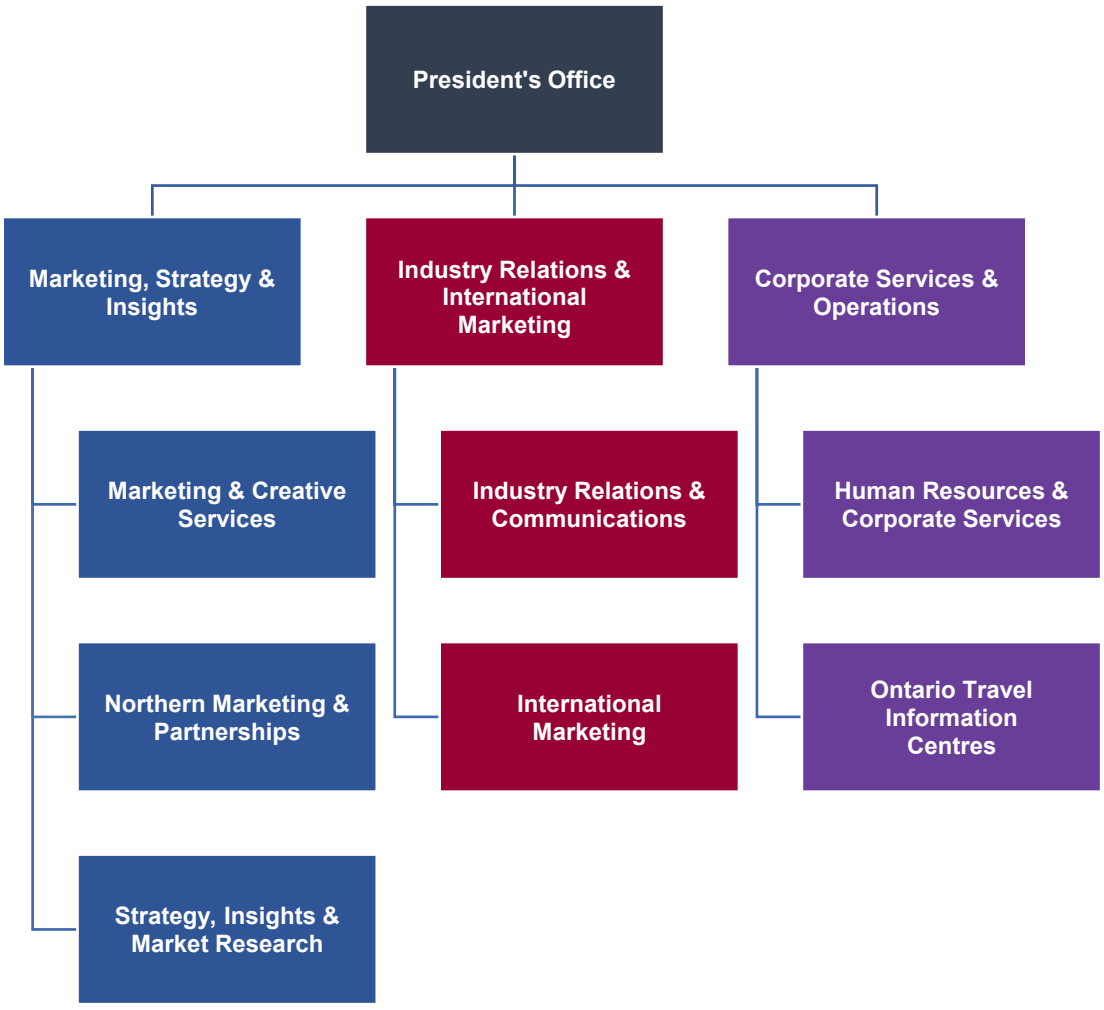
- Budget line items have been strategically realigned to better reflect the three-year strategic plan and promote cross-functional teams based on key marketing activities and markets;
- Achieved clean audit results from expense claim review by the Office of the Integrity Commissioner of Ontario, while further improving in-house expense claim processes based on learnings and feedback;
- Adherence to government spending restrictions and undertaking a rigorous approval process including documented rational for all expenditure;
- Achieved 78% response rate for the Ontario Public Service (OPS) employee survey;
- Completed an organizational realignment to continue efforts to modernize while contributing to reduce the size of the OPS by making use of the Transition Exit Initiative and the Voluntary Exit Program. Achieved overall Full Time Equivalent (FTE) reduction from 89 to 84, while also creating new positions that address the evolving needs of a dynamic cross functional organization.
- Continued collaboration with legal to develop standard templates for the various contract agreements to ensure appropriate accountability and transparency;
- Conducted all-staff information workshops on records information management and the updated OPS Travel, Meal, and Hospitality Expenses Directive;
- Reduced number of desktop phones for employees that have mobile phones to reduce duplication and achieve savings;
- Updated the head office boardroom with new enhanced video and audio technology to allow for improved virtual meetings with staff and stakeholders;
- Successfully migrated all staff to Office 365 to improve access to files, share documents, and enhance real-time collaboration with colleagues using the latest suite of Microsoft desktop applications;
- Cut back on wasted printouts by migrating all staff to new OPS standards of ‘Follow-me’ printing and reducing the number of personal office printers;
- Building on previous years efforts, successfully migrated over 80% of vendors to direct deposit banking to reduce costs of using paper cheques, envelopes, and postage. Payments are deposited in vendors accounts faster while eliminating lost or delayed cheques in the mail and trips to the bank for cheque deposits;
- The Ministry established diversity targets in the categories of Leadership Development; Recruitment & Selection; Succession Planning and Coaching & Mentoring. Destination Ontario met and exceeded all established targets and continues to keep these targets top-of mind in ongoing activities; and
- Developed and implemented a learning plan/initiative for all staff that was delayed/postponed due to COVID-19.

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 ASSESSMENT

In fiscal 2019-20, Destination Ontario adjusted plans to respond to a reduced base allocation, applying savings strategically to maintain funding as much as possible for core marketing activities. Destination Ontario continued to move forward with marketing plans and activities that aligned with the *Strategic Playbook 2018-2021*.

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

PERFORMANCE MEASURES

VISITOR VOLUME & EXPENDITURE			
	2018/19 Actual	***2019/20 Target***	***2019/20 Actuals***
Ontario			
Incremental Trips	N/A[1]	343K	N/A[2]
Incremental Visitor Spending	N/A[1]	$38M	N/A[2]
U.S.			
Incremental Trips	N/A[1]	111K	241K
Incremental Visitor Spending	N/A[1]	$26M	$64.4M
North America and Overseas (via trade channel)			
Incremental Trips[3]	46.3K	33K	21K[4]
Incremental Visitor Spending[3]	$29M	$26M	$22.2M[4]
Number of New Products Developed – North America & Overseas	**47**	**33**	**111**

1. Marketing activity was paused due to spending restrictions and no research vendor was procured.
2. Marketing activity was cancelled due to business plan review.
3. Variables impacting the reporting of trips and expenditures lead to variability in year-to-year results.
4. Planned marketing initiatives were not realized in Q4 2019-20 due to COVID-19.

VISITOR FIRST MARKETING			
	2018/19 Actual	***2019/20 Target***	***2019/20 Actuals***
Earned Media Relations (AVE $Ms)	$65.7M	$47M[1]	$79.7M[2]
Paid Broadcast (Reach)	5,454,200	2,000,000[1]	12,184,678[2]
Online Video Views (75% - Completed)	56,451,819	18,000,000[1]	28,440,116[2]
Social Engagement Rate (% (likes, reactions, comments, shares and clicks/reach)	New Organization-wide KPI	7%	2.06%[3]
Travel Trade Trained (#)	3,193	2,500	7,741[2]
RE-DEFINING PARTNERSHIP			
	2018/19 Actual	***2019/20 Target***	***2019/20 Actuals***
Total Leads to Industry Partners	3,369,374	1,230,000[1]	1,453,388
Partners' Cash Contribution ($)	New KPI[4]	$785,000	$186,650[5]

Ontario Stakeholders Participating in Destination Ontario-Led Programs (#)	New KPI[4]	Baseline in Development	1,000

1. Business strategy shift due to budget reduction; Ontario market on pause.
2. In year additional programming was included that was not anticipated when targets were set.
3. Original calculation was over optimistic due to the lack of proper baseline.
4. Measurement was not included as part of organization's KPI prior to 2019/20 fiscal; therefore, target was not set but data was collected and available to be reported on.
5. Planned marketing initiatives were not realized in Q4 2019-20 due to COVID-19.

DEFINITIONS

Key Performance Indicator (KPI)	**Definition**
Incremental Trips	Number of trips taken (outcome) by those influenced by the campaign.
Incremental Visitor Spending – Ontario and U.S.	Number of trips taken (outcome) by those influenced by the campaign multiplied by the average visitor spend, as measured through the *Brand and Advertising Tracking Study,* conducted by a third-party research supplier.
Incremental Visitor Spending – North America and Overseas (via trade channel)	Estimated direct expenditures (outcome) 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 and conversion partners 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.
Number of New Products Developed	The actual number of packages, itineraries, experiences incorporated (outcome) by trade channel partners (new additional overnight in Ontario, new itinerary, new experiences added to itineraries, etc.).
Earned Media Relations (i.e., Advertising Value Equivalency or 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.
Paid Broadcast (Reach)	Number of people reached from on-air paid advertising on television and/or radio.
Online Video Views (75% - Completed)	Video advertising viewed 75% to its entirety either on digital or social platforms (paid and organic).
Social Engagement Rate	Destination Ontario owned domestic and international (excluding China) social handles - percent of likes, reactions, comments, shares and clicks divided by total reach.
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.
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	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.

FINANCIAL STATEMENTS

For the Year Ended March 31, 2020

Ninety-five per cent ($33.4 million) of Destination Ontario's $35.1 million operating revenue was received from the Ontario government. Most of the remaining $1.7 million revenue was earned from product sales to consumers, interest income, and advertising sales to marketing partners. Destination Ontario recorded an operating deficit of $3.9 million after a depreciation of $1.6 million on capital assets, largely the Tourism Consumer Information System. The operating deficit is due in large part to the $5 million reduction to Destination Ontario's annual grant allocation and offset by the operating surplus from the previous fiscal year ended March 31, 2019. Salaries and benefits for Destination Ontario staff, including at the OTICs, comprised 23.6 per cent of its total operating expenses.

Ontario Tourism Marketing Partnership Corporation

(operating as Destination Ontario)

Financial Statements

For the Year Ended March 31, 2020

Ontario Tourism Marketing Partnership Corporation

(operating as Destination Ontario)

Financial Statements

For the year ended March 31, 2020

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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 24, 2020

Ronald Ting
Treasurer
June 24, 2020

Tel: 905 270-7700
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Toll-free: 866 248 6660
www.bdo.ca

BDO Canada LLP
1 City Centre Drive, Suite 1700
Mississauga ON L5B 1M2 Canada

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, 2020, 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, 2020, 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.

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 24, 2020

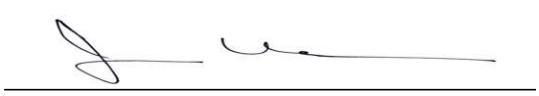
ONTARIO TOURISM MARKETING PARTNERSHIP CORPORATION

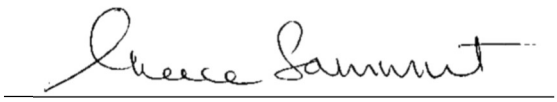
(operating as Destination Ontario)

Statement of Financial Position

	March 31 2020 ($ 000)	March 31 2019 ($ 000)
ASSETS		
Current		
Cash	**6,581**	11,517
Accounts receivable	**1,314**	916
Prepaid expenses	**7**	359
	7,902	12,792
Capital assets (Note 3)	**1,121**	2,687
	9,023	15,479
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities	**2,722**	4,855
Obligation for retirement benefits (Note 2h)	**177**	309
Deferred revenue (Note 4)	**-**	9
	2,899	5,173
Obligation for retirement benefits (Note 2h)	**1,330**	1,528
Deferred capital contributions (Note 5)	**121**	231
	1,451	1,759
	4,350	6,932
Net assets		
Unrestricted fund	**3,673**	6,091
Investment in capital assets	**1,000**	2,456
	4,673	8,547
	9,023	15,479

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	2020 ($ 000)	2019 ($ 000)
Revenues		
Province of Ontario Grant (Note 6)	**33,415**	38,132
Travel Information Centres - sales and rentals	**968**	1,093
Interest income	**273**	223
Advertising sales	**222**	1,249
Amortization of deferred capital contribution	**119**	185
Trade promotions	**101**	280
	35,098	41,162
Expenses		
Advertising and marketing	**17,287**	17,450
Administration (Note 7)	**7,525**	7,460
Travel Information Centres (Note 8)	**6,067**	6,035
Tourism Consumer Information System (Note 9(b))	**4,888**	4,144
Amortization of capital assets	**1,611**	2,146
Partnerships and sales	**966**	581
Research	**620**	221
Board and committee expenses (Note 10)	**8**	27
	38,972	38,064
(Deficiency) excess of revenues over expenses	**(3,874)**	3,098

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)	**Investment in Capital Assets ($ 000)**	**2020 Total ($ 000)**	2019 Total ($ 000)
Net assets, beginning of year	**6,091**	**2,456**	**8,547**	5,449
(Deficiency) excess of revenues over expenditures for the year	**(2,382)**	**(1,492)**	**(3,874)**	3,098
Purchase of capital assets, net	**(36)**	**36**	**-**	-
Net assets, end of year	**3,673**	**1,000**	**4,673**	8,547

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	**2020 ($ 000)**	2019 ($ 000)
OPERATING		
(Deficiency) excess of revenues over expenses	**(3,874)**	3,098
Add (less) non-cash items:		
Amortization of deferred capital contributions	**(119)**	(185)
Amortization of capital assets	**1,611**	2,146
Obligation for retirement benefits	**(330)**	(23)
	(2,712)	5,036
Change in non-cash working capital	**(2,188)**	(1,038)
	(4,900)	3,998
CAPITAL		
Capital asset additions	**(45)**	(152)
Deferred capital contributions	**9**	91
	(36)	(61)
(Decrease) increase in cash during the year	**(4,936)**	3,937
Cash, beginning of year	**11,517**	7,580
Cash, end of year	**6,581**	11,517

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 $330,000 (2019 – decreased by $23,000) based on assumptions derived from the December 31, 2019 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 $1,507,000 (2019 - $1,837,000). The discount factor used was 0.73 (2019 – 0.82) and the estimated average years to retirement was 9.0 years (2019 – 6.0 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

	2020 ($ 000)		2019 ($ 000)	
	Cost	**Accumulated Amortization**	Cost	Accumulated Amortization
Furniture	**441**	**401**	396	396
Leasehold improvements	**2,708**	**2,553**	2,708	2,422
Tourism Consumer Information System	**15,657**	**14,731**	15,657	13,256
	18,806	**17,685**	18,761	16,074
Cost less accumulated amortization		**1,121**		2,687

4. DEFERRED REVENUE

	2020 ($ 000)	2019 ($ 000)
Ministry of Tourism, Culture and Sport		
OTICS – Capital assets	**-**	2
Advertising programs	**-**	7
	-	9

5. DEFERRED CAPITAL CONTRIBUTIONS

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

	2020 ($ 000)		2019 ($ 000)	
	Contributions	**Accumulated Amortization**	Contributions	Accumulated Amortization
Contributions received	**978**	**857**	969	738
Contributions less accumulated amortization		**121**		231

6. REVENUE: PROVINCE OF ONTARIO

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

	2020 ($ 000)	2019 ($ 000)
Core funding	**32,968**	37,968
MSA Website Accessibility	**189**	-
Summer Experience Program	**138**	164
TEI/VEP Funding	**120**	-
	33,415	38,132

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:

	2020 ($ 000)	2019 ($ 000)
Salaries and benefits	**6,176**	6,627
Lease	**824**	432
Services	**240**	114
Supplies and equipment	**184**	191
Transportation and communications	**101**	96
	7,525	7,460

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 $489,000 (2019 – $491,000).

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:

	2020 ($ 000)	2019 ($ 000)
Salaries and benefits	**3,039**	3,058
Lease	**1,342**	1,361
Merchandise for sale	**688**	921
Supplies and equipment	**470**	72
Services	**469**	531
Transportation and communications	**59**	92
	6,067	6,035

Included in salaries and benefits are contributions to the PSPF and OPSEU pension funds for the year of $171,000 (2019 - $174,000).

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, $4,888,000 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 $4,888,000 (2019 - $4,144,000) of which $Nil (2019 - $Nil) was charged directly to the Special Projects Fund and $Nil (2019 - $Nil) 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)
2021	1,173
2022	1,095
2023	1,095
2024	185
	3,548

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.

11. SUBSEQUENT EVENT

On March 11, 2020, the World Health Organization declared the outbreak of a novel coronavirus (“COVID-19”) as a global pandemic, which continues to spread throughout Canada and around the world.

On March 23, 2020, the government of Ontario ordered the closure of all non-essential businesses effective March 24, 2020. The Corporation continues to operate focused on delivering marketing activities to support the tourism industry, which has been severely impacted by COVID-19.

If the impacts of COVID-19 continue, there could be further impact on the Corporation that could affect the Corporation's future funding. At this time, the full potential impact of COVID-19 on Destination Ontario is not known.