

# Prince Edward Island Strategic Plan for Tourism 2016-2021

Stage 1 - Situation Analysis  
June 2016

Prepared for



Tourism Development  
International

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# Project Objectives

## Overall Objective

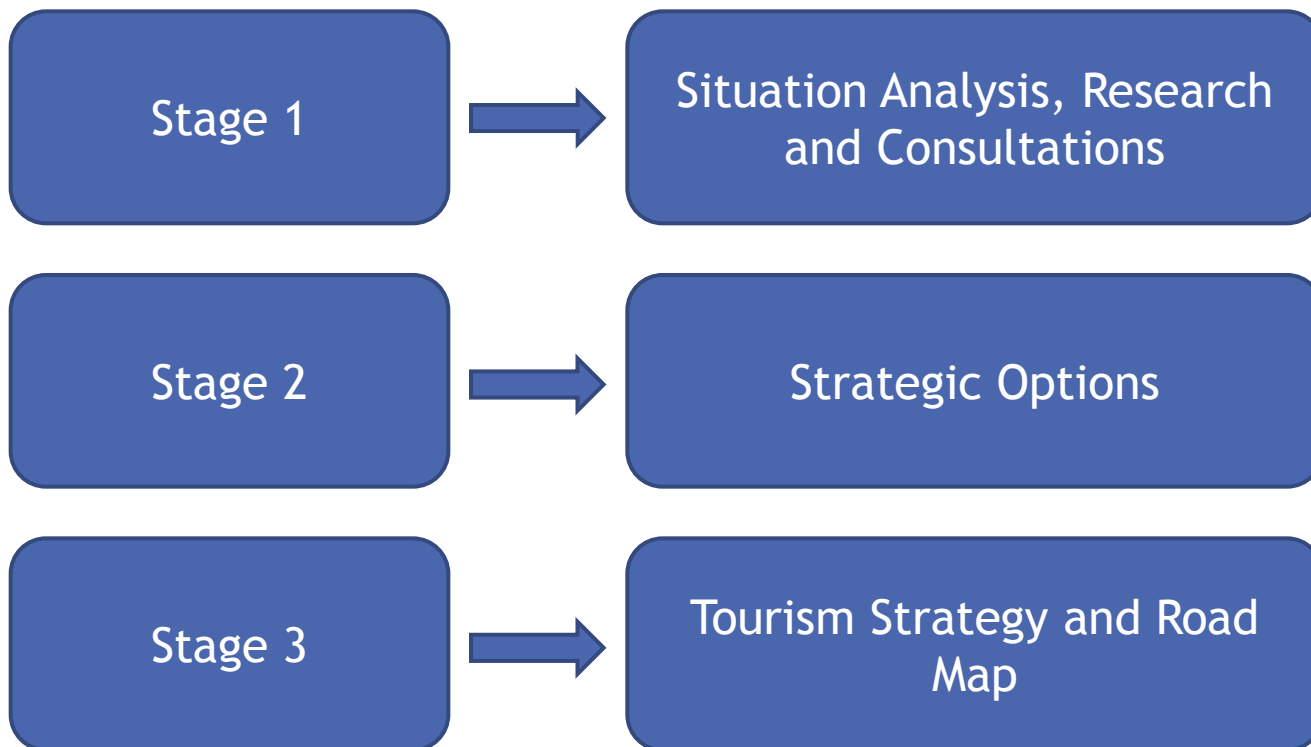
Deliver a Five Year Strategic Plan for Tourism.

This will build on past successes and create a new, shared vision for tourism competitiveness in PEI.

The Strategic Plan for Tourism 2016-2021 required to address the following:-

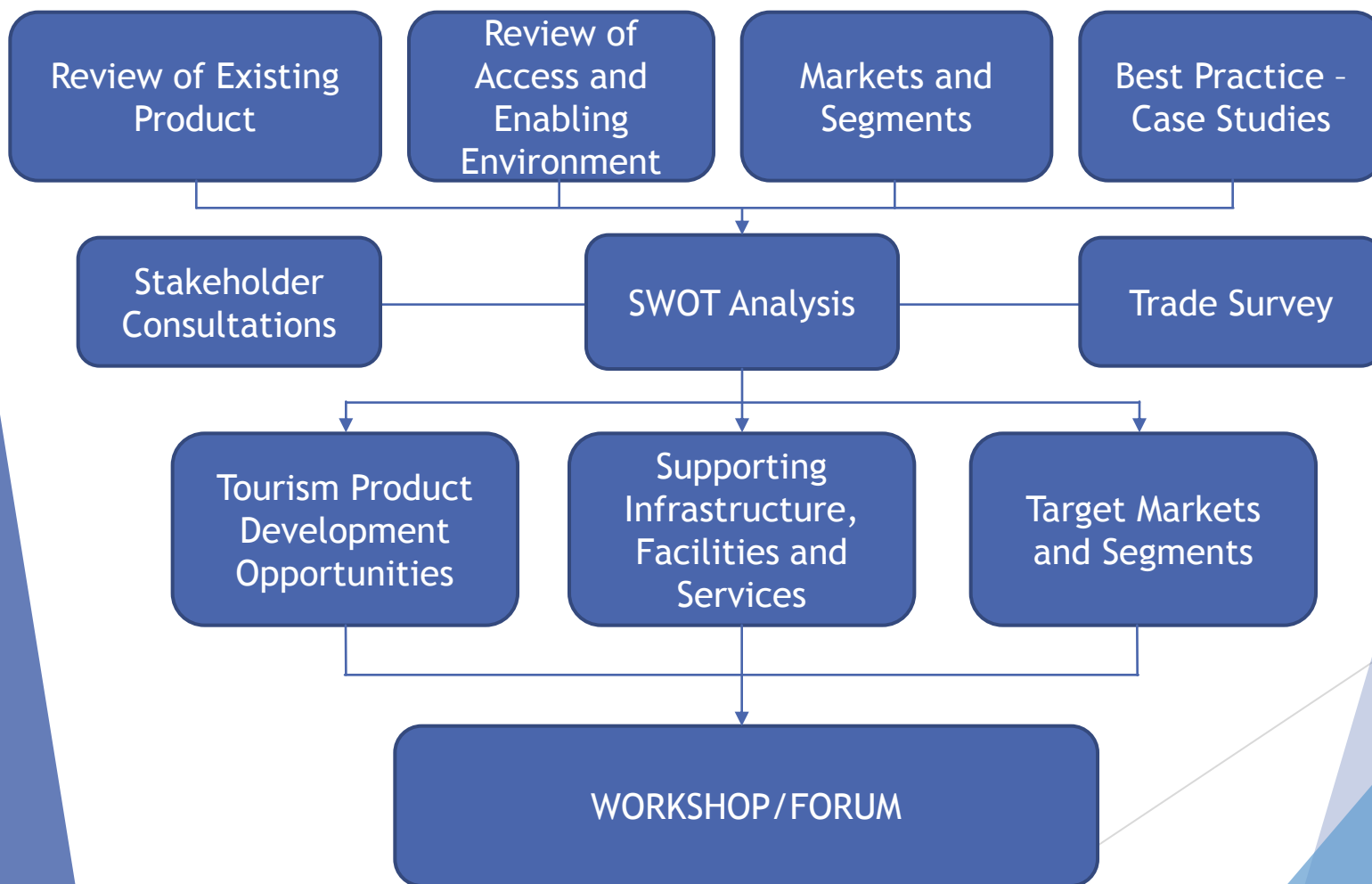
- ▶ Leadership, vision and defined growth through partnerships and collaboration
- ▶ Access and the removal of barriers to growth and development
- ▶ Identify and confirm authentic visitor experiences that support demand generators
- ▶ Focussed marketing by industry

## A Three Stage Approach



# Stage 1 Methodology

## Situation Analysis, Research and Consultations



# Market Research

## Emerging Trends in North American Tourism Market (1)

- ▶ **Increased Global Competition** - Well funded, heavily advertised destinations
- ▶ **Online Planning and Booking** - over 80% of travellers planning trip online.
- ▶ **Quality Service** - Growing demand for higher levels of tourist quality
- ▶ **Environmental Consciousness** - Increased demand for sustainable approaches
- ▶ **Safety and Security** - travellers are looking for a peaceful 'haven'

# Market Research

## Emerging Trends in North American Tourism Market (2)

- ▶ **North American Market Shifts** - changes in consumer behaviour
  - **The Challenging Traveller** - Interest in exploring new “off the beaten path” places
  - **Experience Travel** - Growing demand for unique, high-quality experiences
  - **Individualism** - Demand for customized, engaging, and original experiences
  - **Redefined Holidays** - Trend towards shorter and more frequent vacations

## External Trade Survey (1)

On-line interviews with 105 representatives of the travel trade in PEI's main markets - 28th May - 7th June 2016.

### Main Findings:

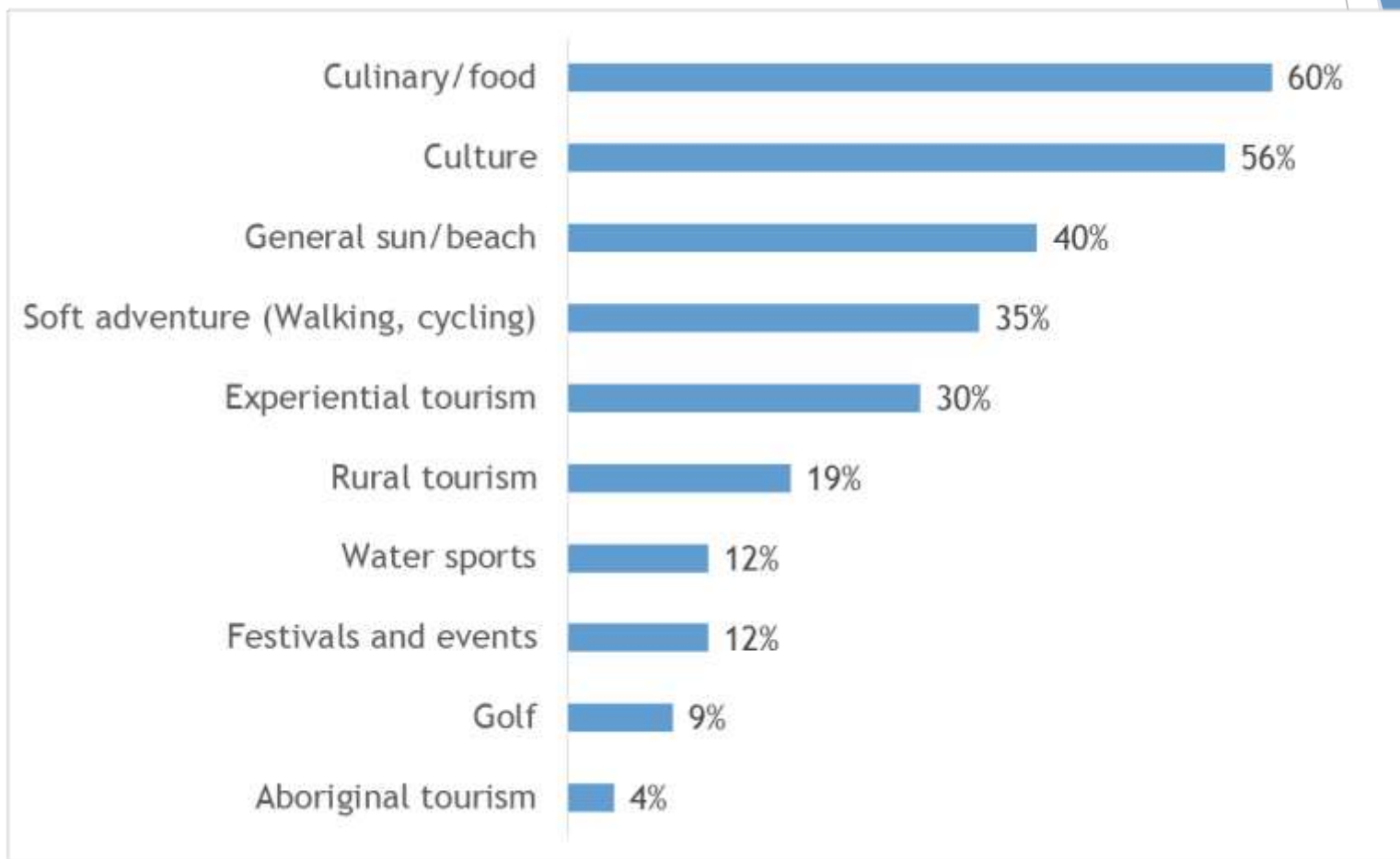
- ▶ Growth in demand expected for **culinary tourism, soft adventure, experiential tourism**, and **cultural tourism** over the next two years.
- ▶ **Anne of Green Gables** and **Charlottetown** are the two most popular products/attractions featured in programs (spontaneous basis).



# Market Research

## External Trade Survey (2)

### PEI Tourism Products Featured in Programs (Prompted)



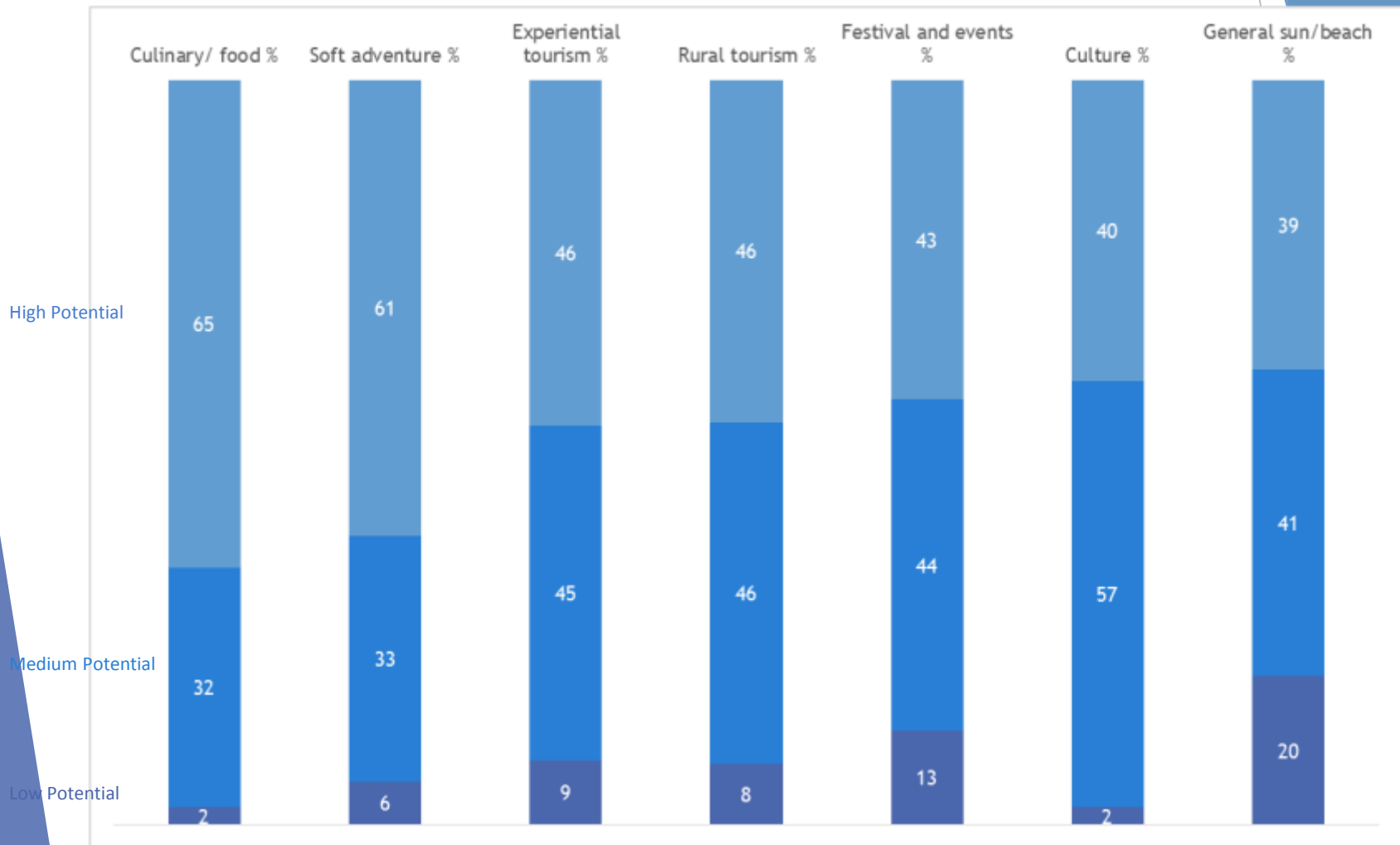
# Market Research

## External Trade Survey (3)

- ▶ PEI's primary attributes as a tourism destination are **beautiful scenery** and **great (sea)food**.
- ▶ Main weaknesses associated with PEI as a tourism destination are **lack of awareness** and **access**.
- ▶ Main advantage of PEI as a tourism destination: **island destination, small/compact size**.
- ▶ Most important actions for the development of tourism: development of **touring routes, soft adventure, activities/features in national parks, cultural heritage**

# Market Research

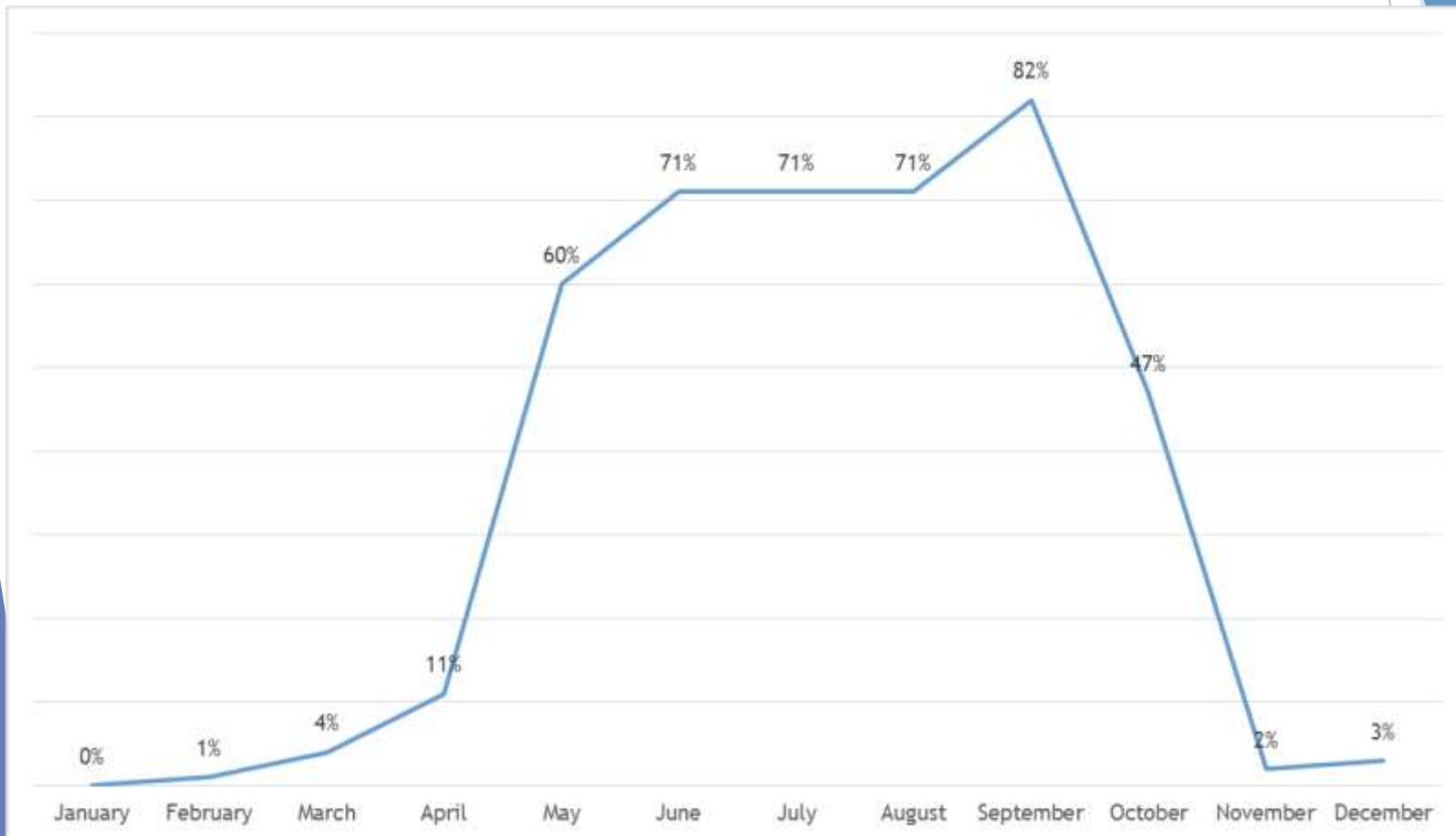
## External Trade Survey (4) Assessment of PEI's Potential



# Market Research

## External Trade Survey (5)

### Months that Offer the Greatest Potential for Growth in Tourism in PEI





# Market Research

## Survey of Local Operators (1)

On-line interviews with 288 tourism operators in PEI - 27th May - 6th June 2016.

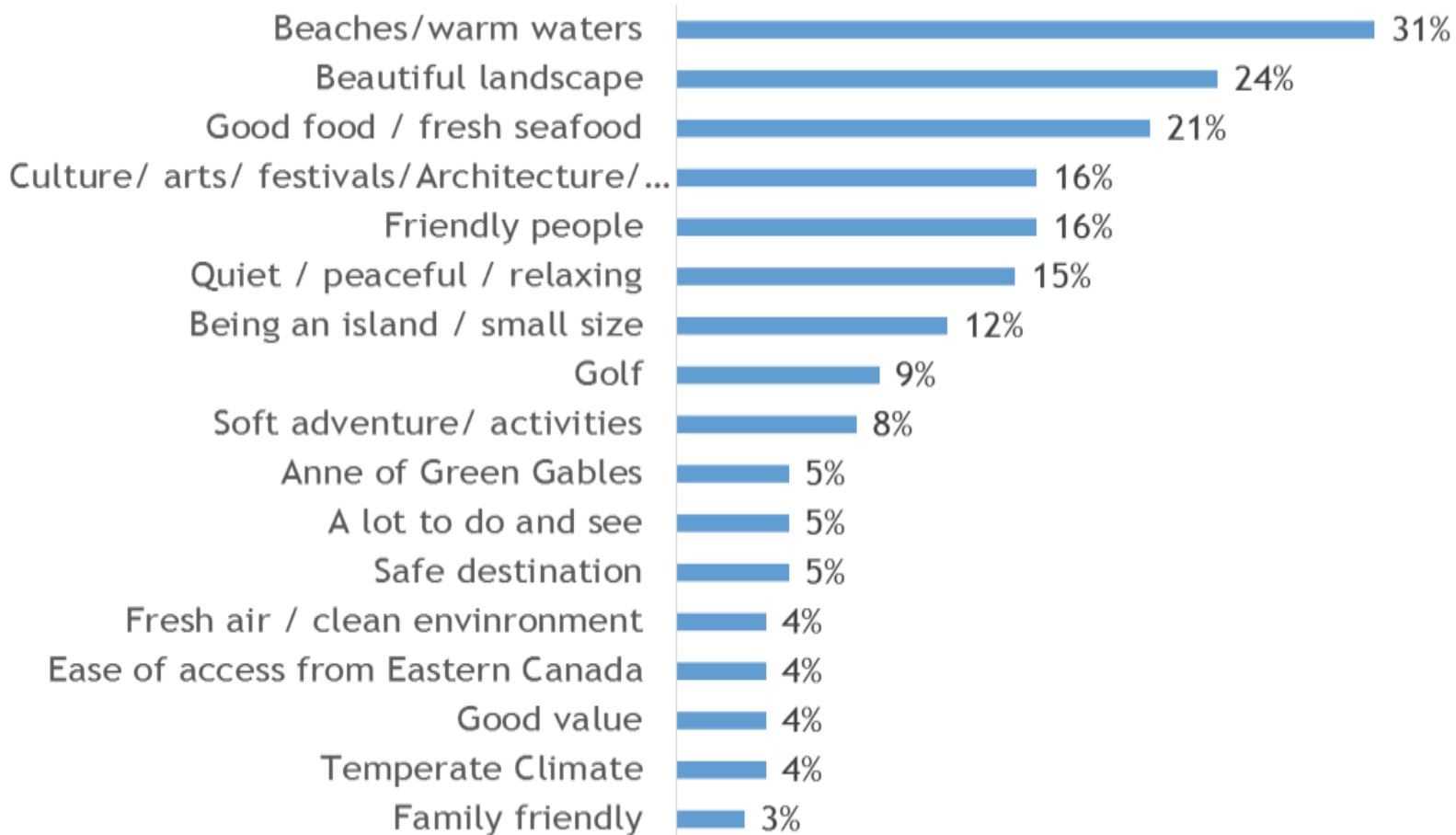
### Main Findings:

- ▶ PEI operators are **optimistic** regarding prospects for tourism in 2016.
- ▶ Primary comparative advantages identified: **beaches, good (sea)food, and beautiful landscape**

# Market Research

## Survey of Local Operators (2)

### PEI's Main Comparative Advantages



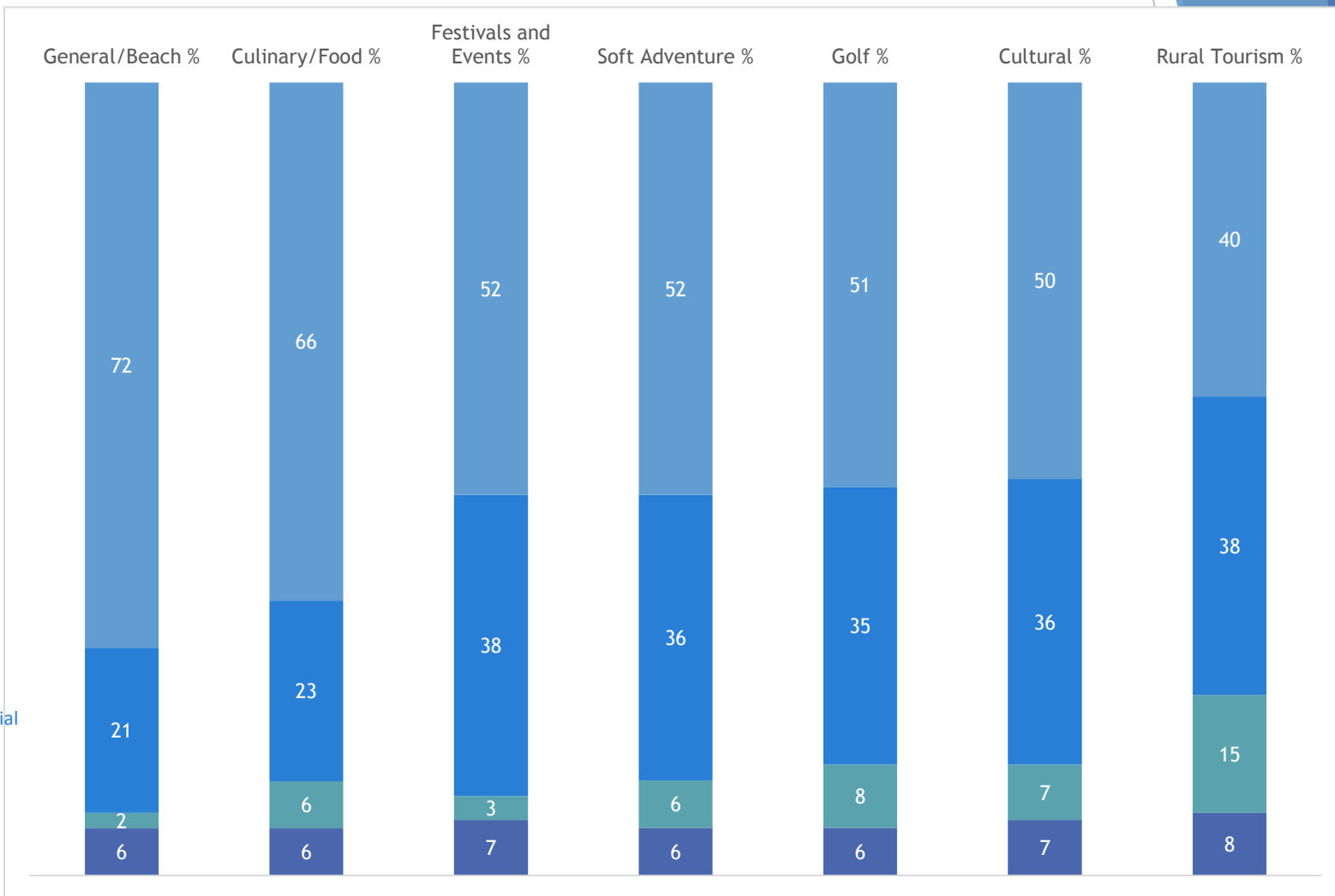
# Market Research

## Survey of Local Operators (3)

- ▶ Marketing actions which PEI operators would like to see implemented: **investment in promotion (generally), web/social media marketing, promotion of rural PEI**
- ▶ Product development interventions identified: **food/culinary tourism, cultural tourism, soft adventure**, and initiatives to **extend season**
- ▶ Call for a more **unified approach to overcome fragmentation**
- ▶ The months of **May, June, September** and **October** offer the greatest potential for tourism growth

# Market Research

## Survey of Local Operators (4) Assessment of PEI's Potential





## Focus Group Discussions

Group	Date	Venue
Business	31st May 2016	Brackley Beach Northwinds
Adventure/Attraction	31st May 2016	Brackley Beach Northwinds
Food & Beverage	1st June 2016	Holiday Inn Express
Festivals and Events	1st June 2016	Holiday Inn Express
Accommodations & Incentive Travel	1st June 2016	Holiday Inn Express
Culture & Heritage	2nd June 2016	Dalvay by the Sea
The Arts	2nd June 2016	Dalvay by the Sea

# Market Research

## Focus Group Discussions

### Leadership, Vision, and Defined Growth through Partnerships and Collaboration

- ▶ Tourism doesn't seem to get the **recognition** it deserves as a major contributor to economy
- ▶ **Continue to invest in product and marketing** to ensure continued growth
- ▶ PEI is **more than the Gentle Island**
- ▶ Opportunity to **tie tourism with agriculture/fisheries**

# Market Research

## Focus Group Discussions

### Leadership, Vision, and Defined Growth through Partnerships and Collaboration

- ▶ Continue to invest in product and marketing to ensure continued growth
- ▶ There appears to be a **lack of a coordinated strategy to extend the season.**
- ▶ There appears to be a **disconnect - need for more role clarity and less overlap** between Tourism PEI, TIAPEI and the regional and sectoral groups.

# Market Research

## Focus Group Discussions

### Authentic Visitor Experiences that Support Demand Generators

- ▶ **Experiential tourism** offers tremendous potential for the arts. Arts and Heritage Trail requires more long term support
- ▶ **Canada's Food Island** is a big promise - Need to back this up
- ▶ **Culinary tourism** - Need to offer new and unique experiences
- ▶ There needs to be constant focus placed on **authenticity** - Authentic Coastal experiences are what the market is looking for

# Market Research

## Focus Group Discussions

### Access and the Removal of Barriers to Growth

- ▶ **Timing of provincial funding** is too late
- ▶ Barrier to financing is the **skill to effectively prepare a funding request**
- ▶ **Access to skills/employment programming** is often a challenge
- ▶ **Professional Development** is required for basic business skills, social media and technology, marketing, product development

# Market Research

## Focus Group Discussions

### Focussed Marketing by Industry

- ▶ There is a lot of confusion around the PEI **brand**
  - Gentle Island - does it still apply?
  - It changes too frequently
  - Culinary offered as an experiential product
- ▶ PEI slow to recognize changes in **markets/segments** - not just families
- ▶ Market overlap in **short season** can cause conflict between sectors because of lack of accommodation

# Market Research

## Best Practice Case Studies - Newfoundland - Organisation: Private-Public Collaboration

- ▶ **Partnership of government and industry** has been essential to the development of the Province's tourism industry
- ▶ Achievable yet bold **vision** was put in place
- ▶ Establishment of a **Tourism Board** to set the priorities and focus, and to implement the vision
- ▶ The Tourism Board comprises representatives from both government and the tourism industry
- ▶ **Non-resident visitation and spending growing 22% and 36% respectively since 2009**

# Market Research

## Best Practice Case Studies - Newfoundland - Organisation: Private-Public Collaboration

### Strategic Directions



1

#### PRIVATE PUBLIC LEADERSHIP

A Partnership for Tourism Growth & Development



2

#### SUSTAINABLE TRANSPORT NETWORK

A Transportation Strategy to Grow Our Industry



3

#### MARKET INTELLIGENCE & RESEARCH STRATEGY

A Framework for Accessible & Timely Research



4

#### PRODUCT DEVELOPMENT

Delivering Strategic & Sustainable Traveller Experiences



5

#### TOURISM TECHNOLOGY

Strengthening Our Information & Communications Technology



6

#### MARKETING OUR BRAND

Building on the Success of Our Creative Marketing Campaign



7

#### DEVELOPING OUR WORKFORCE

Growing Our People for a Dynamic Industry



# Market Research

## Best Practice Case Studies - Wild Atlantic Way (Ireland) - Product Development Initiative of Scale



# Market Research

## Best Practice Case Studies - Wild Atlantic Way (Ireland) - Product Development Initiative of Scale

- ▶ West of Ireland is rugged spectacularly beautiful but quite **fragmented**, lacked **integrated theme** and non-honey pot areas missing out on growth
- ▶ Aim of the Wild Atlantic Way (WAW) was to develop a **long-distance touring route** with the purpose of achieving **high brand visibility** for West of Ireland
- ▶ The **primary objective** of the WAW is to increase visitor numbers, dwell time, spend and satisfaction

# Market Research

## Best Practice Case Studies - Wild Atlantic Way (Ireland) - Product Development Initiative of Scale



# Market Research

## Best Practice Case Studies - Switzerland - Integrated Information and Communications

- ▶ Switzerland offers a good example of an **integrated approach to information and communications**
- ▶ [www.myswitzerland.com](http://www.myswitzerland.com) is the **main visitor portal** for tourism in the country
- ▶ Provision of **high quality standardised signage**
- ▶ A **preparedness to subjugate narrow territorial interests** for the greater benefit of the wider destination



# Market Research

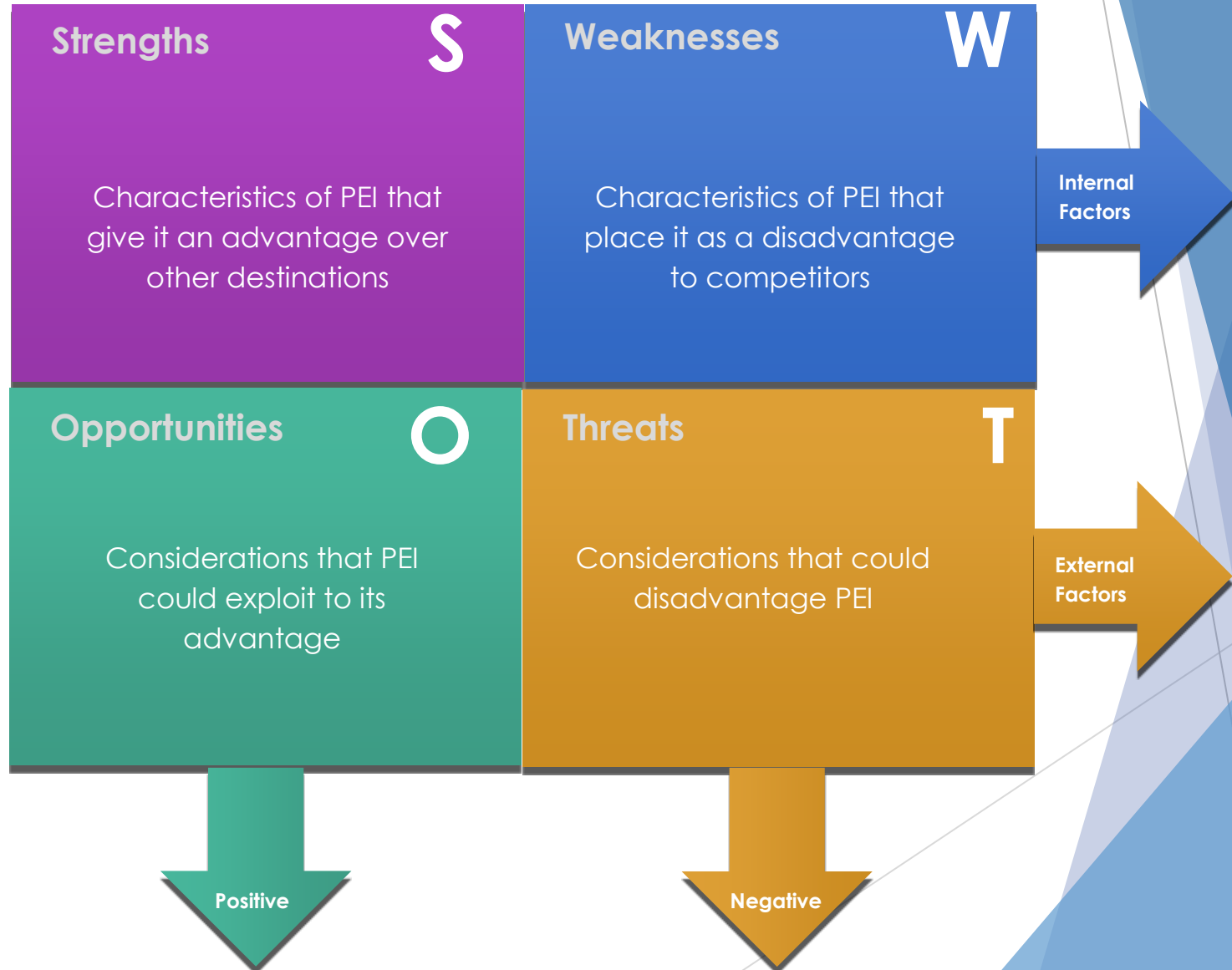
## Best Practice Case Studies - Switzerland - Integrated Information and Communications



The screenshot displays a website interface for Swiss tourism. At the top left is the Swiss flag logo. The main navigation bar includes 'Suisse/CH' and 'Suisse/CH' with a search bar. Below the navigation, there are several key sections:

- Routes:** A list of route types including National routes, Regional routes, Local routes, Obstacle-free routes, and Travel redouts.
- Hiking in:** A search bar for hiking locations.
- Selected hikes:** A section for featured hiking trails.
- Services:** A list of services such as Booking offers, Accommodation, Places of interest, Rail, bus, boat, Rental information, Guides, Maps, and Flights.
- Map:** A central map area with a 'Map' button.
- News:** A section for news updates, including 'New: Use of bicycles made off-limits in the Swiss Alps'.
- More:** A section for additional information, including 'Summer breaks', 'Area Switzerland/Valais, Aargau', 'Hiking events', 'Hiking trail networks and signposting', 'Swiss Hiking Trail Registration', 'Sightseeing on roads', 'Destinations/arrivals', 'Everything about Switzerland', 'Sustainability Plus', 'Only online route - by air', 'Swiss Airline Club SAC', 'Top 500', 'EMERGENCY', 'GPS-tracks', and 'Message to Switzerlanders'.
- Right sidebar:** A vertical navigation menu with a red Swiss flag logo and the text 'Plus de sites simples pour préparer des lieux en ligne' and 'Commander restaurant'.

# SWOT Analysis



## Strengths (1)

- ▶ **Island** - Compact and very accessible to the population of the Maritime Provinces
- ▶ **Coastal Environment** - Accessible, beautiful unspoilt island coast
- ▶ **Food** - Authentic cuisine, fresh from boat and farm to fork
- ▶ **History and Culture** - Anne of Green Gables, Birthplace of Confederation with historic built heritage
- ▶ **Charlottetown** - Very attractive town with critical mass of facilities and unique architectural patrimony

Characteristics of PEI that  
give it an advantage over  
other destinations

## Strengths (2)

- ▶ One of **Canada's leading coastal National Parks**
- ▶ **Vibrant arts, heritage and creative sector** - PEI has attracted many artistic innovators
- ▶ **Festival and events** - Successful track record
- ▶ **Road connectivity** - Offshore island yet one can drive there
- ▶ **Ecology** - Pristine environment for incoming visitors
- ▶ **Commitment** - Highly engaged industry
- ▶ **Community Support** - the population at large welcome tourists and there is considerable shared interest and harmony with agriculture and fishing



## Weaknesses (1)

- ▶ **Remoteness** - No major Metro area (1m+population) within 10 hours drive
- ▶ **Poor air access** - Insufficient population to support frequent and affordable services
- ▶ **Positioning** - Confusion regarding PEI brand
- ▶ **Perceptions** - Seen as “old-fashioned”, with little appeal for “Millennials”
- ▶ **Research and Market Intelligence** - Material is inwardly focused, concentrates on elements of the existing market rather than understanding potential markets

## Weaknesses (2)

- ▶ **Poor alignment of marketing activities** - Between agencies and between public and private sector
- ▶ **Product fragmentation** - Product offer lacking critical mass/initiatives of scale
- ▶ **Share of Voice** - Marketing budgets (public and private) inadequate to build destination awareness
- ▶ **Product “Missings”** - Lacks product variety, insufficient soft adventure options; insufficient authentic experiences
- ▶ **On-line presentation** of visitor information - Undue dependence on print

## Weaknesses (3)

- ▶ **Organisation** - Industry structure very disparate and difficult to achieve coordinated impact
- ▶ **Seasonality** - Short season impacting on viability of businesses
- ▶ **Access to labour** - particularly in shoulder season
- ▶ **Overly traditional operational culture** - discouraging more innovative younger entrepreneurs
- ▶ **High dependence on government funding** - associated with a tendency to direct investment to quick fixes



## Opportunities (1)

- ▶ **Exploit pure “Canadiana” image** - unique opportunity for big city Canadians to reconnect with an authentic and distinctive heritage-rich Canada
- ▶ **Special support for entrepreneurs creating soft adventure products** - especially for products intrinsic to an island experience
- ▶ **Island/Coastal experiences**
- ▶ **Culinary tourism experiences**
- ▶ **Flagship product developments - Confederation Theme** - Orientation facility; trail development etc
- ▶ **National Park** - New visitor experience and products
- ▶ **Integrated island touring route**



## Opportunities (2)

- ▶ Switch emphasis on **event creation to more upscale interests**
- ▶ **Support cultural/ craft training for Francophone and Mi'kmaq Communities** - Authentic cultural experiences can be offered by these communities
- ▶ **Organisation development and leadership** - Streamlined structures to enhance co-operation and coordination between public and private sector
- ▶ **Create craft and hobby learning experiences** - PEI needs to expand its range of “things to do”

## Threats

- ▶ **National policies** which restrict more flexible practices and partnership ventures by the public agencies
- ▶ **Airline Economics** - disadvantages remote areas with small resident populations
- ▶ **Major oil price increases** - most negatively impacting destinations such as PEI where the cost of access is a higher than average component of total vacation cost

# Let's Hear Your Voice!

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