

# Tourism Richmond Annual Report to Council May, 2007

With new changing marketplace, new opportunities, and the need to renew funding sources, Tourism Richmond has undertaken a strategic planning process that puts forth a revised vision and mission for Tourism Richmond, sets five key strategic objectives and specifies targets for the 2007 – 2012 period. A key purpose of this strategic plan is to identify collaborative opportunities and to develop method to report on targets achieved. A copy of the Executive Summary is enclosed and a full report is available upon request.

The purpose of this report is to continue to communicate with Council and staff on tourism developments within Richmond and the efforts of Tourism Richmond to increase tourism visits and visitor spending through destination marketing initiatives.

Destination marketing involves Tourism Richmond acting as a steward of public funds, responsible in many cases for millions of tax dollars. We advocate that any DMO which accepts public funds as a portion of their funding has a fiduciary responsibility to be consistent and transparent when reporting their performance to all stakeholders, in this case the City of Richmond.

Performance reporting gives Tourism Richmond benchmarks and a platform by which we can clearly articulate our contribution to our stakeholders and the local community. This is a tremendous opportunity for us to tell an extremely positive story.

The performance measures that Tourism Richmond has begun to implement, were formally approved by the Destination Management Association International (DMAI) in July 2004, and, thus, are fairly new to the industry. This benchmarking process includes a measurable and dependable period of performance. This benchmarking has been adopted and is currently being used in many North American DMO organizations. This report does not go into the detail of the performance reporting, however it does begin to capture what Council and staff will expect to see in future reports.

We are pleased to present to Mayor and Council a report outlining the tourism activities that took place in 2006 to April 2007 and the results of these efforts.

## Destination Marketing Activities and Results

### **Marketing Focus:**

Tourism Richmond markets Richmond as the Gateway Destination to British Columbia that offers great value and authentic multicultural and heritage experiences. Representing over 200 member tourism related businesses, we focus on increasing awareness and visitor traffic for each of our market segments; Leisure, Meeting and Events and Tour and Travel. Our goals are to increase room night stays and visitor spending to our 200+ members by promoting worldwide awareness for Richmond and our members' products. We work with the media, tour operators and meeting and event planners to promote our city and its products. The economic impact generated by Tourism in Richmond totaled \$600 million in 2006.

### **Meeting and Events Marketing:**

In 2006, we continued to build on our 2005 strategy of product education, location and one-stop shopping services with Canadian and US meeting and event planners and decision makers for

sport, corporate and associations. We were able to leverage our strong relationships with current clients and industry stakeholders to network and develop additional leads.

Our key messaging in the marketplace advertising continued to be focused; Richmond offers a diverse array of affordable brand-name hotels with easy access to the airport and within close proximity to Vancouver.

Tactically, we continued to represent Richmond by increasing in-market, face to face, business to business activities with meeting and event decision makers, sport event rights holders and industry influencers supported by magazine advertising and editorials in those markets. We also streamlined and enhanced our bid book process to assist meeting and event planners on selling Richmond to their clients by providing information about Richmond, its activity products for team building or spousal activities.

Our advertising campaigns for the meetings & events market has 4 main focuses:

1. Leverage meetings & events publication editorials for BC or the Vancouver/Victoria/Richmond by working with publications to increase profile on Richmond by sending information in a timely manner and building stronger relationships with editorial writers
2. Support meetings & events publications' relevant editorials with ad placement – i.e. Smart Meetings Magazine (article enclosed)
3. Advertising placements in Canadian and US meetings & events publications and directories, especially in the Pacific Northwest and Toronto
4. Pitch Richmond Meeting and Events stories to meetings & events writers to get articles into publications – i.e. Perfect (china) Ltd. incentive visit generated an article in Northwest Meetings & Events Magazine

#### **Leisure Marketing:**

Our marketing campaigns for 2006 focused on 3 key goals; brand consistency, increasing media exposure to our target markets to drive awareness of Richmond and frequency of advertising campaigns. We achieved these goals by:

- Generating in 2006 an additional \$418,000 worth of worldwide media exposure for Richmond by hosting media familiarization tours and developing relationships with key tourism media and industry partners, writers and our members. This media exposure included print and broadcast for International and North American Markets – US outside of Pacific Northwest, Japan and Europe
- Showcasing the diversity and authenticity of our member products in our marketing initiatives
- Partnering with local and regional DMOs to increase marketing reach and funding opportunities
- Increasing our cooperative advertising opportunities for member and frequency of ads in the Pacific Northwest by adding a summer newspaper campaign
- Maximizing distribution of collateral in all distribution channels, requiring us to print and distribute additional copies of our Richmond Visitors Guide and Steveston Village Brochure
- Ongoing evaluation of marketing activities by tracking and researching collected data

We continued to refine our creative and messaging to persuade readers to take action by visiting our website or calling our toll free number by showcasing Richmond's authentic Multiculturalism, Arts, Culture and Heritage, Entertainment and Recreation and Agri-tourism experiences. We focused on the Gateway theme, along with two Richmond gems – The Historic Fishing Village of Steveston and the Golden Village. Tourism Richmond continues to increase market reach with more frequent advertising campaigns. We strove for brand consistency across all marketing channels to leverage recognition and promote "top of mind" awareness. We highlighted our

diverse accommodation portfolio and the opportunity to enjoy a variety of leisure activities such as attractions, dining, shopping and sight seeing. Media and industry partners (Vancouver Coast and Mountains Tourism (VCM), Tourism BC (TBC), Tourism Vancouver and the Canadian Tourism Commission (CTC)) started to seek out Richmond as a partner for media familiarization tours as they became aware of our diverse product mix and ability to offer unique experiences through our education and relationship building efforts that included contracting Spectacular Ink (a tourism media relations firm) on an annual basis.

### **Tour and Travel Marketing:**

Tourism Richmond continues to develop its Tour and Travel segment by:

- Increasing awareness and promoting our services to our Receptive Tour Operators (RTO's)
- Strengthen our relationships with other Destination Management Organizations (DMO's) and industry partners
- Showcase Richmond to overseas buyers and media through other organizations' familiarization tours
- Participate with industry associations' events and committee, such as Canadian Inbound Tour Operators Asia Pacific (CITAP)
- Identify priority markets for 2007 and beyond

In 2006, Tourism Richmond was able to reap the rewards of the seeds that were sowed in 2005 with our Receptive Tour Operators (RTO). We were able to assist Grand Canadian Holidays and Flyjet Travel in ensuring that the first visit to Canada for their client, Perfect (China) Ltd. was a success. This was an important first step in developing strong relationships with China International Travel Service (CITS - China's largest tour operator and travel agency) and Perfect to entice future incentive groups to Richmond. Historically, Perfect sends 1,800 top sales agents on yearly incentive travel trips. 450 came on this inaugural trip, generating 450 room night stays. However, based on this year's success, Perfect is willing to consider Richmond and Vancouver as part of their 2008 Incentive Travel Program for all 1,800. CITS organizes the largest percentage of outbound incentive travel in China.

With the success of this first incentive travel group coming to Canada, another Chinese tour operator, CYTS (third largest tour operator and travel agency in China) has opened its first office outside of China in Richmond. Other receptive tour operators in Richmond, along with CYTS are now actively developing incentive travel programs for their clients in China that feature Richmond.

### **Active Target Markets:**

We concentrate most of our marketing campaigns in the Pacific Northwest of Canada and the US, focusing on BC, AB, WA and OR. These markets are readily accessible to Richmond and have a high propensity to visit or do business in the area. With our current budget, we are not able to effectively market in CA or ON which are also strong markets for Richmond due to campaign costs for frequencies need for top of mind market penetration.

We must continue to focus our efforts to expand our international reach by pitching interesting and unique stories to international travel writers and continue to build upon our relationships with these writers for each of our market segments; leisure, meetings & events and tour & travel trade. We have been able to garner worldwide reach with our website and published media articles that have been written by travel writers from different countries, over \$418,000 worth of media exposure.

### **2007 Focus:**

We continue with our current marketing strategies for Richmond into 2007 from 2006, as we move forward with our Tourism Brand and destination Market Research to help define our

marketing strategies for 2008 and beyond. We will be embarking the creation of a more effective consumer brand and website that will launch in 2008.

We have diversified our marketing initiatives to:

- Cover additional Leisure markets:
  - GVRD with new Dining Guide and contest sponsorship with Vancouver Sun & Channel M
  - Okanagan, Northern BC and Yukon
- Newspaper Campaign:
  - Expanded the duration of our newspaper campaigns to cover spring, summer and fall – less frequency during the summer to drive more awareness in the shoulder seasons when visits are lower.

2007 is off to a positive start, we have been able to generate above goal revenues from our Marketing opportunities with our members:

- Richmond Visitor's Guide – first time we produced and sold the advertising ourselves and we were able to achieve our revenue versus cost goal for production.
- New initiative, Richmond Asian Dining Guide has provided us with another opportunity to grow our membership for this sector and promote our unique and very modern Asian Culinary scene. We are able to leverage the current trend for culinary tours and media interest with our unique offerings.
- 80% of magazine marketing opportunities with our members have sold out.
- We are currently selling our newspaper campaign opportunities to our members.
- We have generated \$226,000 worth of media exposure value by pitching articles to travel and meeting & event writers and hosting media familiarization tours. Highlights include:
  - Sponsorship of Richmond Asian Dining Guide and Eat Your Way to China Contest
    - Channel M - \$128,000 worth of media exposure
    - Vancouver Sun - \$14,000 not including potential editorial articles
  - 4 Meeting & Events Magazine articles
    - Pacific Northwest Meeting & Events Magazine
    - MPI Magazine
    - Connect West
    - Smart Meetings
  - Hosted 6 familiarization tours:
    - The 2010 Olympic Games
      - York Membership from UK
        - Comparison of 2 Richmond Cities in London and Vancouver for the 2010 and 2010 Games – Article is soon to be published
      - Tourism BC and 7 travel writers including Rob Lovitt from MSNBC.com
        - Richmond and Oval were mentioned on MSNBC.com website
    - Culinary Tour
      - Vancouver, Coast and Mountains with Canadian Living Magazine, Elizabeth Baird, Food Editor
        - Asian Dining in Richmond
      - Toronto Star - Richard Ouzounian, Entertainment and Travel Critic
        - Potential full-page story (worth \$40,000 not included in current media value as not published) on Asian Dining in Richmond & River Rock Casino for June 2007
    - Chinese Travel Trade

- o CITS, CITM and CYTS all had representatives come visit Richmond
- Canadian Tour Guides Association
  - o Tour of the Golden Village to encourage them to include the Golden Village as part of their itinerary for their tour groups

Media familiarization tours help us obtain further reach than we are able with our marketing budget, this gives credibility to the message written as the writers are seen as unbiased which give us further opportunity to promote Richmond to the world. These articles can have significantly further reach than one would expect, for example a Richmond Night Market article written by Tan Vinh for the Seattle Times last year was bought by the Dallas News this spring and published again both in print and online. Interesting articles not only generate interest from visitors and local but by other writers who then come and do more articles on Richmond.

Working in collaboration with many industry partners, such as the CTC, Legacies Now, Tourism BC, Tourism Whistler, Tourism Vancouver, Vancouver, Coast and Mountains, the City of Richmond and VANOC has given Tourism Richmond the opportunity to leverage our exposure for the 2010 Games by being involved in the creation and planning of the major Olympic and Tourism Marketing Strategies so that we are effective marketing the City of Richmond as a Venue and Destination City. Currently, we are key stakeholders with the Joint Olympic Tourism Strategy Consortium, Accessible Tourism Initiative and VANOC Torch Relay.

### Sales Activities

Our sales activities are focused on generating visitors (delegates), visitor (delegate) spending and economic impact for Richmond by booking events at our hotels and facilities. We concentrate on generating leads, creating bids, attending tradeshow, participating in sales missions and sales calls and organizing site inspections for meeting and event planners.

#### Bid Books Created 2006 – Present:

- BC Rugby Division 3 2006 Provincial Championships – WON the bid
- 2007 MPI Go WEST Education Conference – Tentative
- 2008 Senior National Amateur Boxing Championships – WON the bid
- 2009 Canadian Ringette Championships – Lost the bid
- 2009 North American Chinese Basketball Association Invitational Tournament - Tentative
- 2010 Canadian Deaf Curling Championships – WON the bid
- International Environmental Modelling and Software Society 2010 International Conference - Tentative
- 2010 Canadian Chamber of Commerce AGM - Tentative

#### Breakdown of Leads by Market Segment (2006 & 2007 YTD):

Market	2007	2006	Total
Association	6	24	30
Sport	4	22	26
SMERF*	0	8	8
Corporate	4	6	10
Government	2	4	6
Other	0	0	0
<b>TOTALS</b>	<b>16</b>	<b>64</b>	<b>80</b>

\* SMERF= Social, Military, Educational, Religious, and Fraternal.

### Room Nights Generated from Leads sent out by Tourism Richmond

Statistic	2007 (YTD)	2006	Total
Total # of Days	48	239	287
Total # of Overnight Delegates	881	8,404	9,285
Total # of Delegates	2,290	13,133	15,423
Total Room Nights	3,332	17,026	20,358

### Local Committees:

Our sales team participated on a number of committees and boards on behalf of Tourism Richmond. Including:

- BC Chapter of Meeting Professionals International
- Sport BC
- Canadian Sport Tourism Alliance
- Our Director of Sales is typically involved in several key local conventions that are bid on by Tourism Richmond and a local host committee.
- Currently the Sales & Membership Coordinator sits on the local organizing committee for the British Columbia Museum Association 2007 Annual Conference. (This year's Conference is being hosted and organized in part by City of Richmond staff.)

### Tradeshaw & Industry Conference Activity (2006 & 2007) with Target Markets:

- Professional Conference Managers Association (PCMA) Conference
  - Association, Corporate, Government, SMERF markets
- Meeting Professionals International (MPI) Tradeshaw and Conference
  - Association, Corporate, Government, SMERF
- Tourism BC Sport Events Marketplace
  - Sport
- Canadian Sport Tourism Alliance Sport Event Congress
  - Sport
- Canadian Olympic Congress
  - Sport
- Canadian Tourism Commission Showcases
  - Association, Corporate, Government
- Canadian Society of Association Executives Tete-a-Tete
  - Association, Corporate, Government, SMERF
- Canadian Society of Association Executives National Showcase
  - Association, Corporate, Government, SMERF
- Canadian Sport Leadership Conference
  - Sport
- Events & Travel Services (4 shows)
  - Association, Corporate, SMERF
- Canadian Meeting & Incentive Travel
  - Association, Corporate
- Howard Silver Trade Shows
  - Association, Corporate, Government, SMERF
- Canadian Olympic Congress
  - Sport
- Washington Society of Association Executives
  - Association, Corporate, Government, SMERF

## Visitor and Member Services Activities

The fundamental mission of our Visitor Centers are to increase visitor volume, the length of stay and visitor spending for Richmond by providing relevant visitor information and a quality visitor experience. Our Visitor Center engages in a number of activities:

- Represent our members and tourism industry businesses (ie. brochure distribution)
- Training sessions
- Site inspections and familiarization tours
- Onsite promotions
- Event volunteers

### **Visitor Centre Statistics**

- Visitor Centre Counselors booked over 1,000 room nights which generated over \$102,000.00 to our member hotels
- 16% of Visitor Centers Visitors booked accommodation through the Visitor Centre
- 61% of visitors through the Visitor Centre were day trippers
- 30.6% were destined for Richmond
- 1 Full-time staff person, 8 part time staff and 7 volunteers assisted visitors with information on accommodation, food & beverage, attractions, shopping, transportation and community information
- Volunteers worked over 700 hours in 2006
- The Visitor Center receive over 4000 enquiries via email, fax, mail and telephone
- \$15,000.00 was put in to the Visitor Centre, including computer upgrades to enhance the visitor experience

### **Membership Structure**

- Currently have 212 members, which broken down in to percentages:
  - Accommodation 25.9%
  - Attractions/Activities 14.6%
  - Retail 10.4%
  - Food & Beverage 23.6%
  - Transportation & Travel 10.4%
  - Industry Services 5.2%
  - Other 9.9%

### **Community Involvement**

- Worked with Tourism British Columbia and the Richmond RCMP to bring World Host workshops in to the community which to date 75 detachment members, volunteers and staff have participated
- CFOX onsite promotion
- Countdown to 2010 and Winter Fest Celebration
- Richmond Business Liaison Committee for the Canada Line

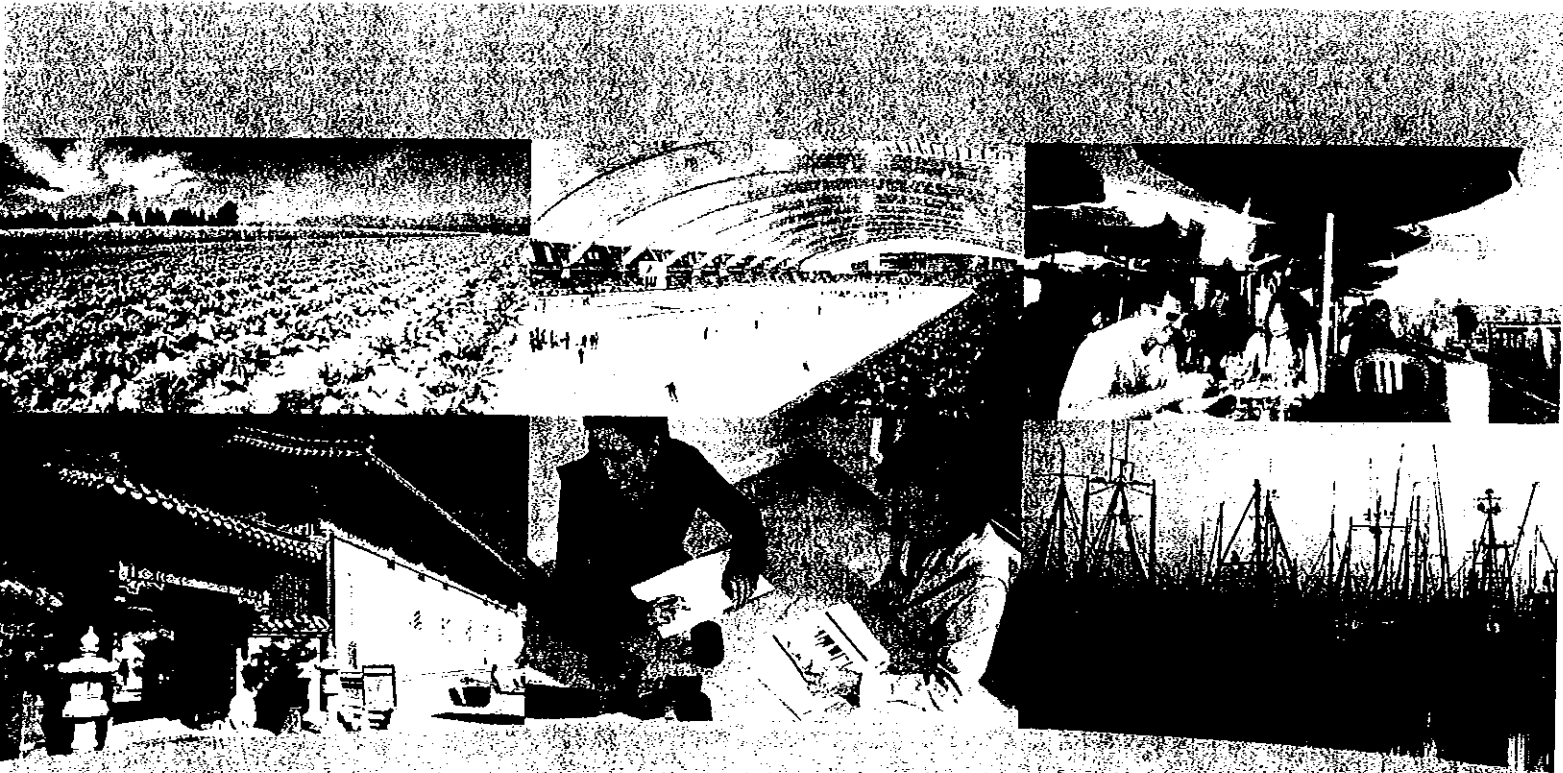


**TOURISM RICHMOND – BOARD OF DIRECTORS 2007 / 2008**

For contact information on the Board, please call 604/821-5474

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TOURISM  
RICHMOND  
*Gateway to British Columbia*

## Tourism Richmond Strategic Plan

### *Executive Summary*

**Tourism Richmond.** Tourism Richmond is a not-for-profit, membership driven organization whose mandate is to position and market Richmond British Columbia as a visitor destination. Currently it has over 200 members and is governed by a 15 person Board of Directors chosen by its members. The activities of Tourism Richmond are carried out by a professional staff. Since 1999, Tourism Richmond has been supported, in part, by revenues from a 2% hotel tax. Hotel tax revenues have grown by 71% over the most recent 6 years due to increased hotel room nights and higher average revenue per room night.

**Tourism in Richmond – Success!** Tourism in Richmond has achieved spectacular success in recent years:

- Tourism Richmond is now the 4th largest destination marketing organization in B.C.
- Richmond now hosts 3.2 million visitor-nights, of which 1.9 million are in hotels.
- Richmond is currently home to 23 hotel properties.
- Tourism spending by Richmond tourists has grown to \$330 million per annum of which \$210 million is spent at Richmond businesses other than accommodations.
- Governments gain \$90 million each year in taxes paid by Richmond tourists and operators.
- Richmond tourism generates almost 5,000 direct person years of employment.
- Richmond will play a significant role in the 2010 Winter Olympic and Paralympics games in terms of events hosting, accommodations, shopping, dining and visitor activities.
- Richmond has emerged as a destination city in and of itself, with a wide range of heritage and culturally diverse offerings. Major attractions include the RiverRock Casino, the Gulf of Georgia Cannery, Britannia, London Farms, Richmond Nature Park, Richmond Night Market, Watermania and the Riverport Sports/entertainment complex, The Zone, Steveston, the Golden Village, Buddhist temples, the Cultural Centre/Art Gallery and shopping malls. The city also offers a wide range of restaurants, with over 400 Asian restaurants alone, and brand name hotels for leisure and business travellers.
- Media success: In 2006, there were 90+ media citations of members.

**The Need for a New Strategic Plan.** While Tourism Richmond has achieved notable successes, there are a number of developments in the marketplace which need to be addressed.

- Richmond has grown and matured both as a city and as a tourism market. The city has developed into a multi-cultural community with a wide range of cultural, heritage and sport offerings which creates opportunities for Richmond to further develop as a tourism market.
- Richmond is no longer primarily a gateway market, but is now becoming a destination and requires new strategic objectives to support and take advantage of new opportunities.
- Tourism hotel tax funding will expire in 2009 and needs to be renewed.



**The New Strategic Plan.** With a new changing marketplace, new opportunities, and the need to renew funding sources, Tourism Richmond has undertaken a strategic planning process that puts forth a revised vision and mission for Tourism Richmond, sets five key strategic objectives and specifies targets for the 2007-2012 period. These are:

**Tourism Richmond's Vision:**

***To double tourism spending in Richmond by 2015.***

**Tourism Richmond's Mission:**

***Tourism Richmond is committed to being a leader in bringing the world to Richmond by promoting our culturally diverse City.***

**Key Strategic Objectives.** Tourism Richmond's Key Strategic Objectives and associated Goals are:

**Strategic Objective 1:** Strengthen Tourism Richmond's profile. As Richmond continues to develop as a tourism destination, it is important for Tourism Richmond to undertake activities that will further strengthen the Tourism Richmond brand.

**Goal 1:**

***Strengthen the profile of Tourism Richmond to gain recognition and respect as one of the top four destination marketing organizations in BC.***

**Strategic Objective 2:** Increase tourism spending in Richmond. Tourism has emerged as a significant contributor to the Richmond economy with \$120 million spent annually on accommodation and in-hotel spending in Richmond, and another \$210 million spent by visitors in the local economy on food/beverage, entertainment, retail, etc. As Richmond's tourism industry continues to grow, it will be important to have in place sophisticated data tracking systems to collect data for Tourism Richmond members on referrals, spending and other key market statistics.

**Goal 2:**

***Increase tourism revenues in Richmond that will contribute to the Premier's goal of doubling tourism revenues in BC by 2015.***

**Goal 3:**

***Contribute an additional 100,000 room nights per year to the Richmond hotel community. The Asia Pacific Trade and Showcase Centre project is projected to satisfy this goal, if it proceeds.***

**Goal 4:**

***Develop programs that will attract and retain members that will add value to the Richmond tourism industry.***

Strategic Objective 3: Fully capitalise on the potential marketing opportunities provided by the 2010 Winter Olympic and Paralympic Games. The City of Richmond will play a key role in the 2010 Winter Olympic and Paralympic games as it was chosen as the site to host the long track speed skating event. The Richmond Oval is being built to host this event.

**Goal 5:**

*Leverage media exposure and visitor experiences with the 2010 Winter Olympics.*

Strategic Objective 4: Increase market development activities. As part of Tourism Richmond's ongoing mandate to grow tourism in Richmond, it must also identify market development targets. Opportunities exist in this area to work in partnership with other industry organizations, such as the Canadian Tourism Commission (CTC), Tourism BC, Tourism Vancouver and others to develop both new and existing target markets.

**Goal 6:**

*Develop integrated marketing and sales initiatives that are based on current market research.*

Strategic Objective 5: Capitalise on Asia Pacific opportunities. Richmond has strong cultural links with China, Japan, India, Korea and other Asia-Pacific peoples. Approximately 35% of Richmond's population of 174,000 has a mother tongue which is a Chinese dialect, with other major population groups speaking Japanese, Korean, Filipino and various South Asian languages.

**Goal 7:**

*Develop new markets and capitalize on Asia-Pacific opportunities to market Richmond as a destination.*

**Working in Partnership.** Going forward, it is essential that Tourism Richmond works with local, provincial and federal partners to maximise the development of the Richmond tourism market and its economic and cultural impacts on our community. Government, destination marketing organisations and tourism operators play different roles in the development of tourism, and these must be coordinated to achieve the full potential for Richmond as a tourism destination. A key purpose of this strategic plan is to identify collaborative opportunities for the three partners to build the Richmond tourism industry and employment base.

- Government is responsible for development and implementation of policy, such as taxation, land use regulation and transportation policies, and plays an important policy/land/ regulatory facilitation role with the industry as it develops new tourism products.
- Individual tourism operators identify, plan, deliver and finance services. They engage in specific promotion and marketing activities of their own facilities.
- Destination marketing organisations are responsible for developing and promoting the destination's brand and tourism opportunities, co-ordinating initiatives where joint marketing will have greater payoffs for tourism operators than individual marketing programs, conducting market research and disseminating such research to both policy makers and individual operators, and acting as an advocate for the industry with government, the media and the general public.

