



Every month we'll be sending you the latest insights, research and thoughtful perspectives on the issues that matter most to tourism businesses and operators in RTO9.

In this month's newsletter we will explore **revenue management strategies and factors that you should consider through recovery and ramp up.**

If there are topics you want to read about in a future newsletter please email lmedeiros@region9tourism.com with your ideas.



Monitoring the Impact of COVID-19

As communities and businesses around the world respond to the challenges presented by COVID-19, now more than ever there is a strong need for solid tourism research and data. In addition to the resources on our [COVID-19 resource webpage on Tourism Talk](#), we have been monitoring trends in key areas to help you understand the trends and respond strategically.



Consumer Confidence

Consumer confidence is a main driver of future tourism potential. In a thriving economy consumers have more discretionary income and are more likely to travel and in a weak economy, consumers tend to save and postpone travel. To assess key consumer confidence metrics we looked at **Leger's weekly opinion survey of Canadians for the week of July 21:**

- 54% of Ontarians believe business and economic activity in the Province is what they expected it would be and 34% believe it is worse than expected. When compared to other age groups Canadians aged +55 were more likely to believe it is currently worse than expected.

- Thinking six months ahead, 21% of Canadians expect business and economic activity to be better than today.
- The financial impact to potential travellers is still unfolding. When it comes to the ability to pay household expenses the majority of Canadians (63%) report no change since the pandemic began.
- Health concerns have increased in Canada. During the month of July, fear of personally contracting COVID-19 has increased steadily from a low point of 51% in late June to 61% for the week of July 20.

Predicting when consumers will feel comfortable travelling again is much more difficult because of the intertwined concerns about money and health.

Despite the unique challenge, there are ways that you can help build travel demand in the region. Firstly, **health and safety is clearly top of mind for consumers**, make this a priority by responding and addressing the emotional state and fears of potential travellers.

Your recovery strategy can then shift to include a number of different tactics such as bundling or unbundling offerings, discounts and promotions, and revenue management techniques that create value and help drive customer loyalty. By using data and research you can experiment with your approach and make more strategic decisions.

[VIEW THE SURVEY](#)



2. Resident Sentiment

While the industry is encouraging tourists to travel, Destination Canada's resident sentiment report shows the level of welcome that each province/region feels towards visitors remains low. Here are the highlights for the week of July 14:

- Compared to other provinces, Ontario continues to be the least welcoming of visitors from other communities near them (47%) and from other parts of Ontario (41%). In contrast, Atlantic Canada is the most welcoming in these two areas, 71% and 68% respectively.
- Compared to other provinces, Ontario is the least receptive of seeing advertising promoting their communities (40%). Residents of Alberta are the most open to seeing advertisements of their communities.

As tourism re-opens, building trust and strengthening community relationships will be essential. DMOs and operators need to align messaging and protocols with public health guidance and also consider how both visitors and locals are feeling. Whether through the local news, social media, or your website, find ways to engage locals and inform them of the actions you are taking to protect the health of the community. **Try to understand the reassurances your community needs and address the misperceptions to help restore confidence in the industry as a whole.** This is a very different experience but

as we are learning from recovering destinations around the world, particularly in Europe, it is absolutely necessary for tourism's safe return.

[READ THE REPORT](#)



3. Hotel Performance Trends

In recent weeks Canadian hotel performance has continued to rise steadily, although at much lower levels than last year. In the week of July 14 – 20, 2020, national occupancy was 33.3% and Vancouver was the only major market above the 30% mark.

To provide a snapshot of how traveller preferences are playing out in the accommodations sector, STR and AirDNA conducted an analysis of short-term rentals and hotels in 27 global markets. The analysis looked at performance of traditional hotels, hotel-comparable short-term rentals (studios and 1-bedroom units) and larger short-term rentals (2 bedrooms or more).

The findings include:

- Supply has been fluctuating across the three accommodation types as re-opening evolves.
- Big cities are experiencing slower performance gains in all accommodation types.
- For the majority of the pandemic, larger short-term rentals have experienced the most favourable weekly gains in average daily rate (ADR). However, in recent weeks traditional hotels showed the highest growth.
- During the most recent weeks of the analysis, larger short-term rentals showed the highest occupancy level of 61.4%. Short-term rentals most comparable with hotels came in at 58.2%, while traditional hotels were at 39.2%.

[READ MORE](#)



Scenario Planning for Recovery

To prepare your business for recovery, it is vital to plan for different scenarios. For example, during the beginning re-opening phase, the decisions you make will look very different from ramp-up and the low period. Do you have a roadmap

and strategy in place to guide you? Tourism HR released a dynamic COVID-19 Tourism Workforce Recovery Toolkit for tourism operators to access a wealth of information and build resilience. Within this resource, you can find valuable tips and tools in budget & finance, marketing, strategy and more. The budget & finance section provides specific strategies and tools to help you look at your costs, payables, receivables and revenue growth plans in a new light. To give you a sample, here are some considerations when estimating future revenues:

Hotels/B&Bs – Consider maximum occupancy at any given time. Will people be willing to pay a premium for a secluded and private experience?

Food and Drink – Consider new costs and revise your menu pricing accordingly. How much will extra cleaning and sanitation protocols increase costs?

Recreation and Entertainment – Be proactive by checking in on grants, sponsorships and memberships. What is the likelihood that revenue will materialize?

[READ MORE](#)



TrekSoft Best Practices for Experience Providers

Do you understand your revenue streams, business cost structures and revenue drivers? TrekkSoft's intro article on revenue management will walk you through the topic, the background, typical uses and ways you can integrate these strategies into your business.

For starters, revenue management is the practice of optimizing price and product availability based on analytical data that helps to predict consumer behaviour. Here are some of the key tips to build your revenue:

Market Segmentation – Understand where demand may come from in the short to medium-term. What types of consumers will you have? What are their needs and expectations?

Pricing Structure – Optimize your pricing based on each particular segment. This could include small group rates, corporate deals or packages.

Distribution Network – Select the right channels to reach each market segment including direct, OTAs, partners, resellers and ads.

Optimize Commissions – Chose the channels that maximize sales with the least commissions.

Last Minute Offers – Offer different rates based on availability. Is it better for your business to sell at a discounted rate or have empty rooms and capacity?


[LEARN MORE](#)



Pricing for Recovery Webinar

TrekSoft's Pricing for Recovery webinar is available on-demand for tour operators looking for in-depth pricing advice and tips. The webinar covers common pricing mistakes, pricing for the domestic market, and how to arrive at the best price for your tours.

[WATCH IT NOW](#)



**Defying the Odds:
How the
Watersports &
Activities Sector
Has Thrived amid
the Pandemic**

ARIVAL

Online

Monday, August 17

12:00 PM EST

Defying the Odds Webinar

Learn from the experiences of water-based activity operators in the Southeast US in an informative and inspiring webinar by Arival on August 17, 2020 at 12 pm EST.

The session delves into the challenges for the segment, key lessons from operators who are managing well, and ways to market watersports during this crisis and in the future.

REGISTER FOR THE WEBINAR

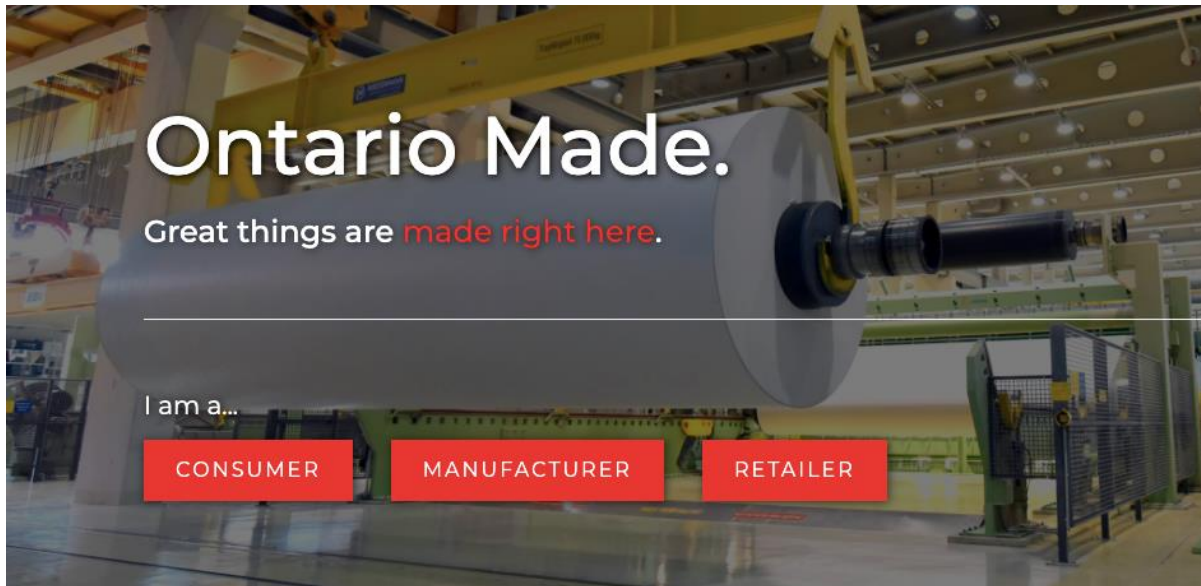


TIAO Insurance Survey

TIAO has created an insurance survey aimed at identifying and tracking trends in the insurance coverage provided to tourism SMEs in Ontario. The data will be used internally to better understand the impact COVID-19 is having on business interruption insurance, and rates of increase.

The survey link is <https://www.surveymonkey.com/r/SRNPFLT> please share with your networks to help us compile the most comprehensive set of data.

COMPLETE THE SURVEY



Ontario Made

The Ontario government has launched the Ontario Made program with Canadian Manufacturers & Exporters (CME). This new program will promote the many world-class goods that are made across the province by helping consumers easily identify, access and purchase local products.

[LEARN MORE](#)



RTO 9

Launches Tourism

Rebuilding Strategy

Alphabet®



Beattie Tartan
INTEGRATED COMMUNICATIONS

Twenty31 tourism
defined.

We have formally launched our Immediate Action Plan and Interim Strategy designed to support local destinations and SMEs rebuild tourism this summer and fall.

Developed with the advice of tourism management firm Twenty31 Consulting using a scenario-based framework, the Action Plan and Interim Strategy includes a number of specific initiatives including training, communications, itinerary development and marketing.

READ OUR PRESS RELEASE



"Small Ship Sightseeing Tours are a Great Way to See Ontario's Majestic Lakes and Rivers, Stay Safe and Socially Distance"

Boat tour operators in South Eastern Ontario's are once again welcoming visitors for summer and fall tours.

[**READ OUR PRESS RELEASE**](#)



Save the Date

On September 11th we will be hosting our RTO 9 virtual tourism summit. Details to follow shortly.



Submit Your Event

Submit Your Event

Event organizers are welcomed to submit virtual events, workshops designed to draw visitors, and future events that comply with all restrictions related to COVID-19. Once we have an active events page, we will be promoting our page with paid advertising.

Add your **virtual events/workshops** to our **consumer site** below.

ADD YOUR EVENT TO OUR SITE



#SouthEasternOntario

Keep In Touch With Us Online

Using our consumer brand (South Eastern Ontario) we can stay connected for future content opportunities to draw visitors to the region. Tag us in your social media post and use our hashtag **#SouthEasternOntario**.



tourismtalk.ca

Get Social With Us!

Connect and engage with our industry brand '**RTO 9**' on social media.



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