



CAPE BRETON ISLAND

Your Heart Will Never Leave

DRAFT

Destination Cape Breton Strategy 2021-22



Table of Contents

Section	Page
2020 Results	2
Strategy Overview	10
Research	15
Product Innovation	19
Marketing	24
Niche Markets	32
Industry Mobilization	37



2020 Results



2020 Results

The year started on a positive note with a solid winter season. Registered room nights sold were down 23% from January to March, but February was only down because the Scotties Tournament of Hearts added an estimated 3,000 room nights sold in that month in 2019 and the last half of March was impacted by the pandemic. However, shared economy unit units sold were up 120% during that period.

Following the winter season, the pandemic severely impacted results. There was very little activity in the spring during the quarantine period and summer and fall were limited to visitors from within the Atlantic Bubble. Registered room nights sold were down 55% to the end of October and shared economy unit nights sold were down 31% for the same period.

Visitors from within the Bubble tended to focus on shorter term getaways with a significant amount of the visitation on weekends. However, traffic was much slower from Monday to Thursday.

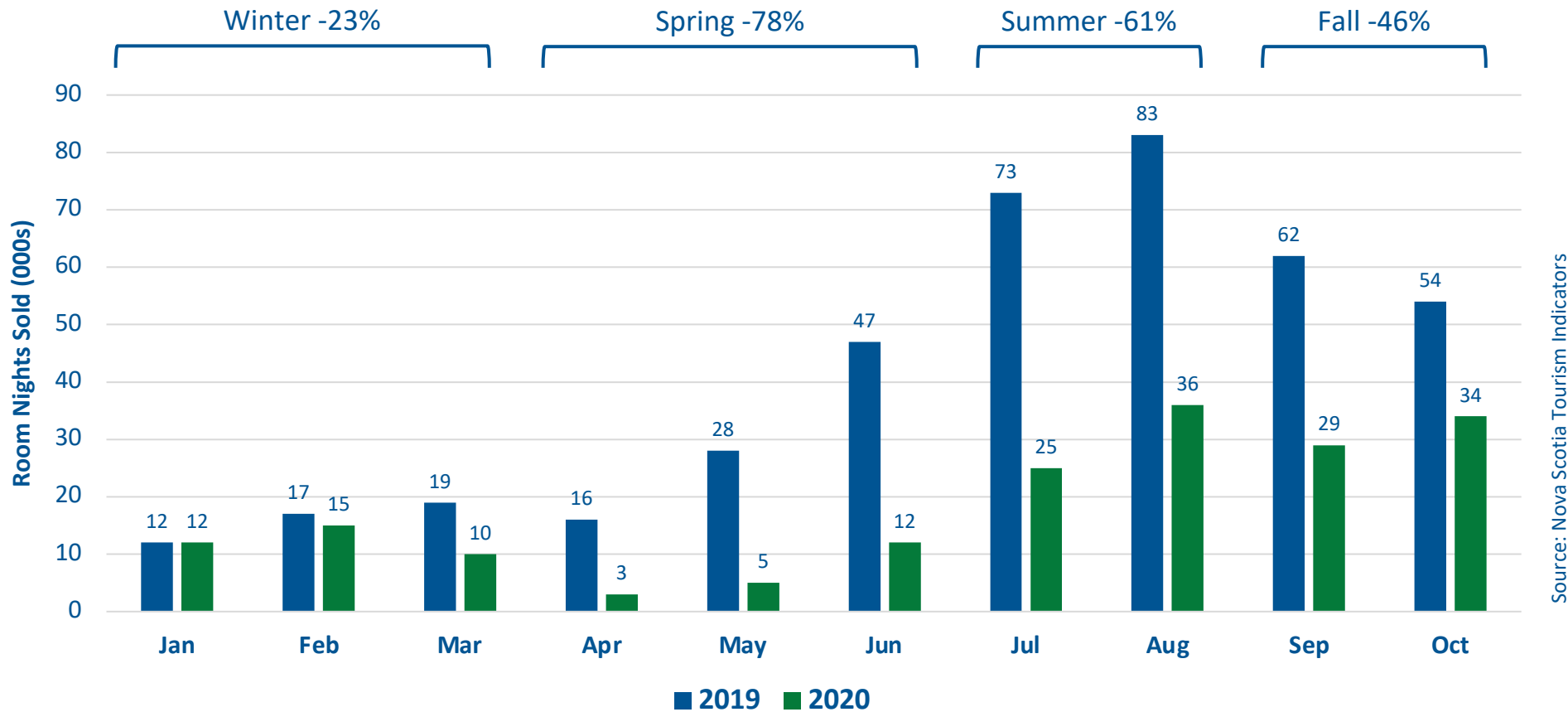
In addition to licensed room nights and shared economy unit nights sold, Destination Cape Breton tracks the progress of the following indicators:

- Visitation to experiential icons;
- Traffic and engagement on visitcapebreton.com; and
- Social media insights.

The detailed results of each are provided on the following pages.

Registered Room Nights Sold by Month

January-October 2019-20

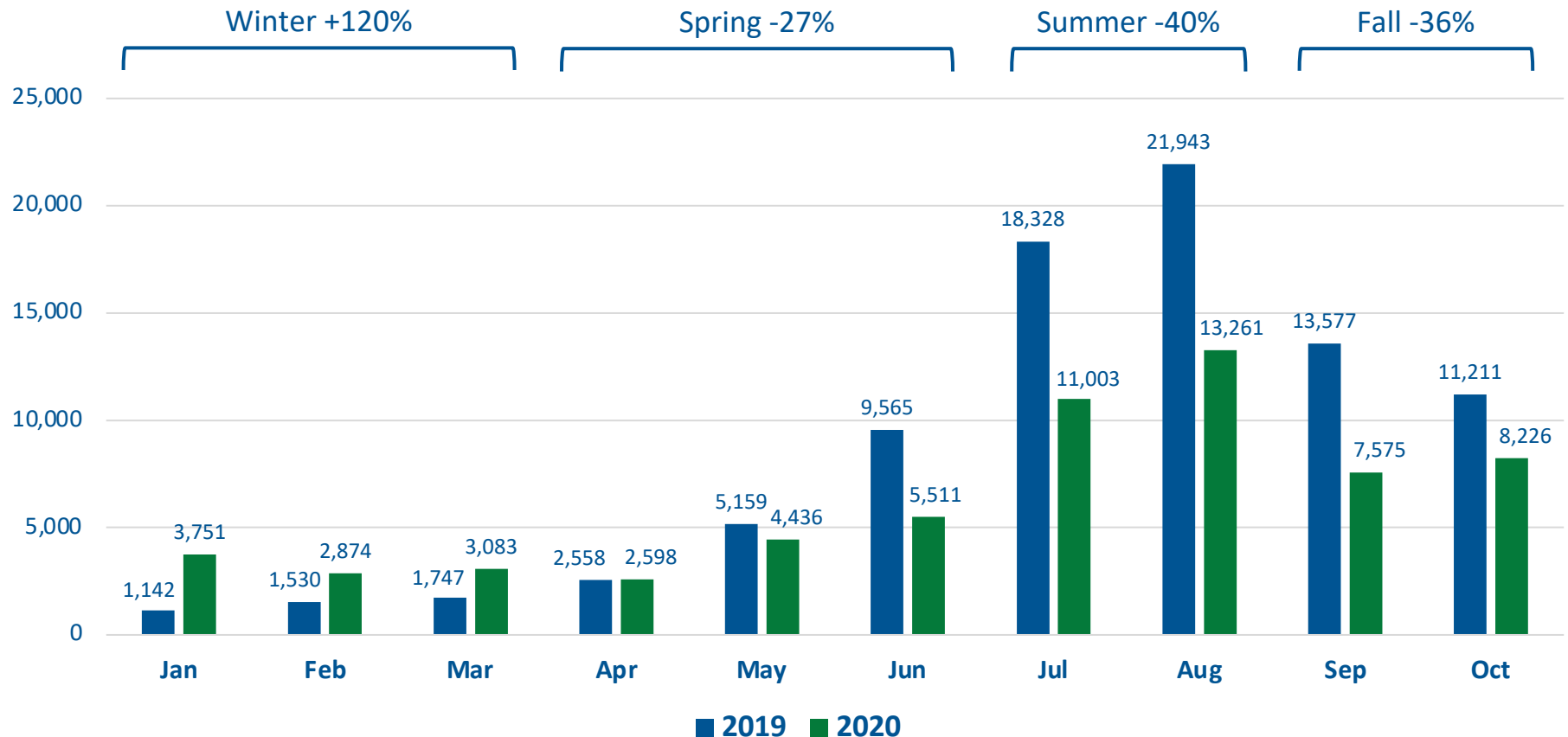


Overall, registered room nights sold were down 55% from January to October compared to 2019, which matched the provincial average. The occupancy rate for the Island was only 29%, compared with 53% in 2019.

When removing the room nights associated with hosting Scotties in 2019 and ignoring the last half of March, winter was solid. The spring was down significantly due to the shutdown. Summer was down significantly and fall was slightly better, albeit still down 46%.

Shared Economy Unit Nights Sold by Month

January-October 2019-20



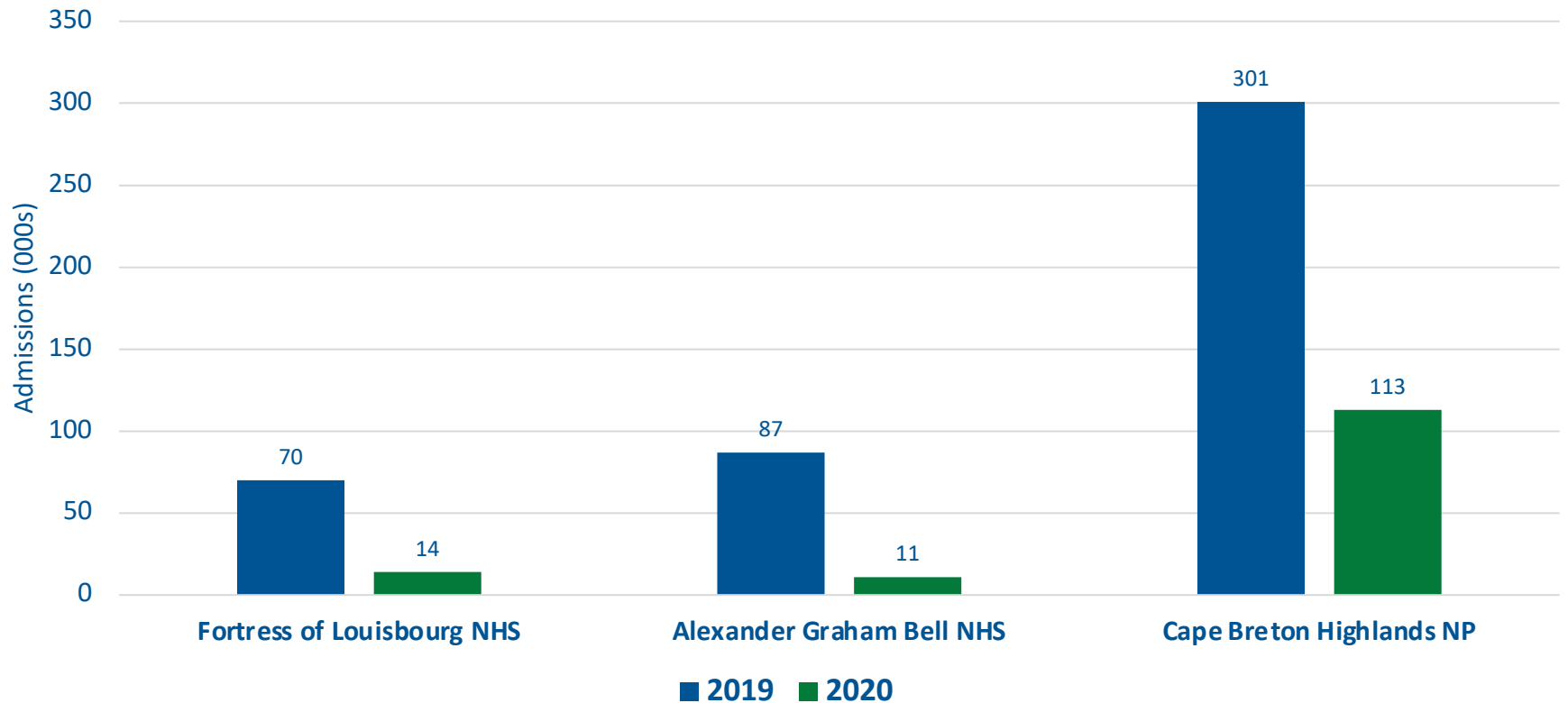
Source: AIRDNA

Shared economy unit nights sold (mainly through Airbnb) were down 31% from January to October compared to 2019. Nova Scotia overall, was down 34% for the same period, so the Island fared slightly better comparatively.

The winter season was up significantly for the shared economy at 120%. The spring was only down slightly, as it appears that Airbnb units were often rented for self-isolating. The summer and fall were both down, but slightly better than registered accommodations, as people were seeking self-contained units.

Visitation to Parks Canada Sites

2019-20



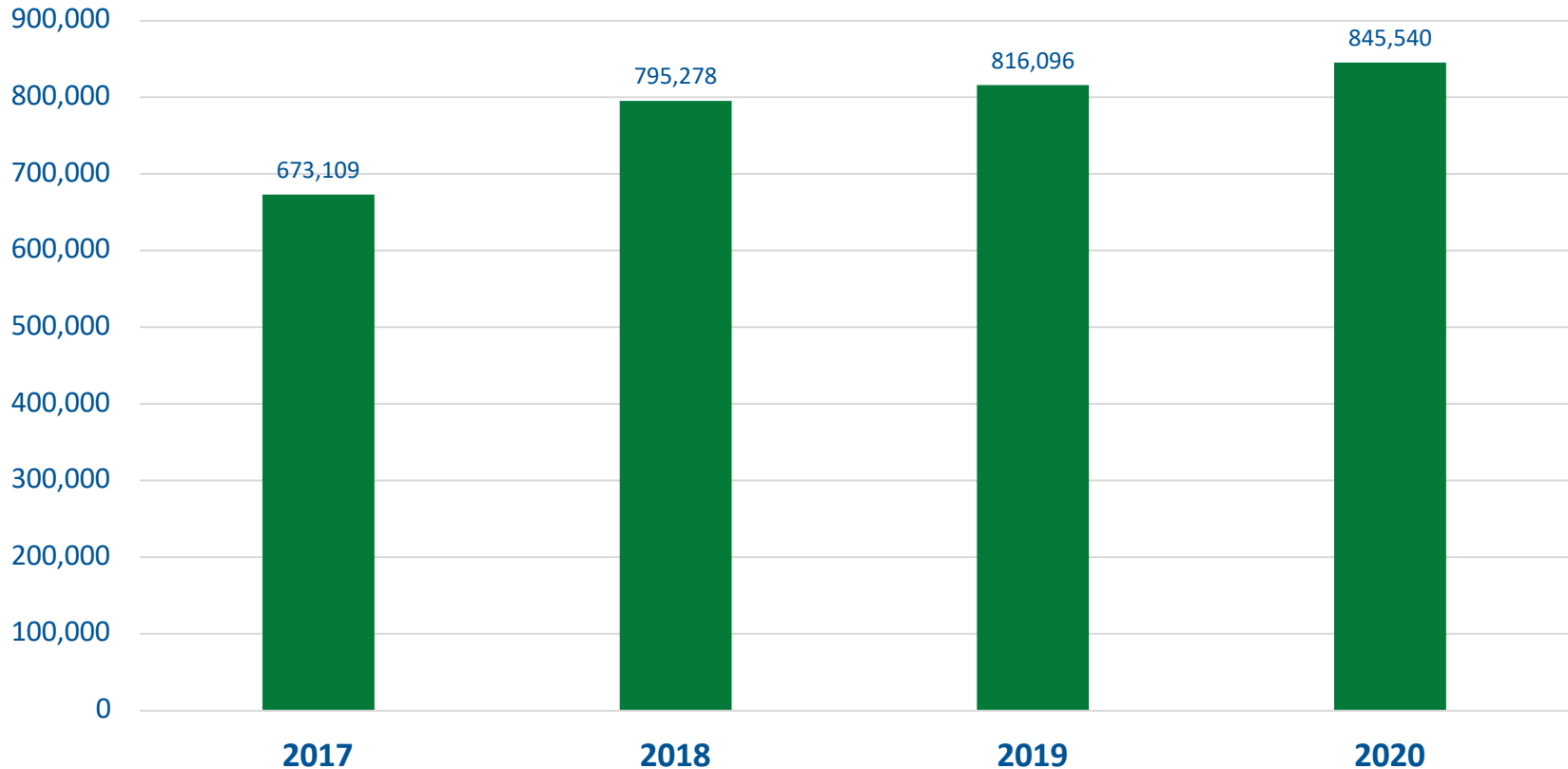
Source: Parks Canada

As with the season overall, visits to Parks Canada sites were down significantly. Visitation to the Cape Breton Highlands National Park was down 63%, as many regional visitors were engaged in outdoor activities.

The Fortress of Louisbourg and Alexander Graham Bell National Historic Sites were down severely at 80% and 87% respectively. This mirrored visitation to many cultural and heritage experiences around the Island and both were impacted by the loss of the cruise season.

visitcapebreton.com Sessions

2017-20

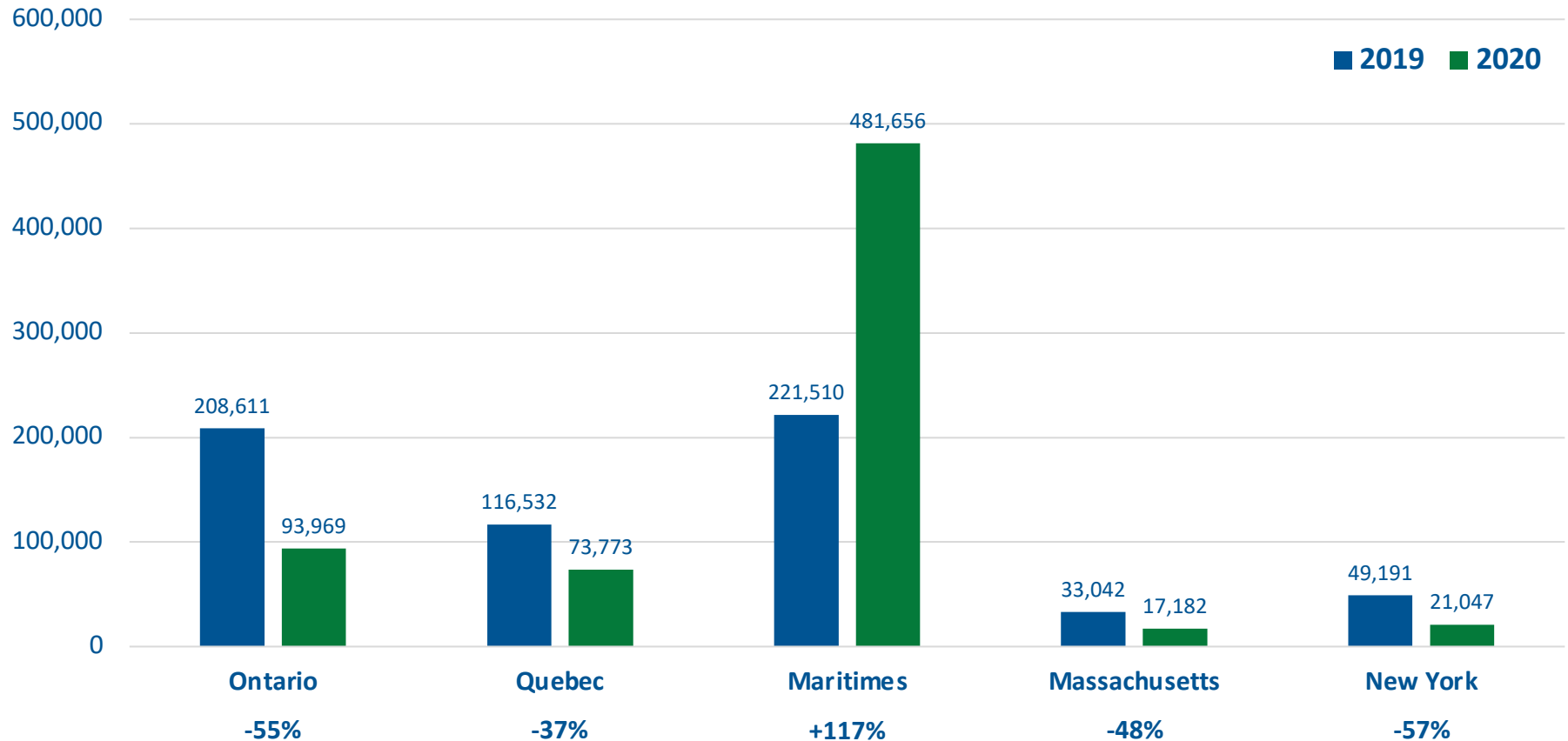


The chart shows the growth of website traffic over the past four years. Sessions in 2020 were up 4% over 2019, despite not advertising outside of Atlantic Canada for most of the year.

Average session duration and pages per session were both down slightly; however, leads (clicks to operator websites) were up 12%, indicating a strong conversion to visits.

visitcapebreton.com Sessions by Market

2019-20



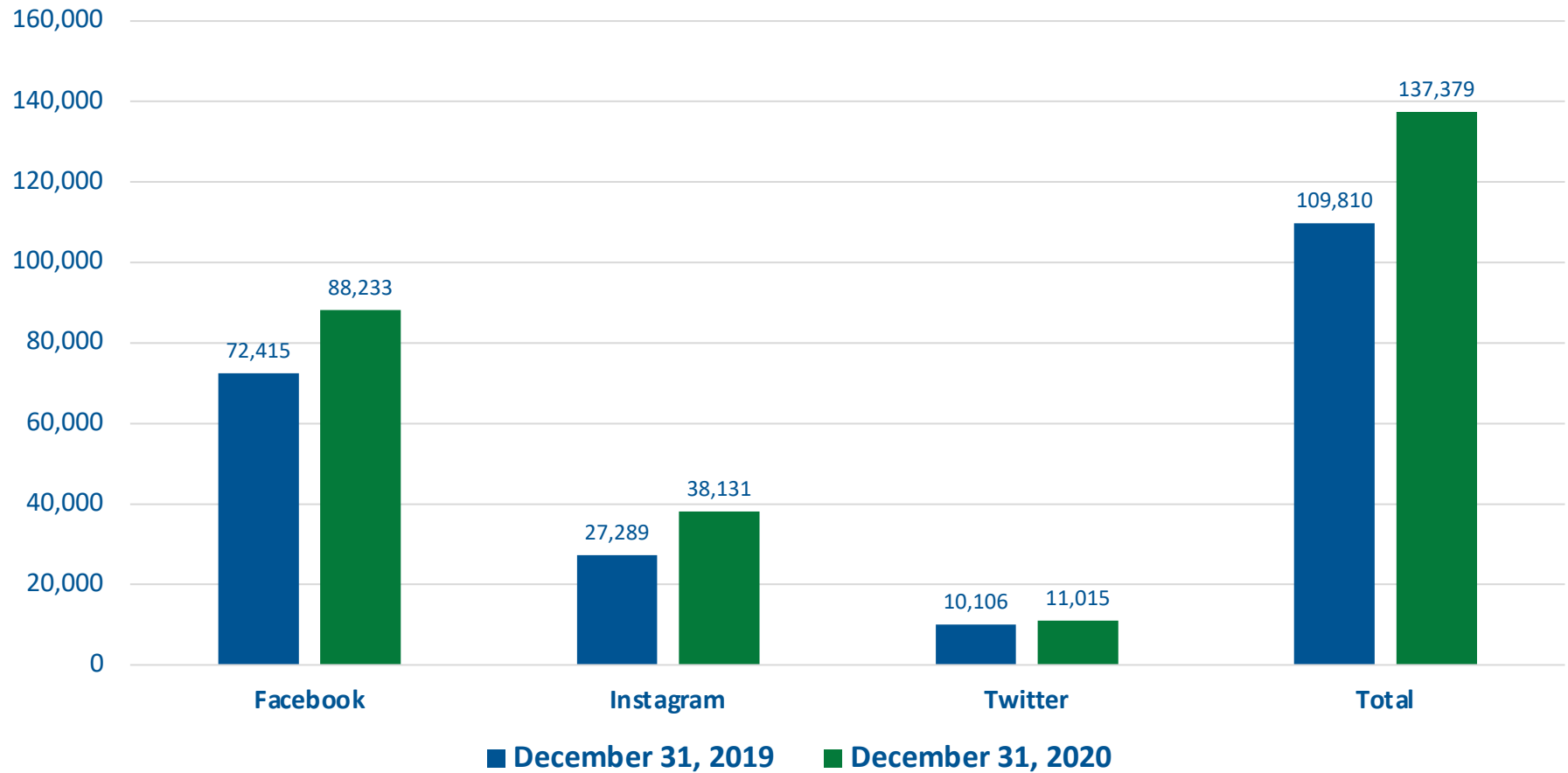
Source: Google Analytics

Traffic from all usual target markets was down from 37% to 57%, with the exception of the Maritimes, which more than doubled. Within the Maritimes, Nova Scotia was up 113%, New Brunswick was up 130%, and Prince Edward Island was up 156%. This increase in the Maritimes coincided with a much larger investment in the market.

Despite strong increases in New Brunswick and Prince Edward Island, visitation to the site from Nova Scotians comprised about 80% of the traffic from the Maritimes, and much of that traffic came from the Halifax area and the Cape Breton Regional Municipality.

Social Media Follower Growth

2019-20



Source: Facebook, Instagram, Twitter Insights

Social media follower growth increased 25% in 2020 to over 137,000. Facebook increased 22%, Instagram increased 40%, and Twitter increased 9%.

In addition to follower growth, the total number of engagements (likes, comments, shares) increased by

11% to over 988,000. Video views for the year increased 6% to over 4.2 million. The hashtag #visitcapebreton was used 26,791 times in 2020, a 24% increase over 2019, despite significantly fewer visitors.



2021-22 Strategy Overview

Season Scenarios

While COVID-19 cases increased in Atlantic Canada in December and January, it is anticipated that the Atlantic Bubble may be re-established at some point in the next few months. The federal government estimates that a critical mass of Canadians will receive the vaccine by September 2021. Destination Canada is currently

forecasting that the domestic market will recover by 2022. There are currently questions as to the effectiveness of the vaccine rollout plan in the US that may impact that market for the remainder of 2021.

Based on these factors, Scenario 2 below is most likely.

Scenario	Atlantic Canada	Canada	US	Potential Outcome
1	Bubble re-established with low cases	Large clusters through spring and summer; vaccine rollout does not reach critical mass until the end of 2021	Large clusters through spring and summer; vaccine rollout does not reach critical mass until the end of 2021; border remains closed through year	<ul style="list-style-type: none"> • 14 day quarantine remains for visitors from outside bubble
2	Bubble re-established with low cases	Case numbers dropping and vaccine reaches critical mass of Canadians by late summer/early fall of 2021	Large clusters through spring and summer; vaccine rollout does not reach critical mass until the end of 2021; border remains closed through year	<ul style="list-style-type: none"> • 14 day quarantine remains for visitors from outside bubble until late summer/early fall • Potential for late summer/fall domestic travel within Canada
3	Bubble re-established with low cases	Case numbers dropping and vaccine reaches critical mass of Canadians by late summer/early fall of 2021	Vaccine reaches critical mass of Americans by late summer/early fall of 2021; border opens by September 2021	<ul style="list-style-type: none"> • 14 day quarantine remains for visitors from outside bubble until late summer/early fall • Potential for late summer/fall domestic travel within Canada • Potential for limited fall cruise season



Strategy Considerations

Based on Scenario 2 on the previous page and the experience of 2020, the following considerations should be addressed in the strategy:

- The regional and local markets will be the targets until late summer/early fall.
- The regional and local markets tend to travel on weekends, so efforts will be required to encourage Monday-Thursday travel.
- Plans should be ready to quickly mobilize a late summer/fall domestic campaign, including western Canada. Note: the return of air service to Sydney Airport will be key.
- Visiting friends and relatives are likely to be the earliest visitors from outside Atlantic Canada.
- The Province is launching a campaign to target digital nomads who will visit for longer stays that can include a 14-day quarantine period.
- Some operator categories have been more severely impacted by the pandemic (larger accommodations, B&Bs, culture and heritage experience providers, artisans, etc.) and could benefit from a greater promotional push.
- With the re-opening of Ski Cape Smokey and other developments, there is an opportunity for a larger winter campaign for 2022.

Guiding Principles

The 2021-22 strategy for DCBA is based on the following guiding principles:

1. It is developed in alignment with Tourism Nova Scotia's strategy for the season and continues alignment with ACOA's Tourism Innovation Action Plan.
2. It adheres to the Research/Product Innovation/Marketing Continuum.
3. It focuses on promoting the Island's core assets/motivators and niche activities that can be safely enjoyed following public health guidelines and protocols.
4. It continues to utilize Destination Canada's award-winning and proven Explorer Quotient (EQ) psychographic profiles, focusing on Authentic Experiencers and Cultural Explorers.
5. It bases all decisions on the best evidence, wherever possible.
6. It is designed to be flexible to be quickly modified to adapt to changing pandemic conditions.



Goal and Objectives

To maximize impact for the Cape Breton Island visitor economy in what will likely be another challenging year, the strategy will focus on two main objectives for 2021-22:

- Optimizing local and regional visitation for the greatest possible impact in all periods of the year; and
- Driving late summer/fall 2021 and winter 2022 visitation from domestic markets outside of Atlantic Canada.

Using these two areas of focus, the measurable goals must reflect the maximization of plant capacity over the course of the year. This will include measuring room and unit nights sold at registered accommodations as reported by Tourism Nova Scotia. Using 2020 as a benchmark, the goal will be:

A 40% increase in registered room and unit nights sold on Cape Breton Island over 2020 levels.





Research



Research

The continuum begins with research to define the target audience, identify shifts, and what they are seeking in the destination.

Research conducted over the past number of years has shown that the target audience can be defined as follows:

Demographic

- Empty nest couples aged 45-70 (boomers and Gen X)
- Pre-nest young adults (millennials and Gen Z)
- Females do majority of travel planning (58% of web visits)

Geographic

- Cape Breton Island (Staycations)
- Maritimes
- Ontario
- Quebec
- Alberta
- British Columbia

Psychographic (EQ Types)

- Authentic Experiencers (33% of visitors)
- Cultural Explorers (24% of visitors)

Destination Canada categorizes Authentic Experiencers and Cultural Explorers as 'Learners'. They are drawn by culture and natural beauty. They seek engagement in a destination – to meet locals and to be participants in the culture.



Research Observations

Through research conducted in 2019 and 2020, a number of observations may be made that can inform the strategy:

- Motivations for regional visitors in 2020 included the Cabot Trail, outdoor adventures, discovering hidden gems, winter activities, fall activities, culinary, and golf.
- Motivations for out-of-region domestic visitors in 2019 included the Cabot Trail, outdoor adventures, fall activities, culinary, culture and heritage, and golf.
- The average length of stay for regional visitors is about 3 nights and for out-of-region domestic visitors is 5.6 nights.
- The earliest out-of-region domestic visitors are likely to be visiting friends and relatives.
- There is a strong volume of online conversations about outdoor adventure in Cape Breton according to the Tourism Sentiment Index.

A photograph of a motorcycle rider on a scenic road. The rider is wearing a helmet and is positioned in the lower center of the frame, riding away from the viewer. The road is paved and has white dashed lines. The background features a steep, forested hillside with a winding road visible in the distance. The sky is clear and blue.

Research Objectives

In pursuit of the goals, the following strategic objectives have been defined for Research:

1. To continue to measure and report on key performance indicators

- Room nights sold
- Shared economy unit nights sold
- Google Analytics
- Social media insights
- Tourism Sentiment Index

2. To monitor regional and national research related to pandemic recovery and resident sentiment

- Attend key destination focused virtual events and webinars
- Monitor tourism research sources such as Destination Canada, TIAC, and others

3. Collaborate with the World Tourism Institute at Cape Breton University to explore new research opportunities

- Evaluate the potential for accessing and analyzing real-time visitor data sources



Product Innovation



Product Innovation

Over the past year, there have been a number of product innovation initiatives on Cape Breton Island. A particular focus has been placed on package development through Tourism Nova Scotia's Radiate program. Through that program, a number of winter packages were developed, promoted, and sold.

A premium experience workshop was conducted in partnership with Tourism Nova Scotia and Cabot Cape Breton. A few operators went through the Experience Excellerator program as well.

An advanced market readiness project was initiated for culinary, in partnership with the Cape Breton Food Hub, NSCC, and ACOA. This program will be continued into 2021.

A number of discussions had taken place regarding potential new festivals and events; however, much of that activity was put on hold due to the pandemic.

A virtual tourism conference was delivered to approximately 160 participants in a partnership of Destination Cape Breton and the World Tourism Institute at Cape Breton University.

A new development is the targeting of digital nomads by the Province. These remote workers can work anywhere as long as they have access to good Internet and a productive working environment. They will tend to stay longer in a destination.



Product Innovation Objectives

In pursuit of the goals, the following strategic objectives have been defined for Product Innovation:

- 1. To work with industry and partners to develop and promote experiences and packages that will appeal to local, regional, and out-of-region domestic visitors**
 - Implement and launch new reservation service
 - Work with communities in lesser visited areas to create new experiences that support existing product clusters
 - Continue package development efforts that were initiated through the Radiate program
 - Work with industry to develop packages and offers that motivate Monday-Thursday travel
 - Explore opportunities to create offerings that appeal to visiting friends and relatives

- 2. To work with Mi'kmaq, Acadian, and Gaelic cultural tourism partners to support their growth and development**
 - Coordinate regular meetings of each cultural tourism group to deepen understanding of each culture, obtain guidance on the respectful presentation of each culture in promotional efforts, and learn about new experiences and developments



3. To collaborate with partners to program and launch a Year of Music celebration that is launched during the 25th Anniversary of the Celtic Colours International Festival in 2021

- Work with partners to scope out the vision and program for a Year of Music
- Develop or enhance program offerings for live music around the Island
- Explore the development and packaging of music tourism experiences

4. To resume collaboration with partners to create or innovate festivals and events that can serve as travel motivators in the winter and shoulder seasons

- Identify opportunities and bring partners together to create a robust calendar of events
- Continue the Community Festivals & Events program with the five municipalities and ACOA for events that can be held with public health protocols in fall 2021 or winter 2022 events where herd immunity may be achieved
- Work with municipalities and Events Nova Scotia to identify best practices for hosting events that follow public health protocols

5. To work with partners to advance digital transformation among industry partners

- Complete Digital Influence Report
- Collaborate with partners to develop a plan to address key areas of need that emanate from the Digital Influence Report



6. To build and enhance the winter product

- Implement a winter readiness project with partners
- Work with partners to create new experiences, packages, and events for winter

7. To collaborate with Cape Breton University and NSCC to enhance industry education, training, and development

- Continue the Culinary AMR program with the Cape Breton Food Hub, NSCC, and ACOA
- Explore the hosting of a hybrid in-person/virtual Tourism Innovators Summit in partnership with the WTI

8. To collaborate with the industry and the Province to develop an offering for digital nomads

- Create new long-term stay packages that will hold appeal to digital nomads



Marketing

Marketing



Despite the pandemic, the fundamentals of marketing are still sound. More than ever, people are living online and in this new reality, we act on our needs and make decisions in what Think with Google calls micro-moments. For travel, Think with Google has defined four key micro-moments, as outlined below:

I-want-to-get-away moments: a.k.a. "dreaming moments" that happen when people are exploring destination options and ideas with no firm plans. At this stage, people are looking for inspiration.

Time-to-make-a-plan moments: a.k.a. "planning moments" that happen when people have chosen a destination. They're looking for the right dates, the right flight, the right place to stay, and all the things they'll do while they're there.

Let's-book-it-moments: a.k.a. "booking moments" that happen when the research is done, and people are ready to book their tickets and reserve their rooms.

Can't-wait-to-explore moments: a.k.a. "experiencing moments" that happen when the trip is underway. Travelers are ready to live the trip they've been dreaming about—and share it with others.

These micro-moments provide a Path to Purchase that Destination Cape Breton has been using for the past number of years. The following page outlines the tactics that will be employed to reach the target audience at each stage of the Path to Purchase.

The Path to Purchase

DREAMING >

Digital Marketing

- Display
- Video
- Social

Content (Hero)

- Hero video
- Influencers
- Travel media

Collateral Material

- Experience Guide

TV

- Regional

Artist Ambassadors

PLANNING >

Digital Marketing

- Category search
- Re-marketing
- Social
- Email

Content (Hub)

- Locals blogs
- Experience videos
- List-style content
- Operator listings

Collateral Material

- Experience Guide
- Seasonal Guides

Specialty Print

- Motorcycle Guide

Travel Trade

BOOKING >

Digital Marketing

- Branded search
- Re-marketing
- Social

Content (Help)

- Locals blogs
- Itineraries
- Packages
- FAQ

Collateral Material

- Experience Guide
- Seasonal Guides

Travel Trade

EXPERIENCING >

Digital Marketing

- App

Content

- User-generated (UGC)
- Reviews

Collateral Material

- Map



Marketing Activities

Digital Marketing

Digital marketing is the largest component of the Destination Cape Breton marketing campaign, by far, and delivers the strongest ROI. Over the past few years, DCBA has partnered with Tourism Nova Scotia through their Digital Content Marketing Program, which provides matching dollars to target the key markets.

For 2021, the initial focus will be on targeting local and regional visitors, but will need to be designed to quickly shift to out-of-region domestic visitors.

A new initiative under Digital Marketing will be the implementation of a mobile app that will allow visitors to collect points that may be redeemed toward future travel or merchandise.

Content Marketing

A robust content strategy was implemented in 2020, which followed the 'Hero, Hub, Help' approach of Destination Canada's Content Playbook to identify content and distribution channels that will reach the target audience at each stage of their path to purchase. The content placed an emphasis on hidden gems and lesser-known areas of the Island and this will be continued along with renewing content for other areas.

The communities of interest (COI) model will continue to be integrated within the content marketing strategy to utilize local advocates and targeted influencers to create and disseminate content.



Website

A key piece of the digital marketing and content strategies is the website, which has been designed to be a content hub. The website will continue to be optimized for improved performance.

Collateral Material

The Cape Breton Island Experience Guide was only offered in a digital format in 2020, but will be returning in 2021 as the main lure/fulfillment piece for visitors. Seasonal campaign collateral will continue with Spring, Fall and Winter guides. The Cape Breton Island Map will continue to be produced for visitors on Island and provided through visitor information centres.

Television

Television advertising continues to be effective with the Maritimes, particularly with news programs. For 2021, there will be regional spring/summer, fall and winter (2022) campaigns on TV.

Specialty Print

An ad will continue to be placed in the Atlantic Canada Motorcycle Touring Guide, which is widely utilized by that market.

Artist Ambassadors

The Island's touring artists are the finest salespeople of our destination. Destination Cape Breton has partnered with Natalie MacMaster and Donnell Leahy and family, the Barra MacNeils, Ashley MacIsaac, and the Men of the Deeps to promote the Island during their tours. These partnerships will continue in 2021, initially with virtual events and eventually with a return to live events later in the year.



Travel Trade

Destination Cape Breton will continue to work closely with Tourism Nova Scotia's sales team to support their efforts to draw more visitors to the province, and Cape Breton Island specifically. This will include attending this year's virtual Rendezvous Canada.

Influencers and Travel Media

Destination Cape Breton will continue to work closely with Tourism Nova Scotia to identify and bring key influencers and travel media to the Island. Key influencers in Ontario will be invited to visit Cape Breton in winter 2022.

User-generated Content (UGC)

Recommendations of friends and family is one of the most effective ways that potential visitors learn about a destination. A campaign will be developed in working with operators that encourages visitors to share their photos and videos on social media and utilizing the #visitcapebreton hashtag.

Marketing Objectives

In pursuit of the goals, the following strategic objectives have been defined for Marketing:

- 1. To increase regional website traffic on visitcapebreton.com by 10% to reach 530,000 sessions, while also increasing clicks to operator websites by 10%**
 - Adjust the digital marketing campaign
 - Implement an email marketing campaign
- 2. To increase the social media footprint by 20% to reach 165,000, while also increasing the total number of engagements by 20%**
 - Enhance the content marketing strategy
 - Continue the COI approach across all aspects of the content strategy
 - Identify and build relationships with local advocates in emerging travel motivator categories like winter
 - Continue the development of content for hidden gems and lesser visited areas around the Island
 - Bring in targeted influencers
 - Continue Summer Intern program
- 3. To stimulate late season demand in out-of-region domestic markets**
 - Target visiting friends and relatives
 - Continue the Artist Ambassador program
 - Drive conversions through the promotion of package offers





4. To drive shoulder and winter visitation from the Maritimes region

- Continue staycation messaging to local residents
- Plan and execute spring/summer, fall and winter campaigns using digital, social, TV
- Resume distribution of the Experience Guide within the region
- Continue working with Live Life in Tents and other partners on seasonal Creatives Weekends

5. To support the Year of Music celebration through marketing and promotion

- Develop a Year of Music creative theme
- Add a robust music section to visitcapebreton.com that highlights live music events, Cape Breton musicians, music-based itineraries, and playlists
- Work with CBMIC and local artists to create new music to be used in promotional videos
- Develop a content plan to create and share music tourism experiences

6. To mobilize visitors into advocates for Cape Breton Island

- Develop and implement a UGC campaign in conjunction with operators
- Design and implement a new rewards-based app



Niche Markets

Meetings and Events



With the onset of the pandemic, almost all major events that were scheduled for the Island were cancelled in 2020. Some were postponed to a later date when it is safe to travel again, while others were cancelled outright. Despite that, a number of major events are currently scheduled for 2021, including:

- East Coast Music Awards and Conference;
- Canadian National Darts Championships; and the
- U SPORTS National Women's Soccer Championship.

The Events Cape Breton program is continuing to work on bids for major events in 2022 and beyond. Some announcements for the awarding of host locations are expected in the next few months.

A Cape Breton Island Events Strategy was completed in 2020 and a number of initiatives recommended within the strategy may be pursued to better prepare the destination for events. This will include the evolution of the Events Cape Breton model to focus on the creation, innovation, and attraction of events.



Niche Ports and Marine Tourism

As with major events, the pandemic resulted in the cancellation of all cruise visits in 2020, including calls to the Island's niche ports (Louisbourg, Baddeck, and Chéticamp). It is expected that this will continue throughout 2021, although there is some hope that some cruise visits may be able to resume in the fall of 2021. Smaller vessels with fewer passengers are likely to be among the first ships to resume operating.

With the majestic Bras d'Or Lake and scenic coastal ports, Cape Breton Island is well positioned for growth in marine tourism. Into 2021 and beyond, Destination Cape Breton is committed to continuing to partner with Develop Nova Scotia to attract superyachts and larger vessels to Cape Breton Island. Implementing infrastructure upgrades for these vessels, such as those underway in Baddeck, will enhance the marine experience for other boaters.

Develop Nova Scotia released its Marine Visitation Plan in 2020, which includes a number of objectives that apply to Cape Breton Island. There is an opportunity to work with Develop Nova Scotia to better position Cape Breton as a marine destination with the larger Nova Scotia and Atlantic Canada destinations.

Niche Markets Objectives

In pursuit of the goals, the following strategic objectives have been defined for Niche Markets:

1. To evolve the Events Cape Breton model to focus on event creation, innovation, and attraction

- Work with key stakeholders to prioritize and implement the recommended actions within the Cape Breton Island Event Strategy
- Update the inventory of venues, facilities, and local organization capacity for event hosting
- Enhance marketing, sales and bidding tools for Events Cape Breton
- Identify events to target, in alignment with the Events Nova Scotia categories and capacity of local partners, and develop strategies to attract those events
- Attend key events like the Sports Events Congress (virtual in 2021)

2. Prepare to position the Island as a small meetings destination

- Develop new marketing materials for small meetings and events
- Develop and implement a new partnership program for meetings and events

3. Work with the Port of Sydney, niche ports, and the Atlantic Canada Cruise Association to prepare for the return of cruise

- Explore the readiness to market and deliver a safe and innovative offering
- Develop and launch a communications strategy to rebuild industry and public confidence in cruise
- Form and formalize a niche ports committee





4. Develop the marine tourism market in partnership with Develop Nova Scotia and marine partners

- Work with Develop Nova Scotia and marine partners to identify, prioritize, and implement initiative that align their new Marine Visitation Plan
- Update or enhance marine content
- Work with Develop Nova Scotia and stakeholders to implement a COI approach to marketing the marine tourism experience



Industry Mobilization



Industry Mobilization Objectives

The implementation of the strategy requires the participation of industry operators and partners. As such, a number of objectives to mobilize the industry have been identified:

1. To enhance communication channels with industry

- Conduct pre-season industry sessions around the Island
- Continue the monthly industry newsletter and expand the subscription list
- Enhance and update the industry page on visitcapebreton.com
- Continue regular meetings with the Product Innovation and Marketing Committees

2. To build confidence in the tourism industry by promoting tourism as an economic driver for the Island and increasing awareness of the tourism product

- Develop and distribute a year-end report
- Conduct 'State of the Industry' presentations in conjunction with the Island's chambers of commerce
- Continue to nominate and promote tourism award winners



For more information, visit:
cbisland.com/dcba-industry-page