

# ACTP EVALUATION: 2006-2009

## YEAR 1

Rod Cunningham – Mackellar Cunningham & Associates Ltd  
In partnership with Stephen Smith, PhD – University of Waterloo

February 2007

*Mackellar Cunningham  
& Associates Ltd.*

Table of Contents

**EXECUTIVE SUMMARY ..... 2**

**THE US MARKET ..... 7**

**INTRODUCTION ..... 7**

**OBJECTIVES ..... 7**

**PAST PERFORMANCE..... 7**

**THE US MARKETING PROGRAM 2006 ..... 11**

**US PROGRAMS AND RESULTS ..... 13**

**THE OVERSEAS MARKET..... 19**

**OBJECTIVES ..... 19**

**OVERSEAS MARKETING PROGRAM: 2006 ..... 22**

**BUDGET ..... 22**

**OVERSEAS PROGRAM RESULTS..... 23**

**FRANCE ..... 25**

**JAPAN ..... 25**

**CURRENT THINKING ON KEY ISSUES ..... 28**

**2. THE DECISION-MAKING PROCESS ..... 29**

**3. STRATEGY..... 31**

**4. MEASURING AND REPORTING PROGRAM IMPACT ..... 33**

**5. COMMUNICATIONS ..... 33**

**6. LEADERSHIP..... 34**

**7. IMPACT OF ACTP ..... 35**

### *EXECUTIVE SUMMARY*

This section opens with a summary of the key findings of the evaluation of the first year of the 2006 – 2009 ACTP Agreement. These are followed by a series of recommendations.

- The Atlantic Canada Tourism Marketing Program (ACTP) was successful in meeting its overall objectives in 2006. The Program generated \$88.2 million in expenditures in the Atlantic Provinces and attained an overall return on investment (ROI) of \$15.80: \$1.00.
- The US Program achieved an ROI of \$17.81:1, well above its \$14:1 objective.
- The Overseas Program appears to be struggling with the start-up of its new campaign. It fell short of its \$6:1 objective with an ROI of \$3.96:1. Total visitation to Canada from Atlantic Canada's primary overseas markets is weak in 2006.
- The US consumer campaign attained an ROI of almost \$23:1. This is significant as it shows that even in a very unstable year the US campaign can deliver an ROI of over 20:1 (for the third consecutive year).
- Media-brokered savings and added value in the US market totalled \$1.0 million. This exceeded the objective of \$900,000.
- Media relations programs were very successful in both the US and overseas. The equivalent of \$8.6 million in media coverage was attained in the US market. In overseas markets, media coverage reached \$9.4 million.
- Three very successful tour wholesaler partnerships were undertaken with US trade suppliers. They generated \$2.1 million in sales that is directly attributable to ACTP support (based on share of investment) and attained an ROI of \$30.19:1.
- The 2005 International Travel Survey shows that the New England market area led declines in US overnight travel to Canada in 2006. It was the third consecutive year of decline in visitation from New England (New England ranks forth among the seven leading US markets for travel to Canada).
- The Atlantic Provinces held their share of overnight trips to Canada from New England in 2005. However, the overall market decline resulted in a loss of 15 percent of visitors from New England and a decline of 12 percent in expenditures.
- A survey of Management and Marketing Committee members was carried out as a component of the evaluation. The surveys found members believe ACTP has had a major impact on US market performance and were it not for the Program; they believe the region would have almost no presence in overseas markets.
- Almost all members indicated improved regional cooperation was very important and the vast majority considered ACTP the leading force in making this possible.
- The survey found members of both Marketing and Management Committees were consistent in giving ACTP high ratings for following a clear and well-defined strategy, basing decisions on sound data and measuring program results. Many considered ACTP an industry leader in the area of program measurement.
- The new flexibility built into the Agreement received almost unanimous support. Management Committee viewed flexibility as a policy issue governing the overall direction of ACTP programs. Marketing Committee members tended to view flexibility as an operational issue. They felt more flexibility was required to be able to respond quickly to changes in ACTP's key markets.

- Management and Marketing Committees disagreed on the timeliness of decisions. Three-quarters of Marketing Committee members did not believe decisions were being made fast enough. The opposite position was held by Management Committee.
- The amalgamation of the former US and Overseas Committees into a single Marketing Committee is seen as positive by a majority; however, the anticipated growing pains are not over. Approximately one-quarter of Marketing Committee members are still experiencing difficulty adjusting to the change.
- The concept of ACTP leadership was an area of frequent misinterpretation within both Committees. Many respondents mentioned that a key principle of ACTP is to respect the brand equity and priorities of the individual Provinces in the US market. ACTP was recognized as playing a leadership role in promoting a pan-Atlantic perspective in tourism marketing, fostering greater co-operation among the Provinces, and stimulating incremental marketing activities that would not occur without ACTP. ACTP is also seen as a leader in providing research for developing marketing strategies.
- As in past surveys, little progress was seen as having been made in the area of communicating the value and importance of ACTP to the private sector.

### ***Recommendations:***

#### ***1. The US Market***

Because of the significant decline of the New England market (and the forecast that it will decline for the fourth consecutive year in 2006), it is recommended that ACTP begin the process of thoroughly reviewing its US market strategy.

The objective of this review is to develop a contingency strategy which can be implemented if the New England market continues to decline and reaches the point that it can no longer serve as the primary market for Atlantic Canada.

It is also recommended that while this review is taking place, very high ROI criteria be established for all business cases which support the transfer of funds to activities outside the New England market area.

This cautious approach is recommended for the following reasons:

- a) ***Revenues generated by the current program are critical.*** In 2006, approximately one of every five dollars spent by Americans in Atlantic Canada was because of the ACTP program. As recently as five years ago, the ratio was only one dollar out of twenty.
- b) ***The ACTP program has a proven ability to deliver.*** In 2006, the ROI for the New England campaign remained above \$20:1 despite very poor market conditions. This rate of return should be a key factor when considering the movement of any funding out of New England.
- c) ***There is a risk factor that should not be underestimated.*** Over the past five years, the ROI of the consumer campaign has gone from consistently under \$10 to consistently over \$20. While web-based marketing has been a factor, studies carried out over the past year show dramatic increase in awareness. This suggests awareness has played a significant role in driving up the ROI (as it is supposed to). If ACTP were to seriously reduce or drop out of New England for any length of time, it would lose the momentum of the growing awareness it has achieved. The ROI, upon re-entry would be in danger of falling back to the \$10:1 range.

It is recommended that the US strategy review examines the situation from a global perspective and includes an assessment of the latest trends, emerging markets and predicted futures. There should be no predetermined constraints or limitations such as geographic boundaries. This review

## ACTP EVALUATION: YEAR 1

---

should result in new strategy options for the US market. Ideally the leading options would be supported by test case results.

This review and development of new strategy will not be easy. It must take place in a very volatile environment where “next year” performance is critical.

The following are recommended as objectives to be completed in Year 1:

- a. **Clarify the New England situation.** Why is New England the weakest market in the US? Are residents still traveling – in other word, is Canada losing to competing destinations or is the problem the market itself, such as a weak New England economy? Data to provide these answers may be available from US sources.
- b. **Develop an early indicator program** Under the current system, nearly a full year passes before for market specific problems can be identified (isolating New England performance from total US visitation). This is too long under the current circumstances.

Several Provinces collect market specific data. While the methodologies are different it is possible that when taken as a group and matched against frontier counts the provincial data will be able to serve as the base for an early indicator program. The main requirement of such a program is to indicate at end of season:

- i. Has the New England decline bottomed out and is it beginning to recover?
- ii. Is it worsening?
- iii. Is the market basically holding?

It is recommended that the development of a market-specific indicator program be explored with the Provinces in 2007. This is important because if the results show New England starting to recover in 2007 it may eliminate the need for further work in this area.

- c. **Establish a “decision point”:** Identify both the indicators and the critical values that would trigger a significant change in the US market strategy. For example, the focus might be on declining visitation, declining revenues, loss of market share, or a drop in the ROI exceeding a specified amount. The choice of indicator and the threshold that would trigger action should be developed by the Marketing Committee.
- d. **Develop a plan and schedule:** The strategy review will be a complex undertaking. It is recommended that a detailed plan and schedule be developed in 2007.

### 2. Recommendation: The Overseas Markets

With the US market strategy the immediate priority, it is recommended that the Overseas Program adopt a “stay the course” position at this time:

- a. **Continue in Europe:** Most of the activity of the Overseas Program in the European market was devoted to developing tour wholesaler partnerships. These partnerships in the UK and German-speaking countries provided an ROI of \$10:1. Other activities, such as trade shows, trade fairs, and media relations do not provide immediate sales. It is recommended that ACTP continue its activities in the UK and German-speaking countries at the current level of spending. ROI should, of course, continue to be monitored to determine whether these development activities contribute to an increase in ROI in the long run.
- b. **Continue in France:** Results for last year’s pilot French campaign were encouraging. It is recommended that ACTP continue its involvement in the French market at the current level of investment. Trade fairs and media relations activities that were deferred should

- be implemented for 2007. It should be noted that no ROI is reported for France because program activities were still developmental.
- c. Continue in Japan:* The Japanese market constitutes a relatively small investment for ACTP. Although the ROI from tour wholesaler partnerships fell below the target of \$6:1 (at \$5.12:1), media coverage is strong. ROI and other performance measures for the Japan Program should continue to be monitored to assess whether this market shows signs of recovery beyond 2007.
- d. Specify additional performance criteria:* There is a need to examine new ways of measuring the impacts of overseas programs. The current method limits impact to Tour Wholesaler partnerships only. There is also a need to refine ITS data to improve performance and market share comparisons with the rest of Canada. The current ITS data which is used to compare performance includes business and commercial travel. As globalization grows this favours international business travel to the country's centers of commerce. Atlantic Canada may be in an unfair position as it benefits less from this growing and very high spending stream of travel. It is recommended that additional measures be formally examined to track the effectiveness of ACTP in overseas markets. These might include:
- Refining ITS data for overseas program measurements to include only the vacation aspect of travel (exclude business travel, and other non-pleasure person trips and revenues from ITS data). This may provide measures of impact beyond tour wholesaler partnerships and it would allow more equal comparisons with National performance.
  - Increases in web traffic at ACTP/Provincial web sites
  - Market share performance (visits and revenues) compared to the rest of Canada (it should be noted that these results are reported in this evaluation however they are influenced by business and commercial travel )

### **3. Recommendations: Marketing Committee**

The Marketing Committee has faced significant challenges in attempting to amalgamate. If it completes this successfully, it will be very beneficial to the overall ACTP program.

Delays associated with the current approval process were identified by Marketing Committee as one of the major strains on the Committee. The Management Committee may be able to assist by reducing the need for Management Committee approvals in the decision-making process.

It is recommended that the approvals process be jointly reviewed by both Committees to identify the source of this problem. It must be noted that this may be only a temporary issue that was relevant at the time of the survey but may not continue in the coming months.

### **4. Recommendations: ACTP leadership**

ACTP's position as a leader is straightforward. It is the forum that encourages the Provinces to work together to deal with common problems and challenges. It does this by bringing together the best people the region has to offer, and supports them with financial resources and research. It promotes a pan-Atlantic view of tourism marketing, while still respecting the Provinces brand equity and specific marketing strategies in the US.

The interviews with Committee members found many understand this definition and strongly support it. However, the interviews also revealed that several members assumed "leadership" implied something narrower.

Because positioning ACTP as a "leader" is a critical issue in communications, it is recommended that its meaning be better articulated within the organization itself.

***5. Recommendation: Communications***

Members of both Marketing and Management Committees agreed that very little progress has been made toward communicating the value and importance of ACTP to the private sector.

Respondents also noted that there are many players in the Industry and the private sector is often uncertain as to who is responsible for what. Further, some respondents suggested that many in the private sector have a low interest in learning about the role of ACTP because they do not have any understanding of its importance.

It is recommended that the objectives of the communications strategy be reviewed. While these objectives are not quantified in the strategy, this survey of members indicates there is an expectation among many members that a significant improvement of awareness of ACTP within the tourism sector will be accomplished. A breakthrough of this type is not considered possible; therefore expectations of the Secretariat in terms of communications may need to be reviewed.

It is also recommended that ACTP reconsider its communications messaging. Rather than communicating many messages and benefits the Program may find it beneficial to focus on its single most important message... ACTP stands for Tourism Atlantic, Industry and the four Provinces working together for the future of tourism in Atlantic Canada.

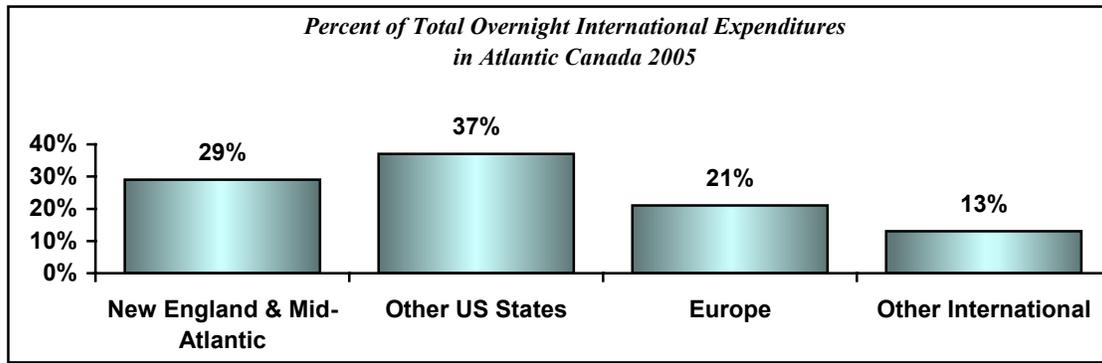
Knowing the best in the region are working together to improve their future should be seen as a benefit (not simply information) to the industry.

***THE US MARKET***

***INTRODUCTION***

The US is the dominant international market for Atlantic Canada. In 2005, visitors from the US spent \$461 million in the Atlantic Provinces. This represents 66 percent of total international spending in the region.

Within the US, New England is ACTP’s primary market; the Mid-Atlantic (New Jersey, New York, and Pennsylvania) a secondary market. Together, these regions generate 43 percent of total US spending in Atlantic Canada and 29 percent of total international spending.



Source: Statistics Canada. *International Travel Survey 2005*

***OBJECTIVES***

The US marketing program has the primary objective of attaining an overall ROI of \$14:1. This represents an increase of 40 percent in efficiency over the \$10:1 objective of the previous Agreement

The current Agreement also calls for new performance indicators to be developed beyond ROI. Macro-level performance measures including awareness, inquiries, visit shares, and revenue shares from the New England and Mid-Atlantic markets are to be used to track growth. Performance on these measures is described in the next section.

***PAST PERFORMANCE***

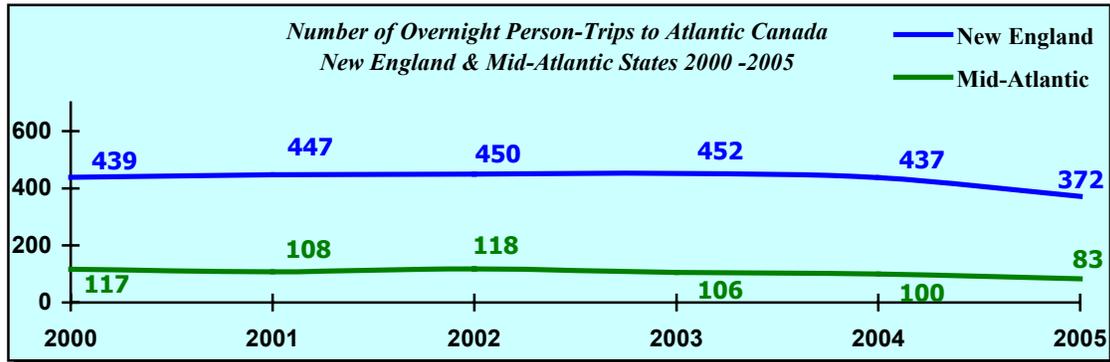
Visitation and revenues are derived from Statistics Canada’s *International Travel Survey* (ITS). These data lag one year behind evaluation deadlines. They therefore reflect performance of the previous year’s campaigns and represent a baseline for the current (2006) campaign.

***Visitation***

In 2005, the number of overnight visitors to Atlantic Canada from New England fell by 14.9 percent to 372,000. This represented a decline of 17.7 percent from the high of 452,000 visitors recorded in 2003.

## ACTP EVALUATION: YEAR 1

The number of overnight visitors from the Mid-Atlantic fell by 17.0 percent in 2005 to a six-year low of 83,000 visitors. This represented a decline of 29.7 percent from the high of 118,000 reported in 2002.

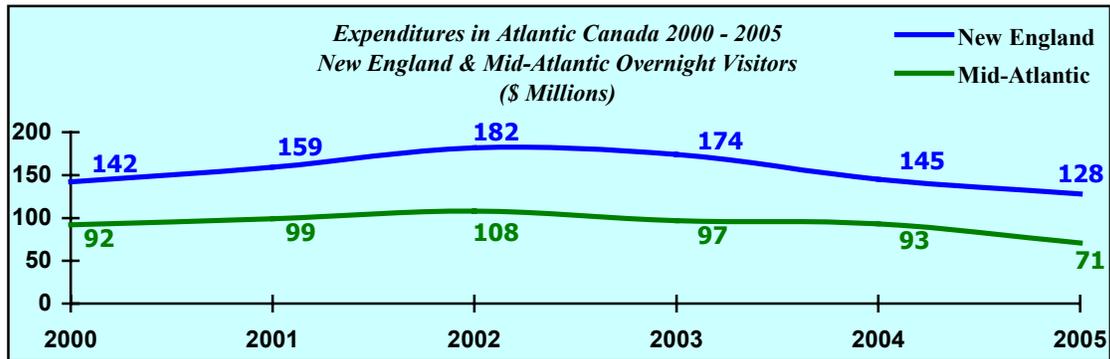


Source: Statistics Canada. *International Travel Surveys 2000, 2001, 2002, 2003, 2004, 2005*

### *Expenditures*

Spending by overnight visitors from New England was \$128 million, down by 11.7 percent in 2005 and down by 29.7 percent from the peak year of 2002. This was more than the decline in visitation (17.7 percent).

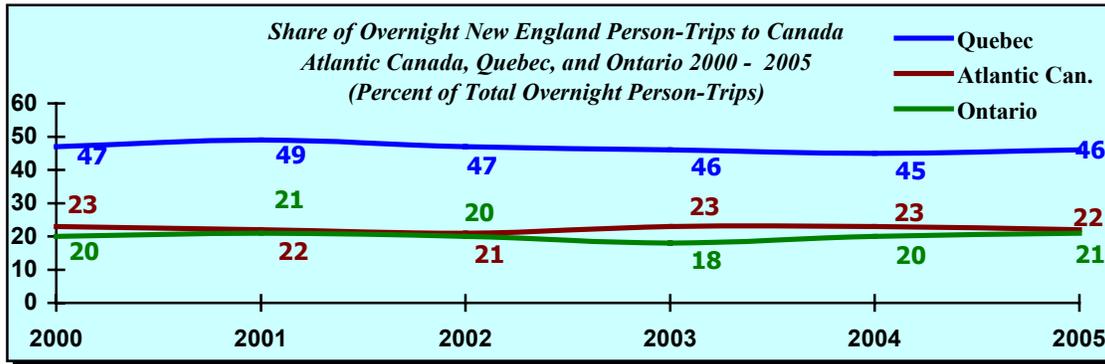
Spending by visitors from the Mid-Atlantic fell by 23.4 percent in 2005 to \$71 million. This was 34.2 percent below the high of \$108 million in 2002.



Source: Statistics Canada. *International Travel Surveys 2000, 2001, 2002, 2003, 2004, 2005*

*Share of Visits*

Although the number of visitors from New England has declined over the past five years, Atlantic Canada’s share of total visitors from New England to Canada has remained basically stable. The decline experienced by Atlantic Canada has been consistent with an overall decline in New England travel to Canada. It should be noted that the three percentage-point rise in Atlantic Canada’s share of visits in 2003 may have been influenced by Ontario’s loss of share due to the SARS scare.

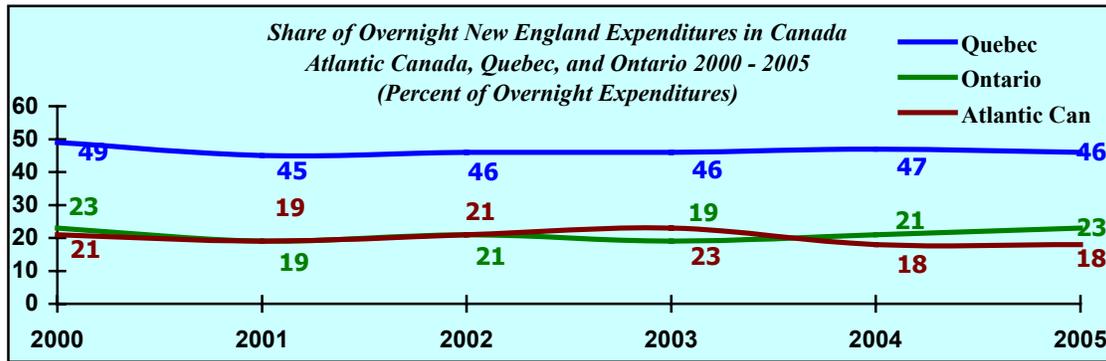


Source: Statistics Canada. *International Travel Surveys 2000, 2001, 2002, 2003, 2004, 2005*

*Share of Expenditures*

Atlantic Canada’s share of expenditures by New England visitors to Canada has been less stable. The region’s share of expenditures has fallen from a high of 23 percent in 2003 to 18 percent in 2004 and 2005.

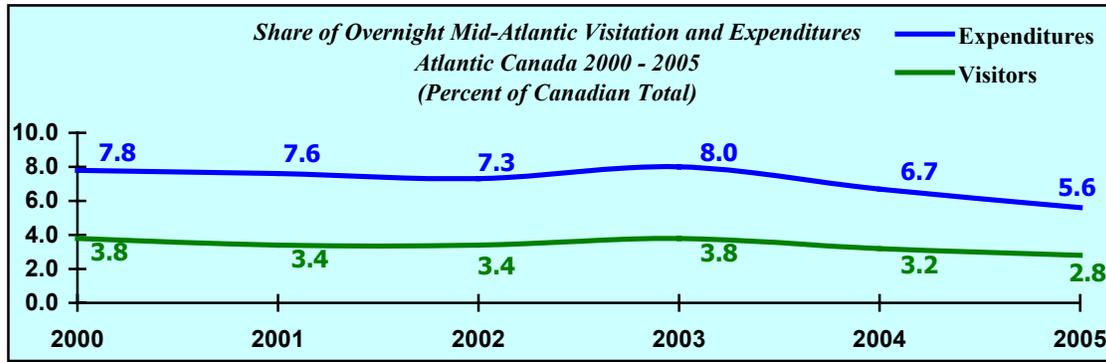
Ontario has been slowly recovering share points in the years following the SARS scare. Quebec shares have remained relatively stable since 2001.



Source: Statistics Canada. *International Travel Surveys 2000, 2001, 2002, 2003, 2004, 2005*

**Mid-Atlantic Shares**

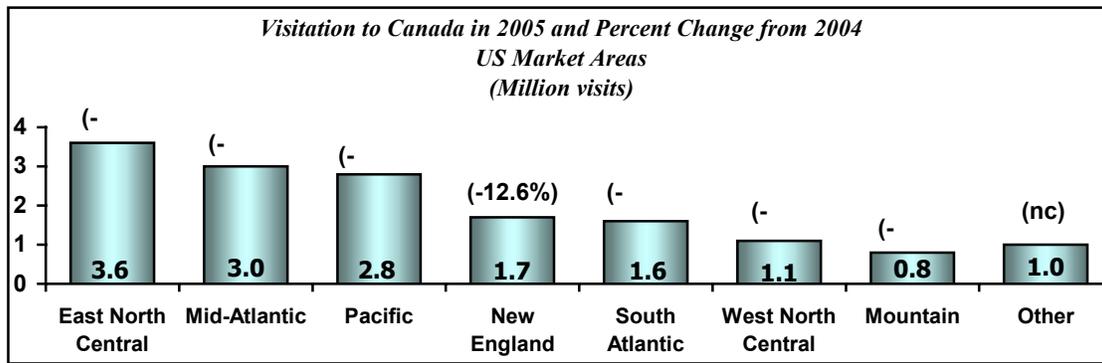
Atlantic Canada’s shares of visitation and expenditures from the Mid-Atlantic display a long-term decline. Atlantic Canada’s share of overnight visitors to Canada from this secondary market has fallen from 3.8 to 2.8 percent. Shares of total expenditures have fallen from 7.8 to 5.6 percent.



Source: Statistics Canada. *International Travel Surveys 2000, 2001, 2002, 2003, 2004, 2005*

**Summary: The Baseline for 2006**

Atlantic Canada entered the US market in 2006 with a 17.7 percent loss of overnight visitation from New England (2005 versus 2004). While travel from all of the US to Canada was down, New England was the poorest performing US regional market. Overnight visits from New England to all of Canada were down by 12.6 percent. This was more than double the decline in visitation to Canada from any other US region.

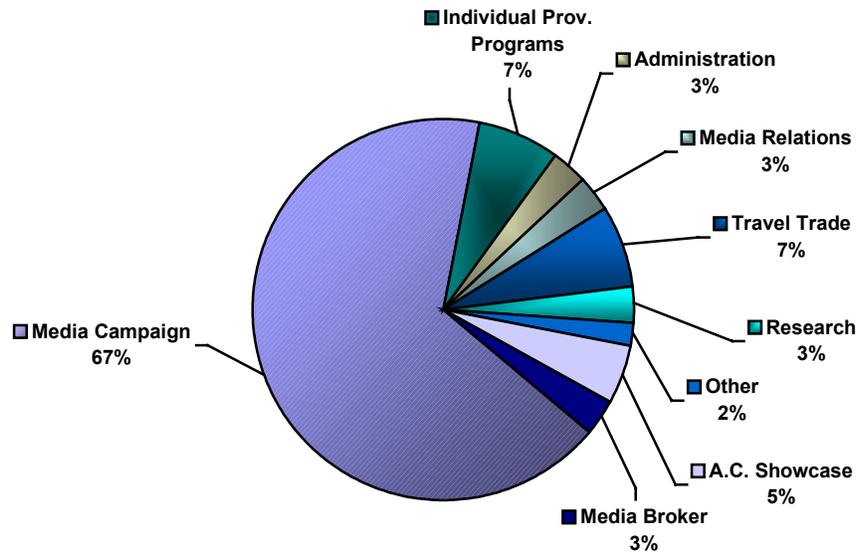


Source: Statistics Canada. *International Travel Surveys 2004, 2005*

***THE US MARKETING PROGRAM 2006***

In 2006, ACTP launched a \$3.4 million integrated marketing program in the US. The consumer media campaign (print, electronic, and Internet advertising) accounted for approximately two-thirds of the US program budget.

**US BUDGET OVERVIEW 2006-2007**



Source: *ACTP Marketing Program Budget 2006/2007*. 30 November 2006.

## ACTP EVALUATION: YEAR 1

---

### *Budget Details*

The following table outlines the US Program budget. Approximately 80 percent of expenditures were directed to immediate returns (generating visitation and revenues in 2006). The remaining 20 percent are developmental expenditures. These trade and media programs will yield results a year or more from now.

<b>US Budget 2006/2007</b>		
<b>Budgeted Expenditures</b>		<b>Sub-Totals/Totals</b>
Media Campaign		
NB	859,540.68	
NL	47,061.14	
NS	1,026,028.59	
PE	337,018.89	
Sub-Total		2,269,649.30
<b>Individual Provincial Programs</b>		
NB Media Relations	78,500.00	
NB Trade	159,375.00	
Sub-Total		237,875.00
<b>Administration</b>		
Program Manager	80,000.00	
Meeting Expenses	4,360.00	
Industry Travel	9,936.00	
Sub-Total		94,296.00
<b>Media</b>		
Media Broker	103,500.00	
Media Relations	100,000.00	
<b>Travel Trade</b>		
	250,000.00	250,000.00
<b>Research</b>		
	110,000.00	110,000.00
<b>Other</b>		
Atlantic Canada Showcase	170,000.00	
Miscellaneous	10,000.00	
Contingency	50,000.00	
Sub-Total		230,000.00
<b>Total Budgeted Expenditures</b>		<b>3,395,320.30</b>
Unallocated*		1,094,679.70

\* Unallocated budget represents money that has not yet been committed to specific activities. The unallocated funds include savings in media buys arising from a more favourable Canada/US exchange rate than anticipated.

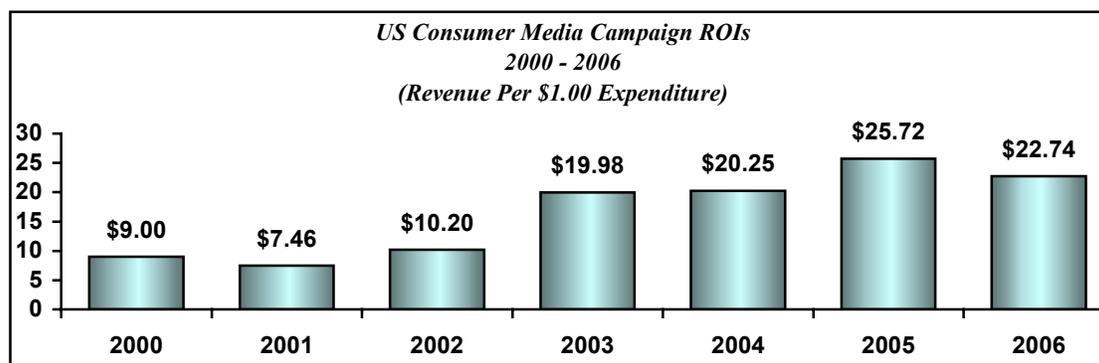
Source: *ACTP Marketing Program Budget 2006/2007*. 30 November 2006.

**US PROGRAMS AND RESULTS**

**US Consumer Media Campaign**

The US consumer campaign is the largest individual program in the Agreement. Its success is critical to overall ACTP performance. An ROI target of \$14:1 was set for the first year of the 2006 – 2009 US Program.

The 2006 campaign was successful in generating \$82.9 million in revenues and attaining an ROI of \$22.74.



Source: 2006 ACTP Conversion Final Results. January 2007

The US Consumer Media Campaign was also given targets for total enquiries, converted party-visits, and revenues.

The following table summarizes key conversion indicators from 2003 through 2006. These results include both direct enquiries (e.g., toll-free calls) as well as anonymous visitors to provincial web sites. The results for 2006 exceeded the targets for every measure.

US Conversion Indicators (Direct enquiries plus anonymous web contacts)				
Indicator	2003	2004	2005	2006
Media buy (million)	\$3.66	\$3.31	\$3.09	\$3.65
Inquiries + anonymous visitors to provincial web sites	209,564	186,800	208,352	222,379
Cost per inquiry	\$17	\$18	\$15	\$16
Conversion rate	24%	32%	30%	29%
Converted party-visits	56,416	59,000	60,577	65,143
Cost per converted inquiry	\$65	\$56	\$56	\$56
Spending per visitor party	\$1,295	\$1,134	\$1,309	\$1,272
Total revenues (million)	\$73.2	\$66.9	\$79.6	\$82.89
ROI	\$19.98:1	\$20.25:1	\$25.72:1	\$22.74:1

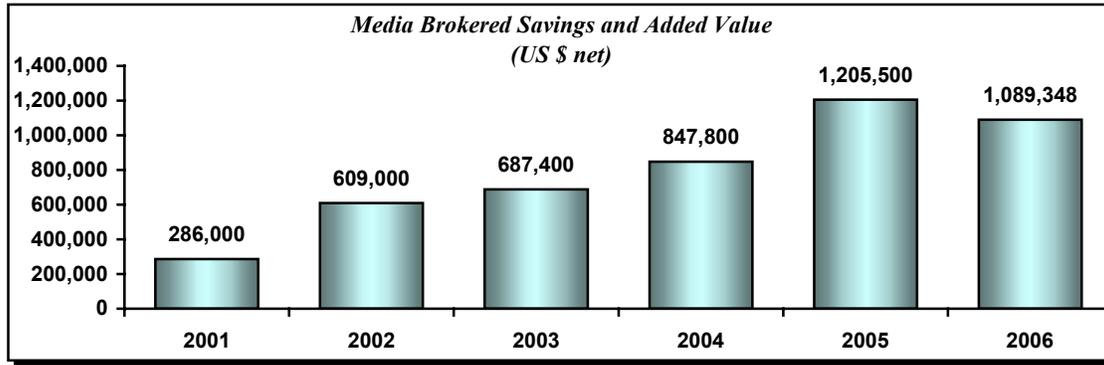
Source: 2006 ACTP Conversion Preliminary Results. December 2006; 2006 ACTP Conversion Final Results. January 2007

## ACTP EVALUATION: YEAR 1

### *Media-Brokered Savings*

ACTP uses a media broker to co-ordinate purchases of advertising for the four provincial partners. The broker, through the leverage provided by representing four Provinces, is able to negotiate favourable rates, web listings, enhanced circulation, and other benefits.

In 2006, savings and added value achieved through the media broker totalled just over \$1 million, above the target of \$900,000.

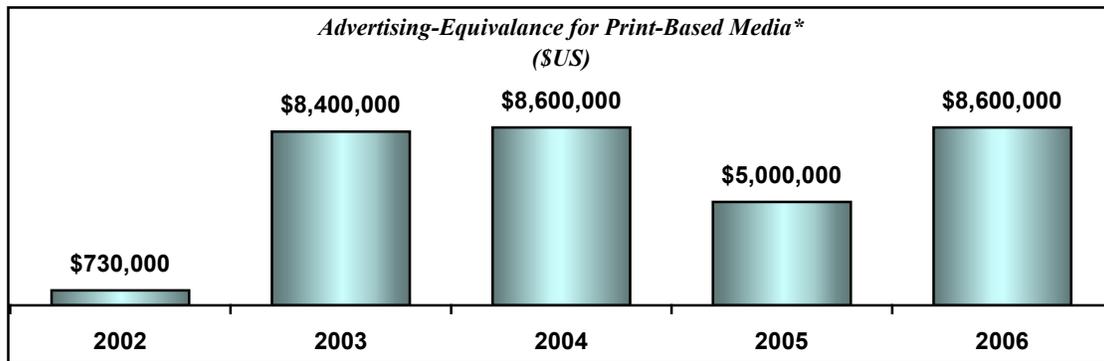


Source: ACTP April 2006 and Beyond Added-Value Chart

### *Media Relations*

ACTP engages the services of an in-market firm specializing in media relations to implement this program. Activities undertaken in 2006 included issuing five press releases, and organizing a group press tour and two individual tours to Atlantic Canada. Two in-market media tours are scheduled for 2007 as is a group press tour.

The editorial value of media coverage attained by Atlantic Canada in 2006 totalled \$8.6 million US (based on the use of a multiplier of 4 to convert print media space to advertising-equivalence value).



Source: ACTP Secretariat

\*The advertising-equivalence of web-based media coverage of Atlantic Canada is not included because there is no standard method for assessing its value.

### *Travel Trade Activities*

Atlantic Canada's US travel trade market has experienced a significant decline since 2002. In response, ACTP has focussed its travel trade efforts on top-producing operators only. Further, the geographic scope of potential tour wholesaler partners has been broadened from New England and the Mid-Atlantic only to anywhere in the US, providing the tour operator is recognized as a top producer for the Region.

## ACTP EVALUATION: YEAR 1

---

### *(Promotions)*

Travel trade promotional activities undertaken in 2006 included training sessions with five leading suppliers with 190 staff trained; training sessions and product launches with AAA reservations staff in New England (275 staff trained), and product introduction/training sessions with Ensemble travel agents. Promotional activities were undertaken at USTOA, the AAA National Conference, and the Ensemble Travel Group annual conference.

### *(Partnerships)*

Approximately \$69,000 was invested in tour wholesaler partnerships with three suppliers. Based on ACTP's investment relative to total promotional costs, these partnerships resulted in \$2.1 million in additional expenditures in Atlantic Canada in 2006. This yielded an ROI of \$30.19:1 for the program.

This ROI is substantially higher than previous years because of the broadening of the geographic scope of the program (beyond New England and Mid Atlantic) and because one of the tour wholesaler partnerships proved to be especially productive (identified as Tour Wholesaler B in the following table).

2006 Tour Wholesaler Partnership Results				
Tour Wholesaler	Partner Contribution	ACTP Contribution	ACTP-Attributable Sales	ROI
A	\$14,400	\$14,400	\$325,000	\$22.57:1
B	\$39,870	\$39,870	\$1,636,500	\$41.05:1
C	\$30,000	\$15,000	\$129,559	\$8.64:1
Total	\$84,270	\$69,270	\$2,091,059	\$30.19:1

Source: Confidential tour operator reports provided to ACTP Secretariat

### *(Atlantic Canada Showcase)*

Atlantic Canada Showcase was held in Charlottetown in October 2006. This marketplace was attended by 55 buyers representing 42 companies. The ratio of sellers to buyers was maintained, and the show was considered a success by the organizers and participants.

Atlantic Canada Showcase			
	2002	2004	2006
Number of Buyers	40	56	55
Number of Companies Represented (Buyers)	--	43	42
Number of Sellers	--	191	165
Number of Companies Represented (Sellers)	--	--	115

Source: ACTP Secretariat

## ACTP EVALUATION: YEAR 1

---

### *(Trade Fams)*

A total of 40 trade representatives were hosted on fam trips structured around Atlantic Canada Showcase (pre- and post-tours). All four Provinces received tours.

### **Provincial Programs**

ACTP's US market strategy permits province-specific travel trade and media relations activities if these are deemed by ACTP to be of benefit to the region. Province-specific trade activities included:

- Hosting educational visits by two leading US motorcoach suppliers;
- Attendance at two major trade promotions with one of New England's top-producing US trade suppliers;
- Hosting 13 tour operators on an Acadian Cultural educational visit. Two new tours have also been developed to date and will be taken to market in 2007.

Media relations activities included:

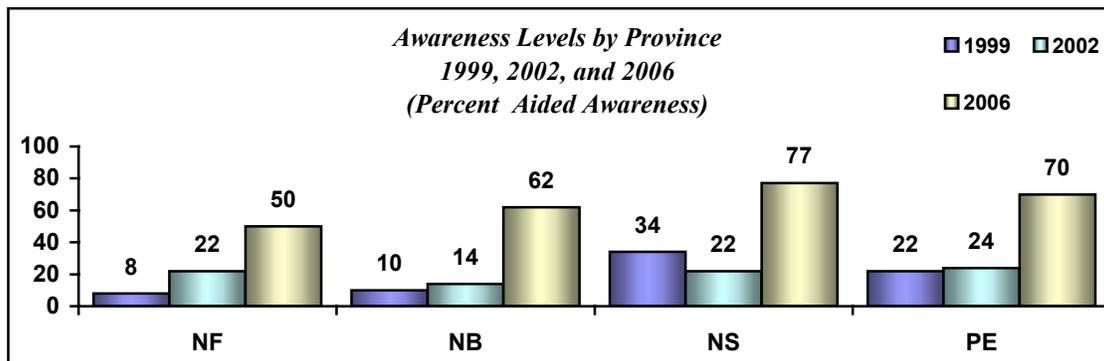
- Sponsorship of a major media dinner event focused on the trade media in support of the launch of Continental Airlines new daily air service, followed by a media fam tour;
- Sponsorship of SATW (Society of American Travel Writers) North Eastern SATW Chapter meeting; included fam tours.

### **Research**

The 2006 – 2009 Agreement specifies that all activities must be based on sound research; the Agreement also calls for expanded performance measurements.

ACTP provides a base of research that is unsurpassed in Canada in terms of being comprehensive and up-to-date. In-depth data are available for both US consumer and trade markets through 2006.

ACTP is well positioned to implement new performance measures as required by the new Agreement given that benchmarks are already in place. One example is the awareness survey undertaken in 2006. As illustrated in the following graph, the results show aided awareness levels of the four Atlantic Provinces have increased dramatically since 2002



Source: 2006 ACTP New England Study. February 2006

## ACTP EVALUATION: YEAR 1

### *US Program Summary*

The 2006 US Program was successful in meeting its objectives in 2006. The overall program attained an ROI of \$17.81. This was 21.4 percent above the target of \$14.00. The following table summarizes the activities and accomplishments for 2006 as described earlier in this report.

<b>SUMMARY OF US PROGRAMS, ACTIVITIES, AND IMPACTS</b>				
<b>Program</b>	<b>Expenditure</b>	<b>Summary of Activities</b>	<b>Impact/ Results</b>	<b>Revenue 2006 (Million)</b>
<b>Consumer Campaign</b>	\$3,650,000*	<ul style="list-style-type: none"> <li>• Campaign implemented</li> <li>• 222,000 inquiries generated</li> <li>• 29% conversion</li> <li>• ROI \$22.74:1.00</li> </ul>	Immediate expenditures Awareness (consumer) Awareness (trade)	\$82.9
<b>Media Broker</b>	\$103,500	<ul style="list-style-type: none"> <li>• Campaign purchased</li> <li>• Added value negotiated</li> </ul>	Savings and added value (\$1.0 million)	---
<b>Media Relations</b>	\$100,000	<ul style="list-style-type: none"> <li>• In-market representative</li> <li>• 3 fam trips</li> <li>• 2 in-market press tours</li> </ul>	Media coverage \$8.6M Media coverage future Media coverage future	---
<b>Travel Trade</b>	\$250,000	<ul style="list-style-type: none"> <li>• 3 trade partnerships ROI: \$30.19:1.00</li> <li>• 4 training sessions</li> <li>• 4 trade fams</li> <li>• 4 promotions</li> </ul>	Trade immediate  Trade/consumer future Trade future Trade future	\$2.1 --- --- ---
<b>Atlantic Canada Showcase</b>	\$170,000	<ul style="list-style-type: none"> <li>• 53 buyers (42 companies)</li> <li>• 165 sellers (115 companies)</li> <li>• 40 fam participants</li> </ul>	Trade future  Trade future	---
<b>Provincial Programs</b>	\$238,000	<ul style="list-style-type: none"> <li>• Trade sales/seminars</li> <li>• Trade fam</li> <li>• Media relations (SATW and Continental Air)</li> </ul>	Trade future Trade future Consumer future	--- --- ---
<b>Research</b>	\$110,000	<ul style="list-style-type: none"> <li>• TAMS</li> <li>• Intentions</li> <li>• Conversion</li> </ul>	Consumer future Consumer future Trade future	--- --- ---
<b>Administrative and Contingency</b>	\$144,926	<ul style="list-style-type: none"> <li>• Program management</li> <li>• Industry travel</li> <li>• Contingency (\$50,000)</li> </ul>	--- --- ---	--- --- ---
<b>TOTAL</b>	<b>\$4,772,000</b>			<b>\$85.0</b>
<b>ROI: TOTAL US PROGRAM 2006</b>				<b>\$17.81:1.00</b>

\* This amount represents spending for all of 2006, including January – March 2006 activities that were included in the 2005 – 2006 ACTP budget.

### *Conclusions: The US Market Program*

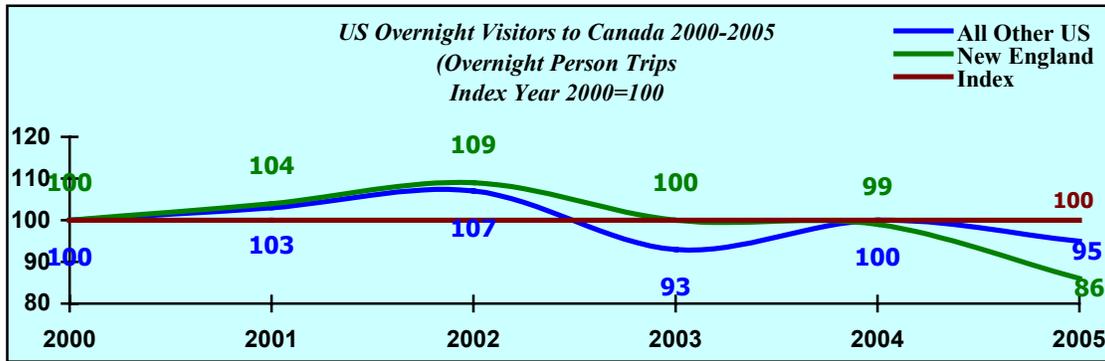
The US program is highly successful.

- The overall program exceeded its ROI objectives.
- The program also exceeded targets for inquiries and awareness.
- The Consumer Campaign exceeded its ROI objectives.
- The Trade Partnership Program exceeded its objectives.

## ACTP EVALUATION: YEAR 1

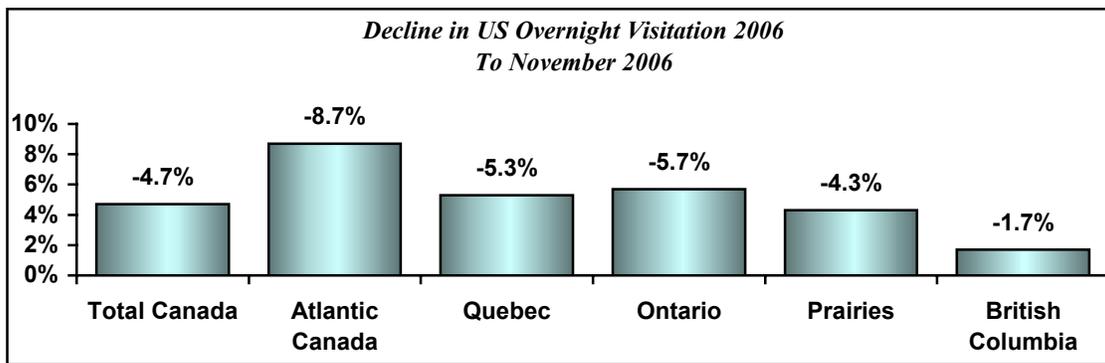
- Media Broker and Media Relations Programs exceeded their objectives.
- Programs and activities with future impacts were generally implemented as planned and are operating on schedule.
- Research is comprehensive and up-to-date.

The greatest challenge that faces the US program appears to be the state of the US market for travel to Canada. Outbound travel from the US to Canada has been declining since 2002. Moreover, New England, which is Atlantic Canada's key US market, has declined more than any other region and it is the only region that has declined for three consecutive years.



Source: Statistics Canada. *International Travel Surveys 2000-2005*

Although US market origin data for 2006 will not be available for several months, the trend in US direct entries suggests the decline continues. Canada's eastern provinces which are most influenced by New England (especially Atlantic Canada) suffered the greatest declines.



Source: Statistics Canada. *International Travel Survey, Preliminary Statistics, 2006*.

## ***THE OVERSEAS MARKET***

### ***INTRODUCTION***

The Overseas Program is based on three separate plans directed to four specific markets. The European plan focuses on the United Kingdom (UK) and the German-speaking countries (Germany, Switzerland, and Austria). Two other plans have been developed for France and Japan.

### ***OBJECTIVES***

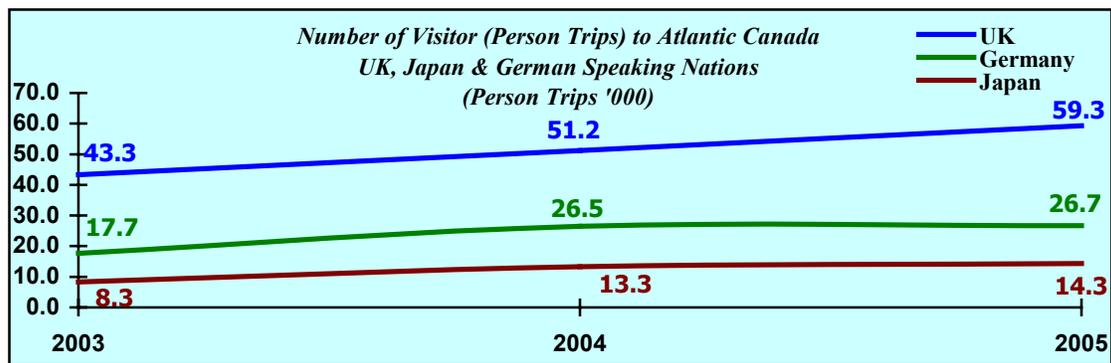
The Overseas Marketing Program has the objectives of increasing visitation and revenues from all primary markets, with a target ROI of 6:1.

Unlike the US market, where the four provincial brands are retained, the Overseas Program is intended to build a regional brand for Atlantic Canada. All overseas campaigns have the objectives of increasing trade and consumer awareness of the regional brand.

### ***Performance to date***

#### ***Visitation***

The number of overnight visitors to Atlantic Canada from primary overseas markets totalled 100,300 in 2005. This represented an increase of 10.2 percent over 2004. All three overseas markets showed increases. Increases ranged from high of 15.8 percent for visitation from the UK to a low of 0.8 percent for visitation from German speaking nations. Visitation from Japan increased by 7.5 percent.

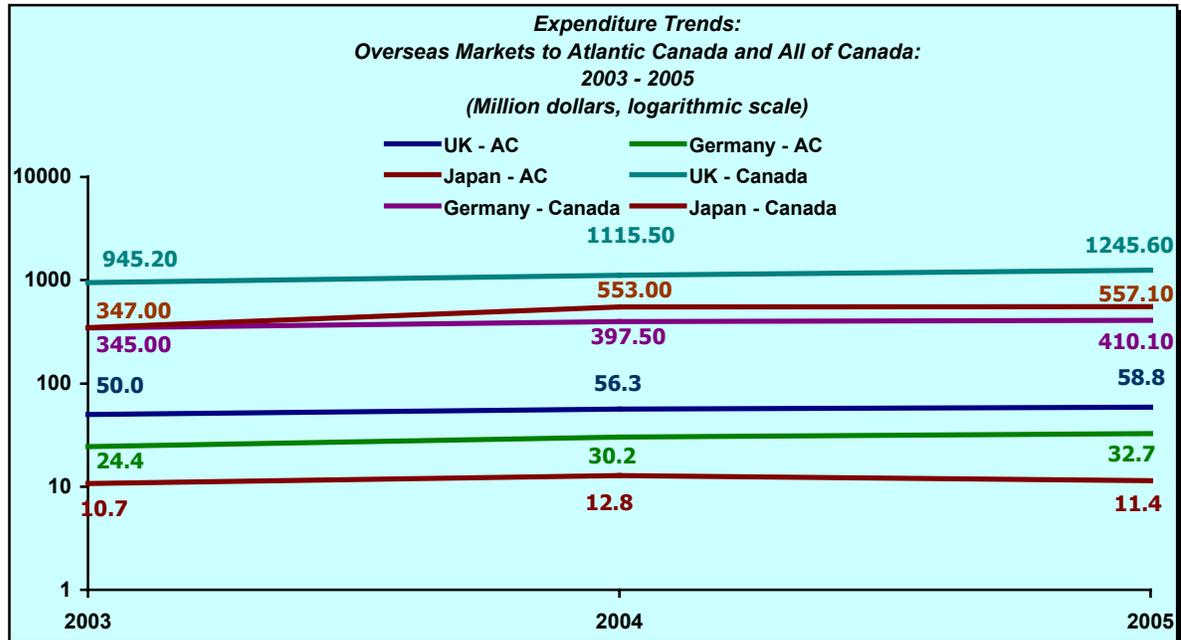


Source: Statistics Canada: *International Travel Survey 2003, 2004, 2005*

## ACTP EVALUATION: YEAR 1

### Expenditures

Expenditures by visitors from overseas markets totalled \$103 million in 2005. This represented a 3.6 percent over the previous year. Expenditures from both the UK and German-speaking countries increased in 2005, although the increase did not keep pace with the increases to the rest of Canada. UK expenditures in Atlantic Canada increased by 4.4 percent to \$58.8 million, compared to an increase of 11.7 percent for all of Canada. Expenditures by visitors from German-speaking countries increased by 8.2 percent to \$32.7 million, compared to 11.7 percent for all of Canada. Although visitation from Japan was up by 7.5 percent, expenditures declined by 10.9 percent to \$11.4 million, compared to an increase of 0.7 for all of Canada.

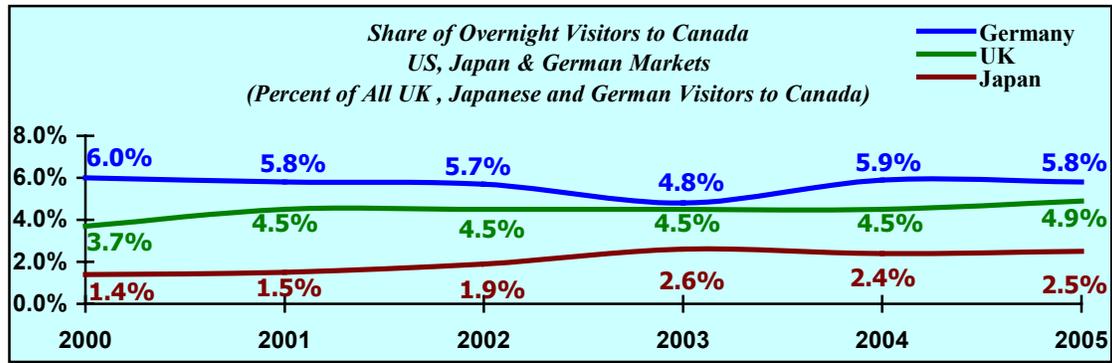


Source: Statistics Canada. *International Travel Survey, 2003, 2004, 2005*

**Market Shares**

In terms of performance relative to the rest of Canada, the UK market has shown the greatest share increase over the past five years. Atlantic Canada's share of total UK visitors to Canada has increased from 3.7 percent in 2000 to 4.9 percent in 2005. Atlantic Canada attains its highest share from the German speaking markets (5.8 percent of the Canadian total in 2005) however this market has seen its share slip from 6.0 percent in 2000.

While Atlantic Canada has seen strong growth in its share of Japanese visitors the size of the share itself remains very small at only 2.5 percent of the Canadian total. As France is currently in its first year of market development the impact of activities will not be seen until 2007.



Source: Statistics Canada. *International Travel Surveys 2000 -2005*

***SYNOPSIS: OVERSEAS BASELINE POSITION 2006***

Atlantic Canada’s baseline or “going in” position in the overseas market was solid in 2006. All overseas markets showed a growth in visitation in 2005.

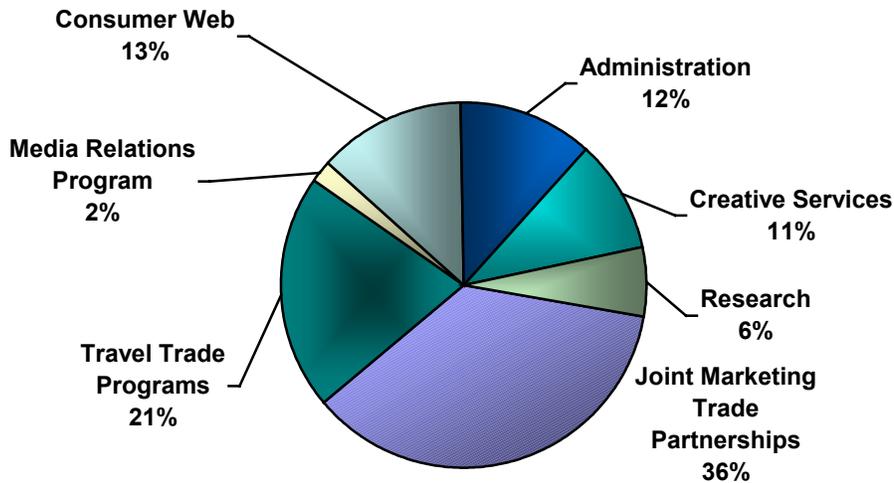
***OVERSEAS MARKETING PROGRAM: 2006***

***BUDGET***

In contrast to the US program where approximately two-thirds of the budget is spent on consumer advertising, the largest share in overseas markets (60 percent) is spent on trade. The strategy of the Overseas Program is to integrate travel trade, consumer and media relations to maximize the effectiveness of the limited budget.

Overseas activities include joint marketing with tour operators; partnerships with the Canadian Tourism Commission; in-market travel trade promotions; media relations and participation in marketplaces, trade shows, and workshops. In Japan a regional sales manager is engaged for in-market sales and promotion.

**OVERSEAS BUDGET OVERVIEW**



Source: *ACTP Marketing Program Budget 2006/2007*. 30 November 2006.

## ACTP EVALUATION: YEAR 1

---

### *Budget Details*

The following table provides detailed budgets for the three overseas market plans:

<b>OVERSEAS BUDGET 2006/2007</b>				
	<b>UK/Germany</b>	<b>France</b>	<b>Japan</b>	<b>Total</b>
<b>Budgeted Expenditures</b>				
Joint Marketing Partnerships	\$260,000	\$40,000	\$9,025	\$309,025
Seminars/Tradeshows	\$42,391	\$10,880	\$51,513	\$104,784
Trade Fam Tours	--	--	--	--
Media Relations (Promotional)	\$13,000	--	--	\$13,000
Media Relations (Fam Tours)	\$2,350	--	--	\$2,350
Consumer Advertising	\$54,776	\$5,000	\$5,553	\$65,329
E-Marketing/Website	\$20,000	\$12,000	\$9,000	\$41,000
Regional Sales Manager	--	--	\$62,044	\$62,044
Creative Services and Collateral	\$74,648	\$15,045	\$2,653	\$92,346
Research*	\$50,000			\$50,000
Administration and Support	\$46,026	\$15,342	\$15,342	\$76,710
Shipping and Storage	\$5,000	\$2,000	\$4,500	\$11,500
Meeting Expenses	\$2,616	\$872	\$872	\$4,360
Industry Travel	\$5,962	\$1,987	\$1,987	\$9,936
<b>Total Budgeted Expenditures</b>	<b>\$576,769</b>	<b>\$103,126</b>	<b>\$162,489</b>	<b>\$842,384</b>
<b>Unallocated</b>	<b>\$63</b>	<b>\$983</b>	<b>\$2,081</b>	<b>\$3,127</b>

\*"Western European Competitiveness and Brand Research"

Source: *ACTP Marketing Program Budget 2006/2007*. 30 November 2006. Administration updated by Secretariat ( 22/02/2007)

## **OVERSEAS PROGRAM RESULTS**

### *Europe*

Marketing activities in Europe were focussed on four main areas:

- Tour wholesaler joint marketing partnerships
- Marketplaces and trade shows
- Media relations
- Consumer advertising/web support

### ***Tour Wholesaler Joint Marketing Partnerships***

Tour wholesaler partnerships are the leading revenue generators for the European program. The 2006 program was successful in generating \$6.7 million in expenditures in Atlantic Canada, of which \$3.1 million is directly attributable to ACTP, based on ACTP's share of total program investment.

The 2006 program involved 15 partnerships and delivered an ROI (based on share of investment) of 10:1. The 2006 ROI was down considerably from the 15:1 ROI of the previous year.

## ACTP EVALUATION: YEAR 1

---

The lower ROI was due in part to the decision to remove catalogue pages from the total tour operator investment. This reflected the new emphasis on joint marketing activities only. It should also be noted that visitation to Canada from both Germany and the UK is forecast to show a decline in 2006.

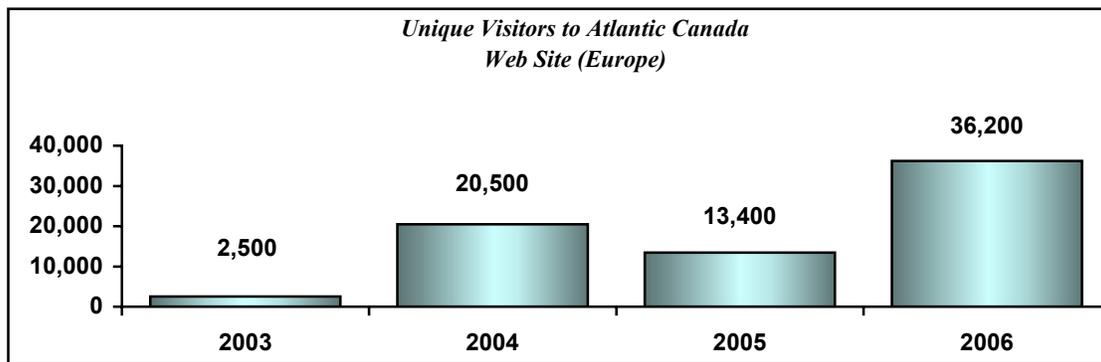
European Tour Wholesaler Partnership		
	2005	2006
Number of Partnerships	15	15
Total ACTP Investments (\$)	\$246,800	\$308,100
Average Investment Partnership (\$)	\$16,462	\$20,500
Average Partner Investment	\$68,100	\$54,900
Total Expenditures in Atlantic Canada (\$ Million)	\$11.8	\$6.7
ACTP Credited Expenditures (\$ Million)	\$3.7	\$3.1
ROI (Based on Share of Investment)	\$15.00:1	\$10.00:1

Source: Secretariat. Market Share reports includes estimates for two non-reporting partners

### *E-Marketing and Web Activity*

E-marketing is carried out in parallel with the tour wholesaler program. It is implemented in partnership with the Canadian Tourism Commission. The program is linked closely with increased web activity and web support

In 2006, visitation to the Atlantic Canada web sites more than doubled from 13,400 to 36,200 unique visitors. Part of the increase reflects ACTP's efforts in search engine optimization in Europe.



Source: Secretariat

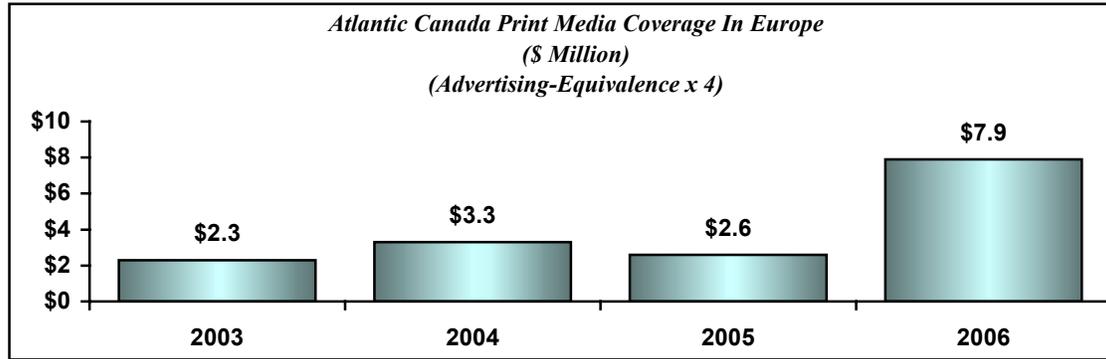
### *Marketplaces, Trade Shows, and Seminars*

The year 2006 saw an increasing number of partnerships and a closer working relationship with the CTC. ACTP became a partner in the UK-Canada Counsellor Program, which works with agents who specialize in Canada. Continued support was provided to the German-Canada Specialist Program.

Four leading trade shows and one consumer show were attended. These included: CMT (Stuttgart); ITB (Berlin); Spotlight Canada (London); WTM (London).

**Media Relations**

Media relations generated \$7.9 million in advertising-equivalence (using a multiplier of 4). The largest share of this (\$6.4 million) was in German-speaking countries.



Source: Secretariat

**FRANCE**

France was a pilot marketing initiative in 2005. No programs were implemented which had the potential to generate immediate visitation and revenue during the 2006 season. The country's leading trade show (TOP RESA) was attended and planning is underway to implement additional programs with the objective of generating increased visits and spending in 2007.

**JAPAN**

**Regional Sales Manager**

The engagement of a regional sales manager and in-market promotional and marketing activities represented the largest single expense in the Japanese market. In 2006, these accounted for approximately 40 percent of ACTP's total investment in Japan.

Activities undertaken by the sales manager included attending six major marketplaces or trade shows, sales calls, hosting educational sessions, coordinating public relations events, and organizing trade partnerships.

**Japan Tour Wholesaler Partnerships**

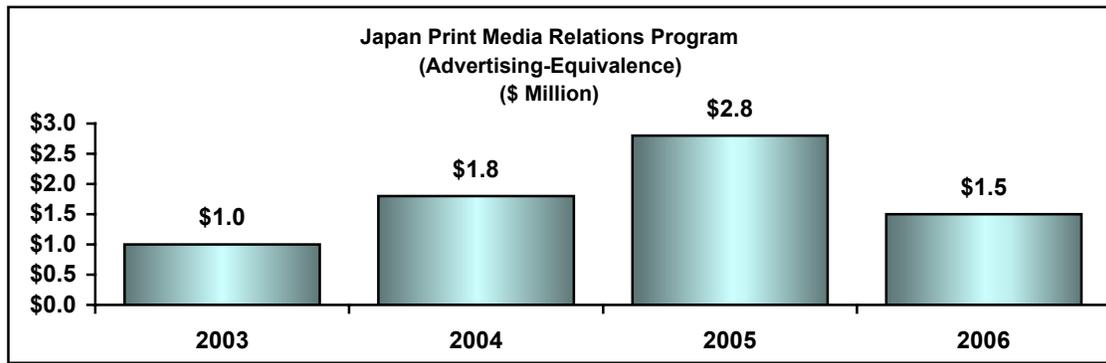
In 2006, four partnerships with Japanese tour wholesalers generated 338 Japanese visitors and an estimated \$97,300 in spending in the region that was directly attributed to ACTP (based on share of investment). The ROI for the program was \$5.12:1.

Japan Tour Wholesaler Partnership Program 2006	
Tour Wholesaler Partnerships	4
ACTP Investment	\$19,000
Passengers	338
Revenue Generated	\$97,300
ROI	\$5.12:1

Source: Secretariat

***Media Relations***

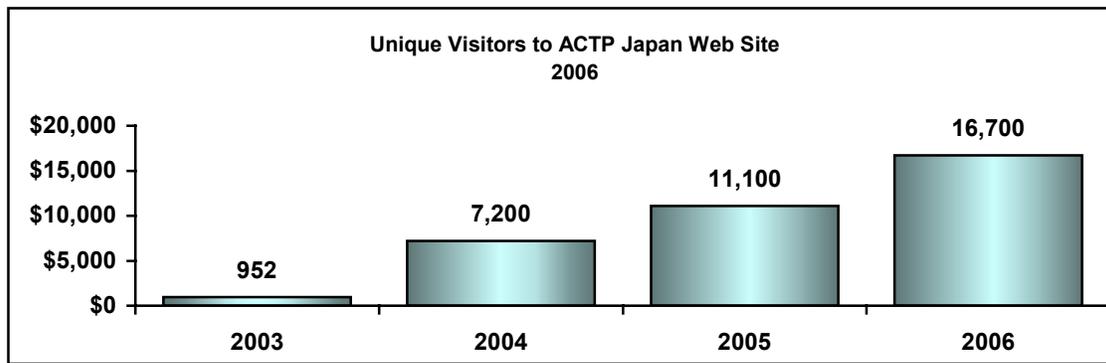
Media coverage resulting from media relations activities totalled \$1.5 million in 2006 (based on a multiplier of 4).



Source: Secretariat

***E-Marketing & Web activity***

The number of Japanese visitors to the ACTP web site increased by 50 percent in 2006. The web site had a total of 16,700 unique visitors during the year. This was the third consecutive year of increase.



Source: Secretariat

***Summary of Overseas Program Performance***

The Overseas Program delivered an ROI of \$4.00: 1 in 2006. This was short of its objective of \$6:1. There are several reasons for the short-fall. A sluggish economy in Germany affected the demand for outbound travel, as did the hosting of the World Cup. Total visitation to Canada from Overseas markets is forecast to decline in 2006.

The year 2006 was also a start-up year for the revised program and a number of investment activities will not show returns until future years. Further, the launch of some programs was delayed due to administrative issues.

## ACTP EVALUATION: YEAR 1

The ROI has been determined based on expenditures-to-date. It does not include the cost of deferred activities.

Summary of Overseas Programs, Activities, and Impacts				
Program	Expenditure (\$)	Summary of Activities	Impact/Result	Revenue (\$)
<b>UK and German-Speaking</b>		•		
Wholesaler Partnerships	\$308,100*	<ul style="list-style-type: none"> <li>15 partnerships</li> <li>ROI \$10:1</li> </ul>	Immediate trade	\$3,100,000
Consumer/ Web	\$74,800	<ul style="list-style-type: none"> <li>36,200 web visitors</li> </ul>	Future trade	
Trade Shows	\$42,400	<ul style="list-style-type: none"> <li>1 consumer</li> <li>4 trade</li> </ul>	Future consumer Future trade	
Media Relations	\$15,400	<ul style="list-style-type: none"> <li>Promotions</li> <li>2 fams</li> </ul>	\$7.9 million Media future	
<b>France</b>				
Wholesaler Partnerships	\$40,000	<ul style="list-style-type: none"> <li>In development</li> </ul>	2007 trade	
Trade Shows	\$10,900	<ul style="list-style-type: none"> <li>1 attended</li> </ul>	Trade future	
Consumer/Web	\$17,000	<ul style="list-style-type: none"> <li>In development</li> </ul>	Consumer future	
Media Relations	0	<ul style="list-style-type: none"> <li>Deferred</li> </ul>		
European Research	\$50,000	<ul style="list-style-type: none"> <li>Competitiveness and brand awareness</li> </ul>	Consumer future	---
<b>Japan</b>		•		
Wholesaler Partnerships	\$19,000*	<ul style="list-style-type: none"> <li>4 partnerships</li> <li>ROI \$5.12:1</li> </ul>	Immediate 2006	\$97,000
Trade Shows/promotions	\$51,500	<ul style="list-style-type: none"> <li>4 attended</li> </ul>	Trade future	
Consumer/ Web	\$14,500	<ul style="list-style-type: none"> <li>16,700 web visitors</li> </ul>	Consumer future	
Media Relations	0.0	<ul style="list-style-type: none"> <li>No fams</li> </ul>	\$1.5 million media coverage	
Regional Sales Manager	\$62,000	<ul style="list-style-type: none"> <li>Sales calls</li> <li>Promotions</li> </ul>	Trade future	
Creative services & collateral	\$92,400	<ul style="list-style-type: none"> <li>N/A</li> </ul>	N/A	
Shipping/Storage	\$11,500	<ul style="list-style-type: none"> <li>N/A</li> </ul>	N/A	
<b>Administration</b>	\$91,000	<ul style="list-style-type: none"> <li>Program management</li> <li>Office, travel, meeting expenses</li> </ul>	N/A	--
<b>Deferred Budget</b>	<b>\$93,200</b>			
<b>TOTAL</b>	<b>\$807,300**</b>			<b>\$3,197,000</b>
<b>ROI:</b>				<b>\$3.96:1</b>

\*Note: 2006 Tour Wholesaler partnerships in Europe and Japan generated 2006 visitation and revenue. These partnerships were funded from the 2005/06 fiscal budgets for Europe and Japan.

\*\* Excludes \$93,200 which has been deferred to 2007.

## *Current Thinking on Key Issues*

### *A Survey of Management and Marketing Committee Members*

#### **Introduction**

The Evaluation Team was asked to interview members of the new Marketing Committee as well as the Management Committee on issues identified by the Evaluation Steering Committee. This survey reports on the results of those interviews. In particular, it looks at the status of the amalgamation from the perspectives of both Management and Marketing Committees. It also looks at key issues that range from decision-making to communications, strategy to benefits created by ACTP for its partners.

This section is a synopsis of main findings. A full report is available as a background document.

#### **Methodology**

Telephone interviews were conducted with 9 of 10 members of the Management Committee and 13 of the 14 members of Marketing Committee. Interviews were conducted in January 2007.

All interviews followed a pre-approved discussion guide and were conducted by Rod Cunningham and Steve Smith, the Principals responsible for the evaluation.

#### **Results**

##### ***1. Reaction to the new single marketing committee structure***

- Members of Management and Marketing Committees were asked, “*Although it is still early, can you offer any comments on how well the new single Marketing Committee structure is working?*”
- Marketing Committee members’ responses to this question clearly showed the amalgamation has been a challenge. In the view of many, the problem lies in the different nature of marketing activities formerly undertaken by the two committees as well as differences in operating styles.
- Approximately three-quarters of the Committee now recognize that there will continue to be some growing pains yet they remain optimistic that these can be solved..
- The remaining one quarter is still struggling with the change.
- Management Committee’s response to how well the single Marketing Committee structure is working was much more positive. A majority said they felt it was working “very well”. This was often qualified with the appreciation that some problems were to be anticipated.
- Most of the remaining members of Management Committee felt it was too early to tell if the single committee structure would work.
- Although several members of Management Committee acknowledge that Marketing Committee is experiencing problems, a majority now believes the decision to combine the two committees was the right one.
- Those who remain unconvinced that the change was a good one appear to base their concerns on what they believe is the uncertainty that the two committees can be successfully blended into a single, effective body.

## 2. The Decision-making Process

### 2-a. Timing of Decisions

- Management and Marketing Committee members were asked, “*Under the current agreement structure, would you say decisions are made quickly enough?*”
- There was a significant difference in responses between the two committees. Almost everyone on Management Committee felt decisions were made quickly enough. A majority on the Marketing Committee did not.

Are Decisions Being Made Quickly Enough?			
	YES	NO	OTHER
<b>Marketing Committee</b>	3	8	2
<b>Management Committee</b>	8	1	0

- A majority of Marketing Committee members felt decisions were not being made quickly enough under the current structure. They expressed frustration over their perceptions of delays in obtaining approvals from Management Committee, thus inhibiting their ability to react quickly to evolving market conditions, especially in the US.
- A majority shared the opinion that, while delays were due to in adjusting to the merger, most were optimistic that the situation would improve.
- Management Committee was almost unanimous in agreeing that decisions were being made quickly enough.

### 2-b. Quality of Information

- Committee members were asked the question, “*In general, is enough information usually provided to guide or support decisions or do you find they tend to be based too much on instinct or opinion?*”
- A majority of members in both committees agreed that enough information was usually provided to guide decisions. Agreement ratios were almost identical between the two committees.

Is Enough Information Provided to Guide Decisions?			
	YES	NO	DEPENDS
<b>Marketing Committee</b>	8	1	4
<b>Management Committee</b>	6	0	3

**2-c. Flexibility**

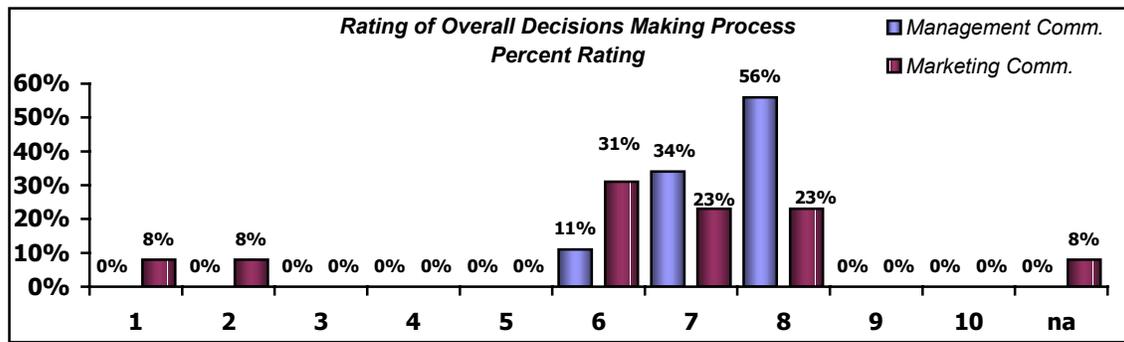
- Members of Management and Marketing Committees were asked, “Under today’s market conditions, do you feel the program is flexible enough to make the right decisions?”
- Responses to this question showed substantial variability on both committees

Is The Program Flexible Enough to Make the Right Decisions?			
	YES	NO	OTHER
Marketing Committee	5	3	4
Management Committee	3	1	5

- With few exceptions, Marketing Committee members felt the improvements in flexibility were a step in the right direction; a majority felt there was still a long way to go.
- The leading complaint related to problems in the process of reaching decisions and obtaining approvals rather than the choice of markets.
- Management Committee interpreted flexibility only in terms of the overall agreement. While all supported the new flexibility, there appears to be a nearly equal divide between those taking a fairly cautious approach and those who believe the new flexibility should be considered the first step in a new direction.

**2-d. Overall Rating of the Current Decision-Making Process**

- Members of both committees were asked the question, “On a scale of one to ten, where one is low and ten is high, how would you rate the current decision-making process?”
- In total, 92 percent of all committee members rated the overall decision-making process as satisfactory or better. Members of Marketing Committee gave the current decision-making process an average score of 6.0 out of 10.0. Management Committee rated decision-making at a much higher average of 7.4.

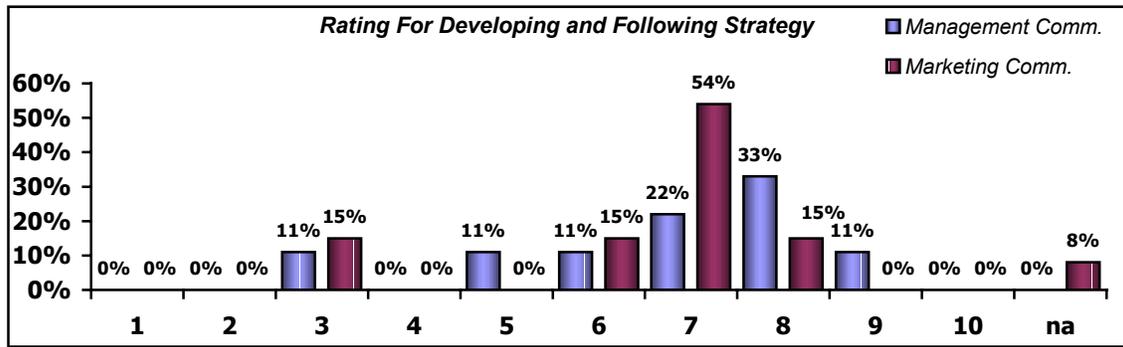


### 3. Strategy

Members of both committees were asked, “*Would you say that ACTP is following a very clear and well defined strategy...or is this an area that needs improvement?*”

Is ACTP Following a Well-Defined Strategy?			
	YES	NO	OTHER
<b>Marketing Committee</b>	8	1	4
<b>Management Committee</b>	6	1	2

- Marketing Committee members were generally positive about ACTP following a well-defined strategy. The process was widely considered solid and effective, and recent improvements were noted such as the lifting of geographic restrictions on working with US tour operators.
- Although almost all members of Management Committee indicated they felt ACTP was following a clear and well-defined strategy, others expressed concerns. The main concerns focused on the lack of a global overview of the situation. The need for more debate and to broaden strategy to make it more open to new directions, more flexible, and future-oriented to adapt to changes in the marketplace were emphasized.
- In total, 82 percent of Committee members gave the program a score of 6 or higher for developing and following strategy. Marketing Committee members gave ACTP an average score of 6.0 out of 10.0. This was below the average rating given by members of Management Committee (average 6.8).



***Recommended changes or improvements***

- With few exceptions. Marketing Committees recommendations on changes to improve strategy were operational in nature. Few identified the need for more discussion and debate on a more global basis.

<b>Marketing Committee Recommendations to Improve strategy</b>
<b>1. Improve market intelligence research to better pin-point overseas performance and priorities.</b>
<b>2. Ensure there is adequate funding to significantly change strategy.</b>
<b>3. More open strategic-level discussions.</b>
<b>4. More strategic ideas from ACTP for discussion.</b>
<b>5. Too fixed geographically...not open enough.</b>
<b>6. It might be helpful to bring in a facilitator every couple of years for a planning session to look at the strategy to see if changes are needed ... get a fresh perspective...think outside the box.</b>
<b>7. Trade changes rapidly...strategy must be developed earlier.</b>
<b>8. No changes needed...new agreement is a welcome improvement.</b>
<b>9. Conflict of interest guidelines exist, but their interpretation and application are inconsistent. They need to be more detailed; all members need to be more adequately educated on how to avoid conflicts.</b>

Management Committee members recommended a number of changes or improvements they would like to see considered over the course of the Agreement:

<b>Management Committee Recommendations to Improve Strategy</b>
<b>1. Make research and data releases timelier.</b>
<b>2. More information is needed on emerging markets.</b>
<b>3. Monitor trends more closely to assess implications on strategy.</b>
<b>4. Management establishes original strategy, but is not involved in monitoring developments or having a chance to adjust strategy in light of new developments.</b>
<b>5. Strategy needs to be more forward-thinking in terms of new and emerging markets.</b>
<b>6. More flexible and futuristic.</b>
<b>7. Flexible enough to be in line with CTC priorities.</b>
<b>8. The US market needs to be watched very closely. It is under threat and has the potential to decline much more and very quickly.</b>
<b>9. More discussion and debate at the Committee level with recommendations to Management Committee</b>

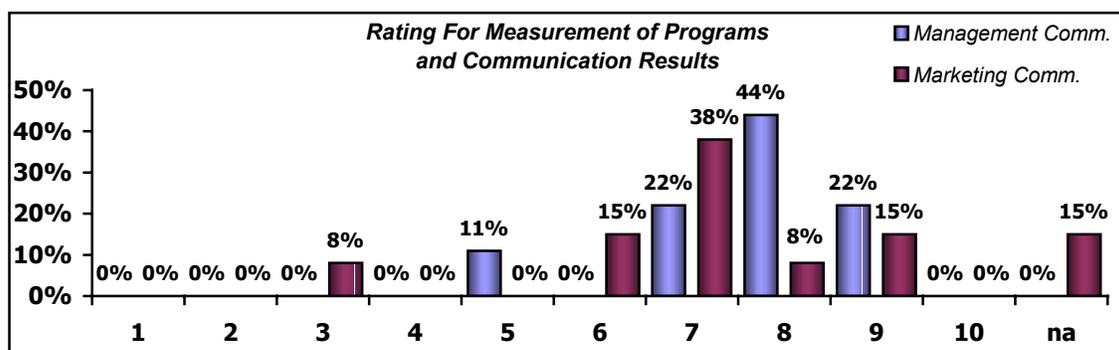
#### 4. Measuring and Reporting Program Impact

Committee members were asked, “*In general, do you feel ACTP programs and activities are measured adequately and well communicated?*”

A majority of both Marketing and Management Committee members said ACTP programs and activities were adequately measured and well communicated.

Are ACTP Programs and Activities Measured Adequately and Results Well Communicated?			
	YES	NO	OTHER
Marketing Committee	7	3	3
Management Committee	6	1	1

In total, 91 percent of committee members gave the measurement of programs and communications of results a satisfactory or higher rating (6 or above). Marketing Committee members gave an average score of 6.9. The Management Committee score averaged 7.7.



#### 5. Communications

Members of both committees were asked, “*Communications is an area which has drawn very mixed reaction from ACTP members in the past. In your opinion, how well are the importance and value of ACTP being communicated to the Tourism Industry in Atlantic Canada?*”

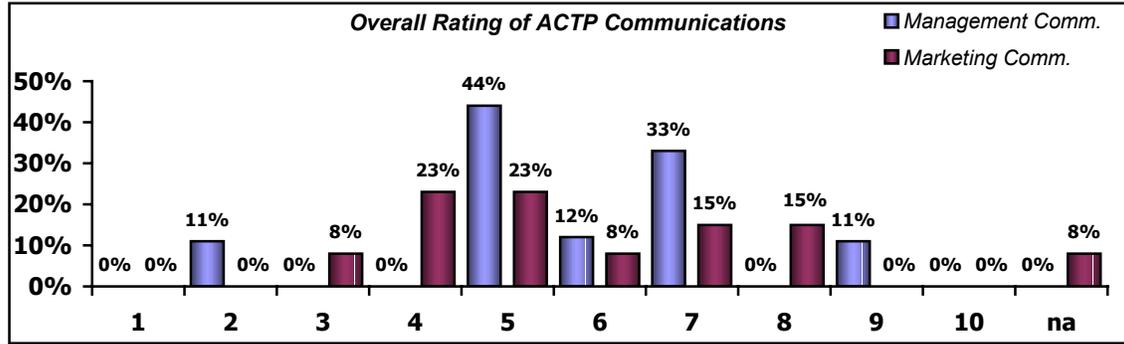
- A majority of members of both Management and Marketing Committees indicated more or better communication is needed. Only 3 of the 22 respondents believed the current situation was satisfactory.

How Well Are the Importance and Value of ACTP Being Communicated to the Tourism Industry in Atlantic Canada?			
	Currently Satisfactory	More Needs To Be Done	Other
Marketing Committee	1	8	4
Management Committee	2	5	2

- With few exceptions, Marketing Committee members did not see the communications activities to date as being highly successful. Many in all four provinces indicated there was a significant lack of understanding of ACTP at the industry level.

- Members of Management Committee tended to share Marketing Committees view that there is a serious lack of understanding of ACTP at the private sector level. Some saw improvements; others did not.

Only 45 percent of total Committee Members rated communications as satisfactory (6 or higher). Both committees gave relatively low overall rating scores. Management Committee gave communications an average score of 5.8. Marketing Committee members gave communications an average score of 5.5.

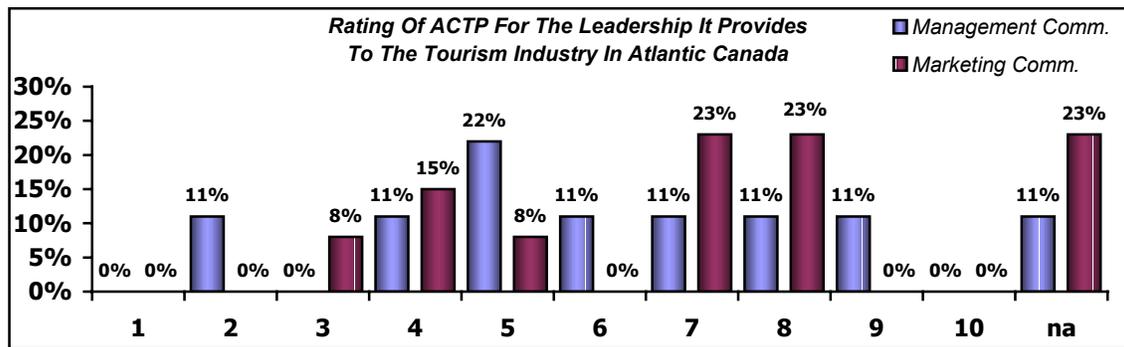


## 6. Leadership

Committee members were asked, “How would you rate ACTP in terms of providing leadership to the Tourism Industry in Atlantic Canada...would you say leadership is an area where ACTP should be playing a stronger roll or do you believe it is currently meeting expectations?”

- Marketing Committee members fell into two groups on the leadership question. One group saw a need for ACTP to increase its leadership position. The other group questioned if leadership was within ACTP’s mandate. Management Committee comments on leadership
- While some members of Management Committee questioned ACTP’s roll in terms of leadership, others viewed ACTP’s current leadership position as strong and some saw a need for it to become even much stronger. They tended to view ACTP leadership from a very high level such as leading the region into new market areas, promoting a regional view, and advancing research-based decision-making.

Leadership was an area that drew very mixed responses. Forty-five percent of respondents gave ACTP’s leadership performance a score above satisfactory (6 or higher); 18 percent gave it a “satisfactory” score of 5; 18 percent rated it less than satisfactory; and 18 percent were uncertain. Marketing Committee members gave leadership and average score of 6.1. Management Committee gave leadership a slightly lower average score of 5.8.



## 7. Impact of ACTP

Committee members were asked: “If we were to look beyond the economic impact of ACTP and more to the overall benefits of the program...what would you say have been some of the main benefits of the program to the industry in your jurisdiction?”

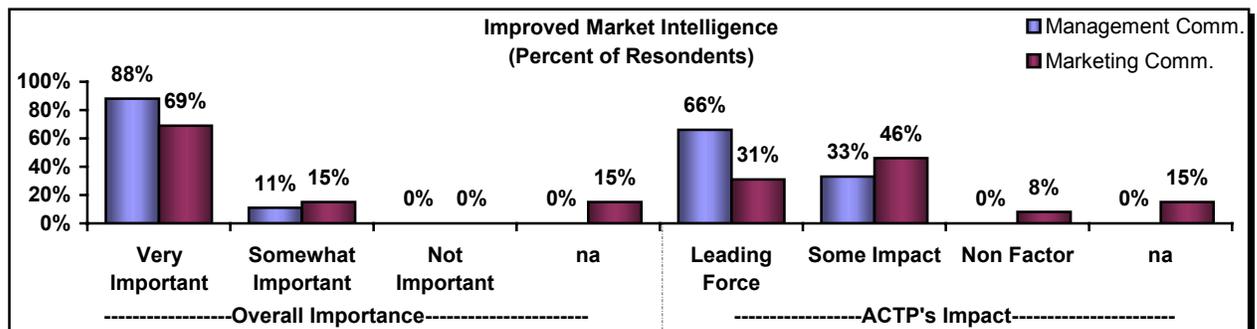
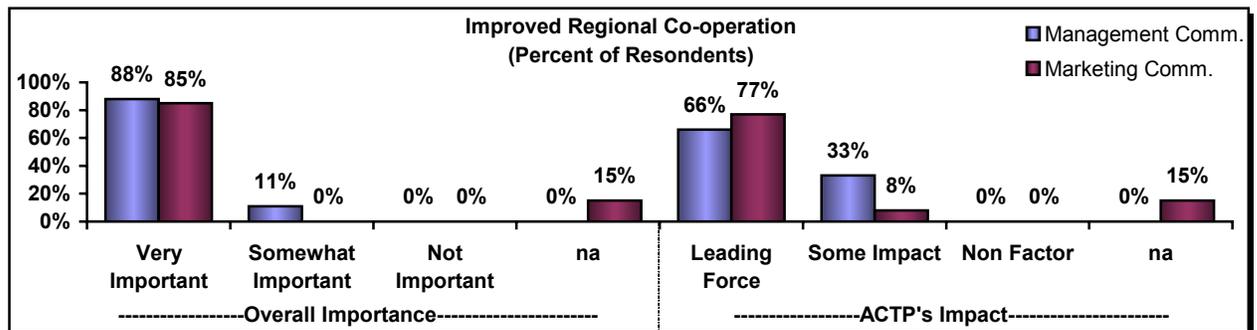
### MAIN BENEFITS OF ACTP

- The leading benefit, beyond economic benefits, related to gaining better access to international markets. More than one-half of respondents (55 percent) indicated ACTP has made a major contribution to their ability to market internationally. Many indicated they doubted if they would have any presence in International markets without ACTP.
- Improved regional co-operation ranked second. It was identified as a primary benefit by 41 percent. Access to research and increased funding ranked third, both noted by 18 percent.

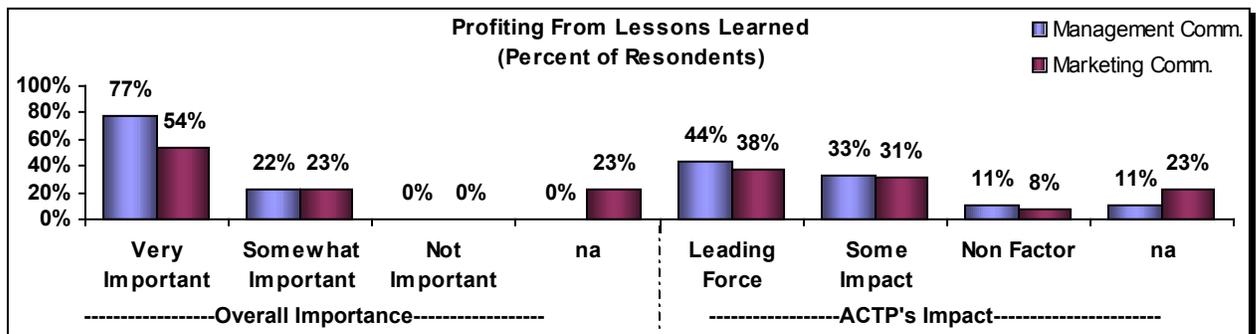
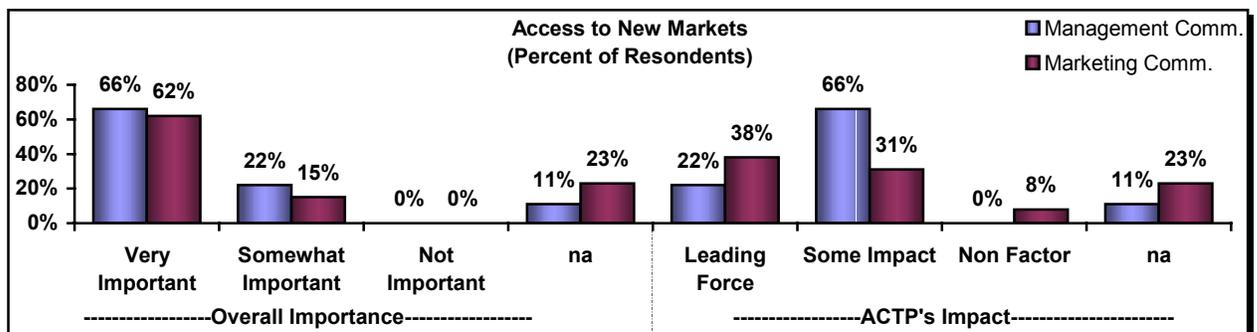
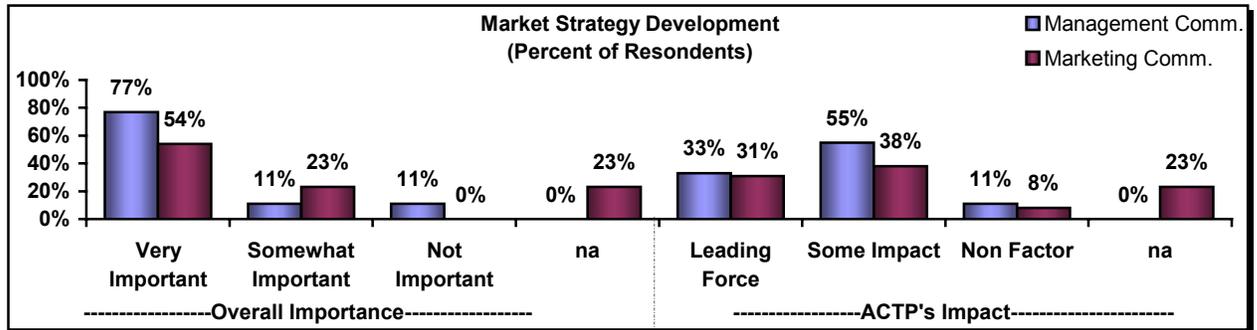
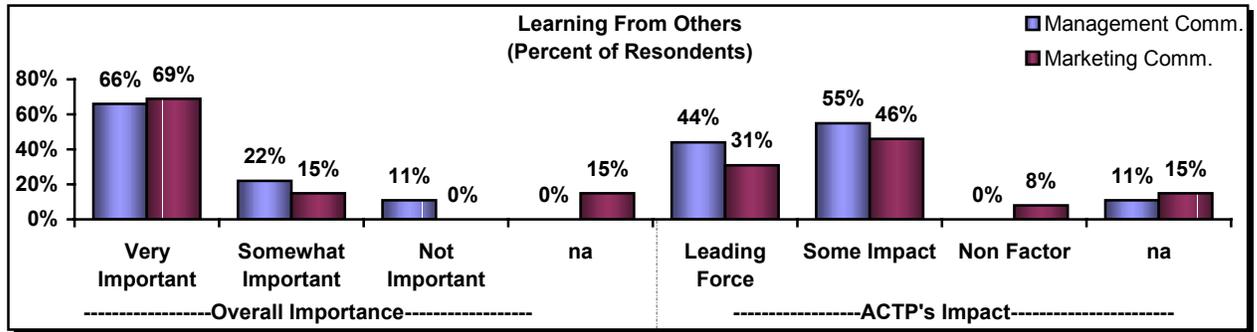
### Overall Benefits

Committee members were given a list of benefits and asked first how important each benefit was and, secondly, what influence ACTP has had in the area over the past six years.

- Improved regional co-operation and improved market intelligence both received the highest importance scores. They were identified as “very important” by 19 of the 22 respondents (86 percent). ACTP was considered a “leading force” in both of these areas by an identical 16 of 22 respondents (72 percent).
- ACTP also scored highly as a leading force in the areas of “learning from others”, “strategy development” and “profiting from lessons learned”.



ACTP Evaluation 2006-2007  
CURRENT THINKING ON KEY ISSUES  
A Survey of Management and Marketing Committee Members



***Atlantic Canada without ACTP***

Committee members were asked, "What if there had been no ACTP program over the past six years...given where Atlantic Canada stands today, where do you believe the greatest losses would have been had there been no ACTP program?"

- Generally, respondents overwhelmingly felt their province and/or Atlantic Canada would be much worse off. The leading implication, as identified by 55 percent, would be a significant loss in visitation and revenue. ACTP was clearly viewed as having a major positive impact on industry performance.
- Ranking second in terms of implications (both identified by 27 percent) were less regional co-operation and less research. Less access to international markets dropped to fourth place (23 percent).