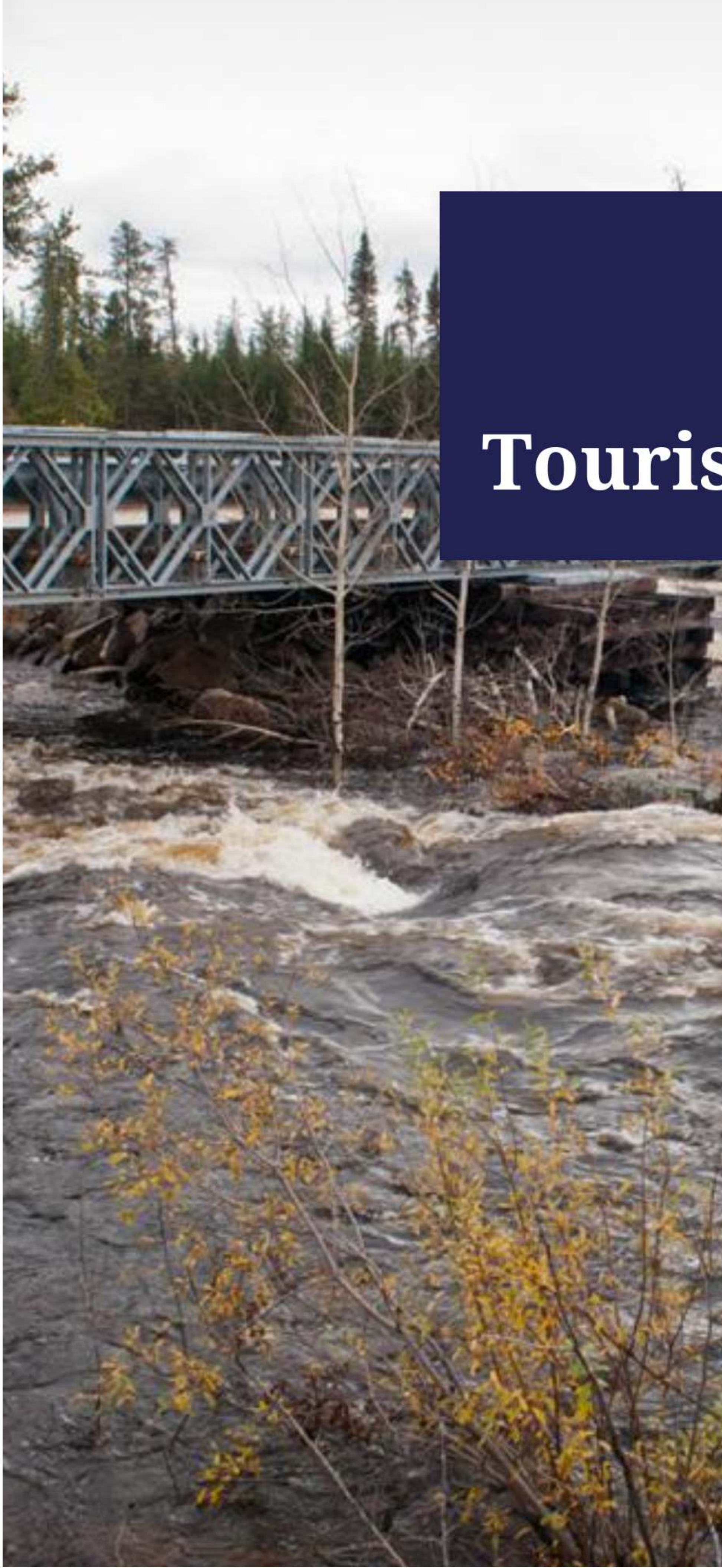

2020 - 2025

Pickle Lake
All-Season Tourism Strategy

PRESENTED TO:

The Corporation of The Township of Pickle Lake

PREPARED BY:

Limestone PARTNERS

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Introduction

Ontario's Last Frontier, Pickle Lake, is the end of the road, and where your untouched adventure begins.

Pickle Lake, Ontario's Last Frontier, is a special location, with high tourism growth potential, and a remote location that cannot be replicated anywhere. As a tourist destination, Pickle Lake offers beautiful canoeing, hiking, winter snowshoeing, snow machining, and biking, and has had considerable success in becoming the perfect hunting and fishing destination. The township is home to a variety of outposts for hunting and fishing, where visitors enjoy unspoiled lakes and lands, and derive a true sense of wilderness, which includes the views, beautiful shorelines, and purpose-driven people. The fish capture and hunt success rates are unmatched from several other locations. As such, Pickle Lake is well placed to be developed as a premier destination for all-season tourism.

There is indeed something special about the end of the road, with serenity, sight-seeing, and sports, based on water that is unlike anywhere else. With two hotels, multiple bed and breakfasts, several world-class lodges, and campgrounds, Pickle Lake has a solid foundation for tourism development. It also has an airport with passenger service, and is connected to the provincial highway system, ensuring it can capitalize on the untapped potential from tourists to the South. Its proximity to several remote lakes, large wilderness parks, and crown land, lend to its success in catering to the wilderness explorer who seeks thrills and excitement while also providing an escape from anything urban.

The Township of Pickle Lake does not currently have a tourism strategy and action plan. However, with the changing economy and tourism trends, there is an opportunity to re-assess and enhance the local tourism services. Identified as an economic driver in the strategic plan, tourism development is important for the vitality of Pickle Lake, and growth in the tourism economy represents real growth, as it brings external money into the community, which benefits from the multiplier effect that amplifies tourist investment. With strength in tourism markets being most prevalent during the summer months, seasonality is a huge factor that creates inefficiencies. There are also dramatic changes in consumer behaviour, and their motivations for travel, consumers are moving away from the individual offerings of one tourism business or product, towards an immersive, full experience of a “destination”. As such, tourism strategies and branding are much different now, than even ten years ago, as the needs and spending patterns of the millennials replace those of the baby boomers. As such, the market readiness of existing assets, and suitability of new assets for all-season tourism development requires closer examination. Ultimately, the end goal of this project is to increase the number of tourists attracted to Pickle Lake during the peak, and off-peak seasons.

As “seeing the sights” is no longer enough to draw spending, visitors want to get to know the people and places they are visiting, with meaningful ways for them to return home with lasting memories. Success in tourism strategy is thereby determined from how well it can make a memory no other area can create, paving the way for a unique and meaningful brand position.

Objectives:

The development of a comprehensive 5-year tourism strategy and action plan is required for the Municipality, to make informed decisions regarding the Township’s future investment in tourism, and the best structure for local tourism delivery. The strategic plan will be based on solid research to accomplish the following:

(a) identify ideal target audiences, and identify what travel experiences they are seeking,
(b) identify what experiences are currently offered, or can be easily established to be offered, and how those can be best aligned to opportunities in the market,
(c) identify accessible tourism opportunities, creating new reasons to visit, and give reasons for visitors to return throughout all four seasons,
(d) identify what issues should be addressed to maximize potential, and
(e) identify how different departments can be best aligned in an effort to collaboratively identify gaps, and build on bridging those gaps.

The strategies would then be used to create the subsequent action plan, while ensuring that:

(a) the strategic objectives that are realistic, time-bound, and measurable,
(f) the potential business and RFP opportunities, are defined for the Township,
(g) guiding strategies are provided for how further tourism investments, products, and events can be further developed, including labour requirements and infrastructure considerations,
(h) provide a brand promise, for use in a new website, and future digital development.

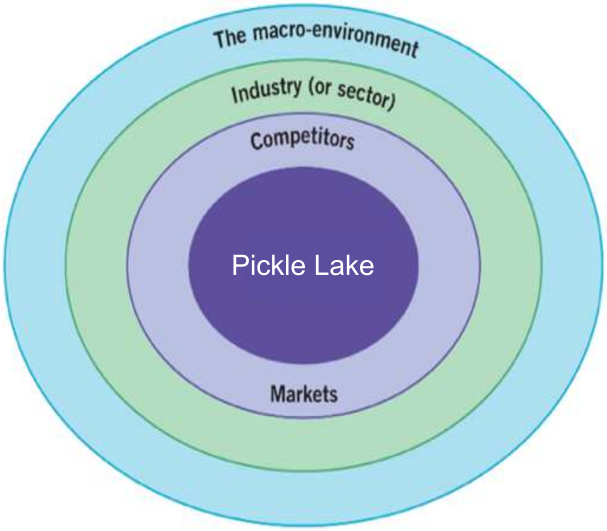
Altogether, strategies proposed will stem from assumptions that:

a) Pickle Lake has finite financial resources, and requires a positive return on any investment of taxpayer dollars,
b) Pickle Lake is interested in further development of its tourism market, as a vibrant and dynamic community,
c) Events would act as both, a tourism driver and a community bonder, and
d) Relevant partners are committed to contributing a range of resources to implement realistic strategies through a phased-in approach, with a component of performance assessment.

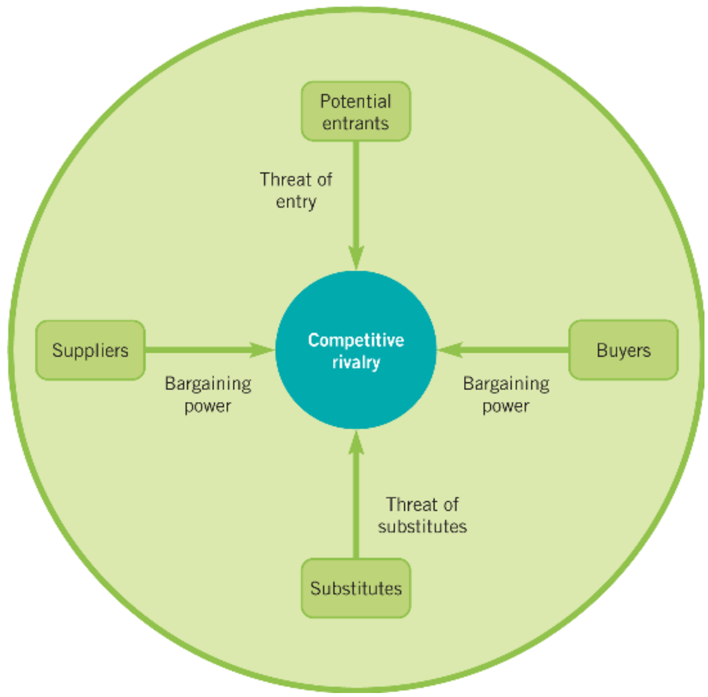
Methodology

A Robust Strategy starts with an approach of **Evidence-Based Management**.

For a detailed overview of the macro-environment and competitive marketplace, this approach relies heavily on data contained in academic literature, industry statistics and comparable group metrics to establish a study as objectively as possible. The analysis begins with assessing environmental impacts, which can be seen as layers around a community, with the outer layer containing the macro-environment, the middle layer making up the tourism industry, the next layer being rivalry for consumer segments, and finally the township's own capital. Accordingly, this strategy will begin by carefully analysing the developments in the world, country and area macro tourism climate. It will then determine the competitive competition between various tourism markets, following with a study of the Town of Pickle Lake's tourism resources. From this, strategies can flow from the analysis and address the strengths, weaknesses, opportunities and threats found from the study.



Understanding the macro-environment requires an external review of specific environmental factors in order to identify key drivers of change related to the growth of tourism in the region, and to distinguish marketable opportunities. To establish a comprehensive situational study, Pickle Lake needs to understand the business environment, as well as the non-market environment, through the layers around an organisation. A PESTLE analysis (Political, Economic, Social, Technical, Legal, and Environmental) helps to provide a list of strategically influential potentially relevant issues. An evaluation of the impact of each factor is significant. It also helps provide a list of potentially relevant strategic influencing concerns, and then determine the market effect of each factor (Yuksel, 2012). A PESTLE review aims at defining the primary drivers of transition, thereby highlighting marketable opportunities. Key drivers of change are factors that are expected to have a strong impact on other industries and sectors, that will affect the approaches within, based on success or failure.



Based on the key drivers of change in the macro-environment, an assessment across competing sectors was performed using Porter's (2008) five forces framework, to identify the key success factors for specific segments. To better understand the competitive environment, Porter's five-force competitive structure was used to examine competition, risk of new entry, risk of substitutes, consumer strength, and supplier power, across the different industries or sectors. Adjusting these factors to rivalry for segments from different municipalities, and considering the associated complements and network effects, the attractiveness of the segment can be discerned, and the key success factors would be revealed. This then allows the ability to provide insights into directing strategic decisions and choices, through the detection and assessment of relevant opportunities and risks, which is the key basis for conducting a comprehensive situational and environmental review.

The four main criteria that can be used to determine capabilities, in terms of providing a basis for achieving sustainable competitive advantage are: value, rarity, imitability and organisational exploitation. Accordingly, the current destination drivers of Pickle Lake, which are the primary reasons why visitors would travel there, were analysed using VRIO analysis (Cardeal & Antonio 2012). A municipality's primary destination services contribute to its long-term sustainability, and potentially to its competitive advantage. Assets are, or may call upon, the positive offerings a municipality has, and "winners" are distinctive or unique characteristics that are of interest to consumers, and characteristics that rivals consider difficult to emulate.

To evaluate the current availability of trip enhancers, which are businesses that increase tourist spending yield within the community, Limestone consultants completed a site visit that uncovered the relevant touchpoints, and pain points. Touchpoints are any interaction, including those available through technology, that customers experience before, during, and after their tourist experience in the community, including any related marketing. Pain points are those interactions where tourists have difficulty in accessing something, such as information needed for planning their trip, or finding something once they are there. The on-site visit included an in-person meeting with Township officials, including the Mayor, Clerk/Treasurer, the Steering Committee, and interested residents. The site visit also allowed for the identification and consideration of the tourism assets already present within the community. To understand the regional perspective of the touchpoints and pain points, specifically related to marketing, a working session with the Steering Committee helped provide the context.

Limestone consultants have also engaged in semi-structured telephone interviews with many tourism businesses in the area, to understand who the visitors are now, where they come from, what attracts them to the area, and how established businesses serve them. Respondents were advised on how to use and report the data, to help develop a community tourism strategy.

This then led to the evaluation of the competitive context in which Pickle Lake was placed within the wider tourism sector, including an awareness of external environment opportunities and weaknesses, and the Townships resource strengths and weaknesses. A SWOT analysis (Strengths, Weaknesses, Opportunities and Threats), is a commonly used matrix that assesses features related to the strengths and weaknesses of an organization, as well as opportunities relative to its competitors. However, in order to be efficient, a SWOT analysis should prioritise the research, not replace it, and should therefore be used as a method to summarise the research, and to direct any possible strategies. Alternatively, a TOWS matrix (Threats, Opportunities, Weaknesses, and Strengths), offers a visual medium for strategic analysis from which variables or forces can be evaluated holistically (Weilhrich, 1982). TOWS provides a four-by-four strategy matrix for approaches that (a) tackle opportunities when building on power, (b) mitigate strength-building weaknesses, (c) fix opportunities weaknesses and (d) mitigate areas of vulnerability from external threats.

The balance of this report proceeds chronologically from the macro-environment, to the local Township in focus, being Pickle Lake. In particular, it reviews the external environment using PESTLE to identify any drivers of change, examines the competitive environment with the Porter’s Five Forces Model, analyses the destination drivers according to VRIO, and assesses the systematically discerned strengths, weaknesses, opportunities and threats using a TOWS matrix for strategy formulation. A resulting action plan will follow, which will provide timely objectives for each strategy that stems from this report.

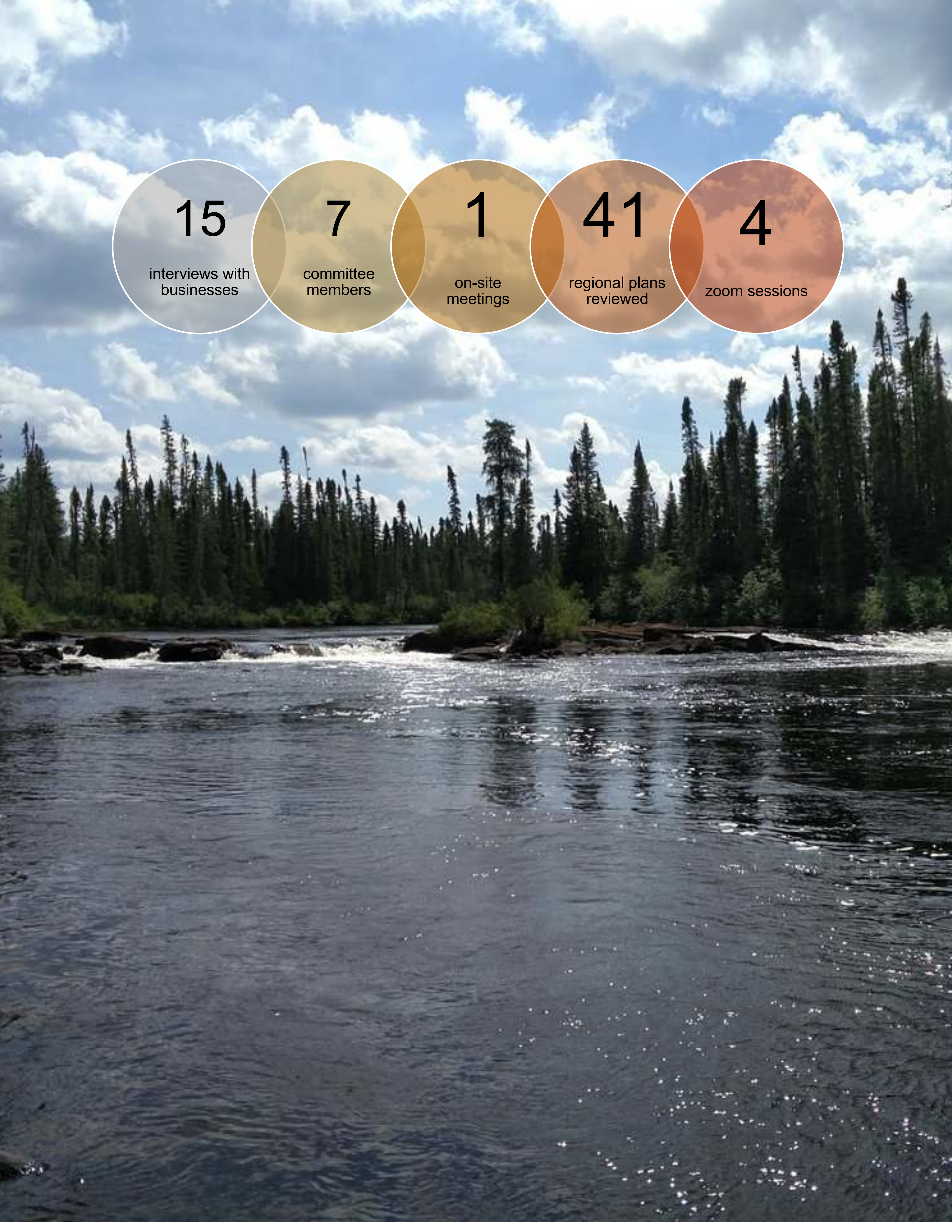
15
interviews with businesses

7
committee members

1
on-site meetings

41
regional plans reviewed

4
zoom sessions



Situational Analysis

Examining the Township's environmental factors reveals the drivers of change in building those approaches that best present the opportunities and obstacles, and how best to tackle those approaches. This section summarises the political, economic, social, technical, legal, and environmental drivers of change (PESTLE), each allowing for an evaluation of the macro-level opportunities and threats. A tourism strategy's ultimate success is how effectively a region can exploit its advantages to opportunities, while preventing or minimizing external marketplace threats.

Political Factors

Rapid internationalization as the objective of Canada's tourism vision (2017-2022)

In 2017, the Federal Government launched their "Canada's Tourism Dream" strategy, which established a five-year, whole-of-government approach to tourism, to promote the strong and central component of tourism to the Canadian economy. Three central precepts can be discerned from this Strategy:

(a) increase in number of visits, thereby allowing Canada to become one of the top ten countries visited through internationalisation,
(b) increase in international overnight visits by 30%, by 2021, mainly from Europe and Asia, and
(c) Create a Chinese market specific emphasis, with the expectation of obtaining double the number of visitors coming from China, by 2021.

This strategy centred mainly on growing tourism to well-known metropolitan and regional destinations throughout Canada, such as Toronto, Ottawa, and Banff. Furthermore, because this plan had been conceived long before COVID-19, it is difficult to tell if the emphasis on the Asian market will continue to the extent indicated.

Predicted US Border closure due to COVID-19 until mid- to late-2021.

As predicted by many epidemiologists and economists, the US border is expected to remain closed until mid to late 2021, due to COVID-19 outbreaks in the United States, and around the world. This also takes into account a possible second wave of the virus that will affect the United States and Canada. According to a new IPSOS poll, 85 per cent of Canadians complied with the dictated border closures, before a decreased number of COVID-19 cases were faced by the USA. International visitors to Canada, including those from the USA and abroad, are projected to be re-targeted in the fall of 2021, and beyond. Until then, international and domestic markets will likely remain the priority.

FedNor tourism funding is secure. Including:

- The Canadian Experiences Program focuses on initiatives which build on proven tourism strengths in Northern Ontario. By 2020, this fund allocated $7.6 million to municipalities.
- The Neighborhood Economic Development Fund, which seeks to improve resource utilisation, boosts the competitiveness of the local destinations, and promotes cooperation for regional economic objectives. Municipalities are eligible, and the tourism industry is eligible. To this end, qualifying programs include youth internships, waterfront growth projects, and strategic planning.

Strong Commitment towards Tourism from the Ontario Government

With tourism supporting 400,000 jobs in Ontario, and investing $36 billion, the Government of Ontario remains firmly committed to tourism growth. This includes, among others, the following programs, and supports:

- **Creation of Regional Tourism Organizations (2009)**
    - The Discovering Ontario Report created 13 Regional Tourism Organizations (RTOs), including Northern Ontario's RTO13. This RTO13 is divided into three sections: Northeastern Ontario is 13a, Sault Ste Marie and Algoma is 13b, and Northwestern Ontario is 13c. This allows for more targeted regional marketing, aimed at visitors from within Canada and beyond.
- **Introduction of the Strategic Framework for Tourism in Ontario (2016)**
    - These initiatives are aimed at further enhancing growth and profitability, by operating within the regional framework, strategically marketing, improving the tourism workforce, and improving the business environment. As a result, data on tourist usage of some regional airports in Canada were collected by Destination Canada, and a review of funding applications led to a simplified application process, concentrating on indigenous and Franco-Ontarian experiences.
- **Funding Opportunities from the Ontario Government, include:**
    - The Celebrate Ontario Fund, with awards ranging from $5,000 to $100,000, provides funding for events in Ontario. Three annual activities under this category in Thunder Bay earned support.

- **NOHFC Funding, which includes:**
    - The Business Expansion Project Fund that provides financing for capital development, leasehold upgrades, training, land maintenance, and ICT investments, for which tourism is listed as a priority area, as long as the project offers an economic advantage for northern Ontario.
    - The Northern Event Partnership Fund focuses on events that generate and maintain jobs, draw investment and tourism, and offers support to municipalities and the private sector to increase participant numbers, expenditure on tourism, boost local profiles, and encourage event sustainability.
    - The Strategic Economic Development Fund, which contributes part of the cost to municipalities of significant tourism infrastructure costs with a preference for empty or underused land. A recent project made in collaboration with FedNor, included the Hearst Pavilion in Hearst, Ontario.

Destination Ontario's three-year strategic plan (2018-2021)

This strategy sets marketing strategic priorities within Ontario, with an emphasis on visitor-first marketing, based on inclusive destination services, as opposed to one-off experiences. It also focuses on the strengthening of alliances and co-marketing activities for regional integration, the creation of evidence-driven approaches, and broad internationalisation.

The study focuses mainly on couples and groups of friends travelling to Ontario, by targeting international air travel markets. Countries are tiered, and include the United States, United Kingdom and China as Tier 1; Japan, Germany, France, Brazil, and South Korea as Tier 2; and India, Mexico, and other Canadian provinces as Tier 3.

The goals of Northern Ontario are consistent with the above, but they are tiered differently. Tier 1 covers, in particular, U.S. states such as Minnesota, Wisconsin, Michigan, New York, Illinois, Ohio, and Pennsylvania, as well as the greater Toronto area, the UK, and Germany. Tier 2 covers North and South Dakota, Manitoba, Eastern Ontario, and Japan and South Korea. Tier 3 includes Kentucky, Indiana, France, and China. These were abbreviated from the Three-year Plan for Destination Ontario, after consideration of existing strengths in the northern Ontario market.

Indigenous Tourism increasingly growing in importance as a priority for the Governments of Canada and Ontario.

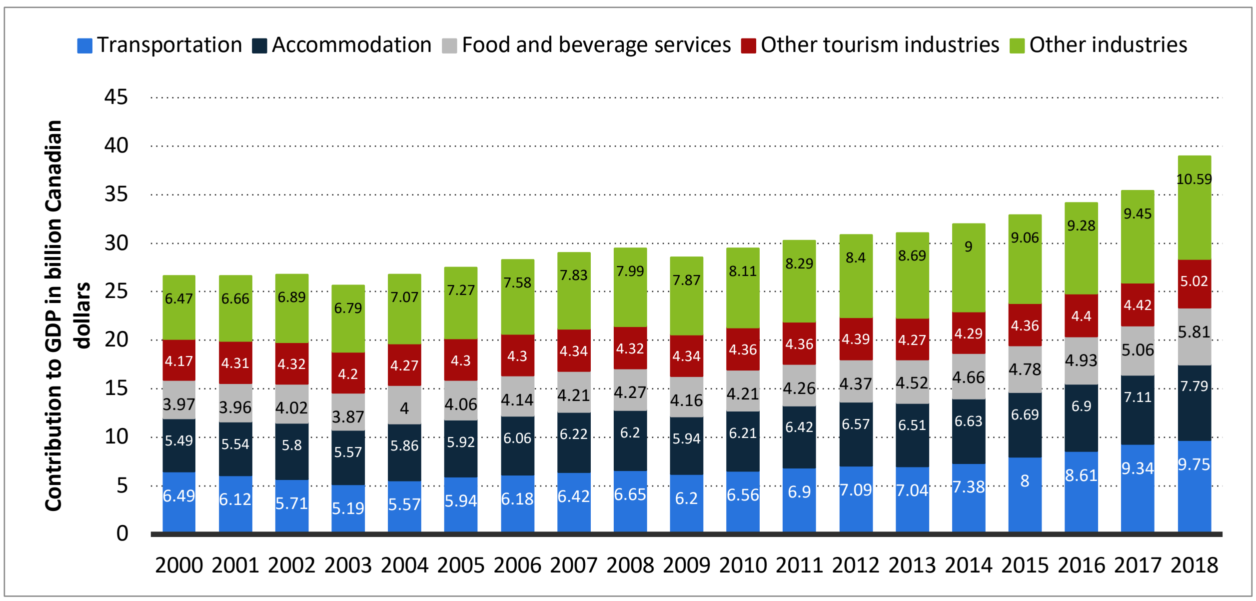
In "Ontario's Indigenous Tourism Landscape: A Foundational Research Study", Indigenous Tourism Ontario finds that an emphasis on entrepreneur support has been beneficial, and that many provinces are currently in the early stages of creating and marketing Indigenous tourism products. In their survey, they find the most Indigenous tourism business-type is accommodations in Ontario, usually in a community-owned or self-employed setting and that the majority of Indigenous community members feel tourism would be beneficial for their communities. They find there is a current challenge with little access to specifically dedicated funding and financial supports. Current funds available are directed mostly at promotion and development of products, most recently enhanced by a federal $16 million grant for 600 communities to deal with domestic tourism market growth as a result of COVID-19. Indigenous Tourism Ontario is based on Manitoulin Island, Ontario. Several Indigenous communities have recently acquired properties in settler-communities. For recent examples, the Sagamok First Nation has acquired Agawa Crafts, a popular seasonal gift shop near Batchewana Bay with ~50 staff; the Batchewana First Nation purchased Salzburger Hof, a lakeside resort; a consortium of First Nations built the Manitoulin Hotel in Little Current and the Sioux Lookout First Nations Health Authority recently purchased the Days Inn in Sioux Lookout to convert the facility for their own purposes. This is just a handful of successful examples of First Nations building, or acquiring tourism or lodging businesses which help the community grow financially and sustainably into the future.

Economic Factors

Tourism is true economic development, as it brings capital into the economy.

One in 11 jobs in Canada relies on tourism, and 400,000 jobs in Ontario are closely linked to the tourism industry. Tourism is also the largest youth employer, and a strong employer for new Canadians. It is important to remember that most tourism expenditures come from areas related to lodging, electricity, food, and beverages. True to current COVID conditions, destinations can see a jump in domestic travel with an action plan that can be used in the near future.

Contribution of tourism to GDP in Canada 2000-2018, by industry, (billions of 2018 CAD$)



Source: StatCan; ID 430000

Visitor Spending, 2017, Northwestern Ontario

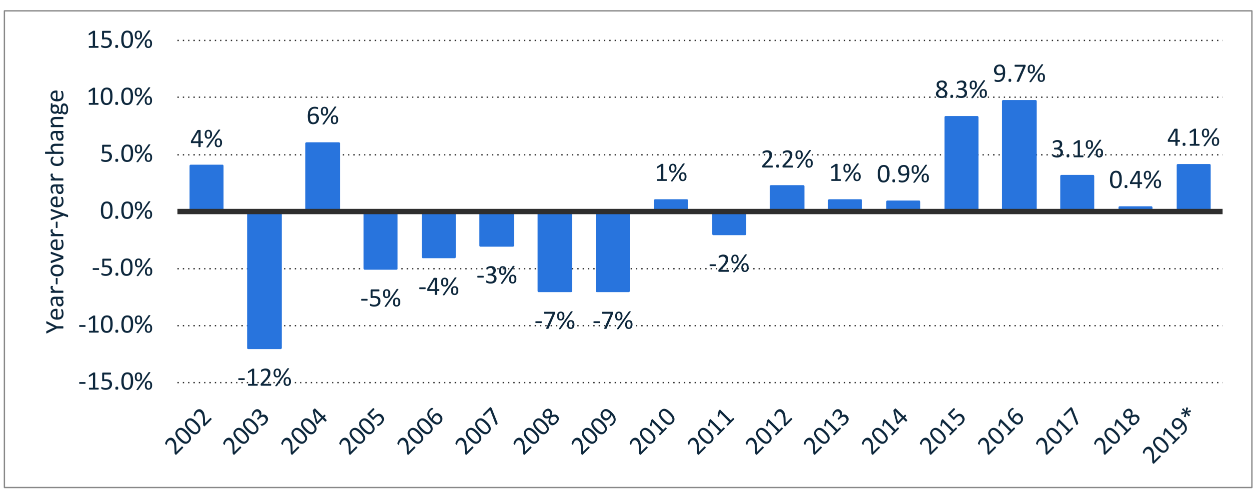
Item	Dollars Spent	% Total
Total Visitor Spending	359,308,441	
Transport (Total)	**137,072,798**	**38%**
Public Transport/ Flight	25,059,483	7%
Fares	573,725	0%
Other Public Transport (ie Flight)	24,485,758	7%
Vehicle Rental	4,862,745	1%
Vehicle Operations	80,254,097	22%
Local Transport	1,836,990	1%
Accommodation	**64,285,838**	**18%**
Food & Beverage (Total)	**118,620,208**	**33%**
Food & Beverage at Stores	46,389,023	13%
Food & Beverage at Restaurants/Bars	72,231,185	20%
Recreation/Entertainment (Total)	**11,250,036**	**3%**
Recreation	7,384,625	2%
Culture	3,865,411	1%
Retail/Other (Total)	**28,079,561**	**8%**
Clothing	17,974,939	5%
Other Retail	10,104,622	3%

Source: MCTS, 2020

Continued growth among American residents who move to Canada.

U.S. tourists are increasingly high-spenders and reach the country by air. Air capacity is therefore a strong necessity to increase US traveller volumes. Also, the US Exchange Rate is a strong predictor of US tourism to Canada, so Canada should be well prepared to accept more US tourists, as the dollar remains high.

Annual change in number of U.S. residents traveling to Canada 2002-2019



Source: StatCan; ID 214784

Limited Summer Accommodation Availability

Limited rooms are available in the existing capacity, and often only used by tourists and business people to book multi-night reservations in the region.

Accommodations in Northwestern Ontario

Accommodation Type	Number
Accommodation (Total)	**665**
Hotels	59
Motor Hotels	27
Resorts	55
Motels	60
Casino Hotels	0
Bed and Breakfast	14
Housekeeping Cottages and Cabins	65
All Other Traveller Accommodation	15
RV (Recreational Vehicle) Parks and Campgrounds	38
Hunting and Fishing Camps	295
Recreational (except Hunting and Fishing) and Vacation Camps	37

Source: MCTS, 2020

Between July and September, most visitor spending arises from those seeking fun, and bleisure (business leisure) activities, which are a major opportunity in terms of visitor spending.

While meetings, conferences, and sports tourism are not a priority for OTMPC (Ontario Tourism Marketing Association Corporation), bleisure provides an additional opportunity to expand meetings for leisure, to bring partners and families together, and participate with friends in short outdoor activities. Smaller northern communities may experience strong potential for bleisure requirements, with remote workers and those who are stationed in these communities, for 4 to 24 months.

Visitor Spending, 2017, Northwestern Ontario

Main Purpose of Trip	**Dollars Spent in 2017**
Pleasure	141,192,531
VFR (visiting friends or relatives)	92,489,820
Shopping	12,645,599
Conventions (Personal)	1,235,386
Business	62,650,992
Conventions & Conferences	25,730,400
Other Business	36,920,591
Other Personal	24,034,630

Source: MCTS, 2020

Visitor Spending, 2017, Northwestern Ontario, by Quarter

Quarter Trip Started (Visitor Spending)	Dollars Spent in 2017
Q1 (Jan - Mar)	57,592,973
Q2 (Apr - Jun)	81,447,817
Q3 (Jul - Sep)	143,225,994
Q4 (Oct - Dec)	51,982,173

Source: MCTS, 2020

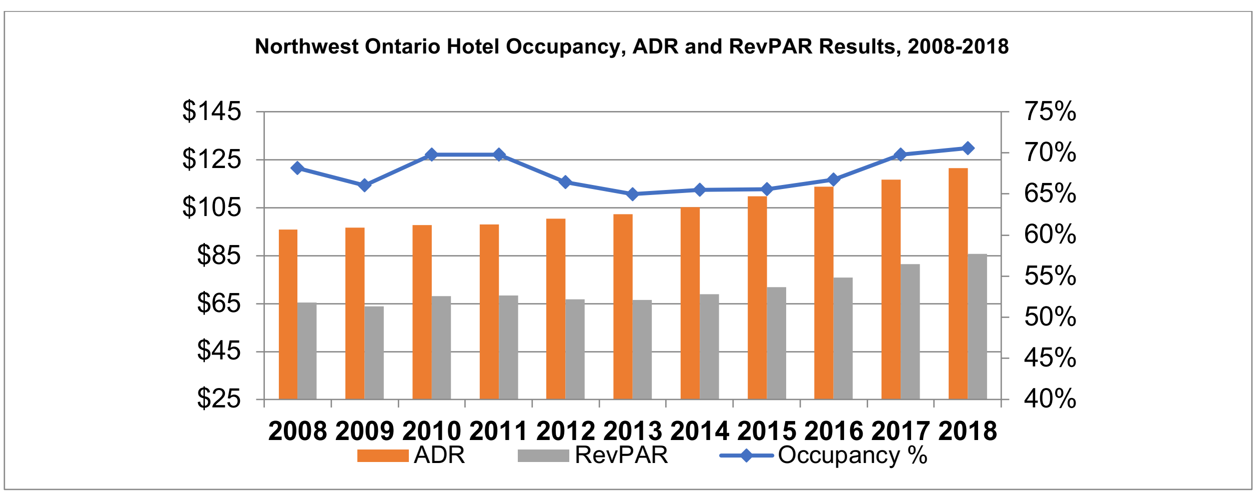
Weak market for local tourism employment and entrepreneurship.

From British Columbia to Newfoundland and Labrador, provincial studies on tourism within Canada all reach a striking conclusion, namely, that the pool of summer labour for seasonal tourist businesses is becoming increasingly challenging to access. There are similar trends with regards to attracting entrepreneurs to take over tourism businesses in northern and rural regions of Canada. This suggests higher search and acquisition costs for labour and entrepreneurs.

Hotel occupancy remains the highest in northwestern Ontario, and one of the highest in the province.

Northwestern Ontario had a hotel occupancy rate of 73.7%, compared with 71% across the province, 52.7% in Sault Ste Marie, and 56.1% in Sudbury. The occupancy rate in Thunder Bay is 72.8%, which means this area has a higher occupancy rate than any other place. Northwestern Ontario has a 38.7% occupancy rate in 2020, during COVID-19, becoming the highest for all regions in northern Ontario (with an average of 19.5%), with the GTA North having the second highest occupancy rate at 29.5%, and the City of Thunder Bay having a 28.2% occupancy rate. These market conditions indicate that the District and City of Thunder Bay needs more hotel growth. Three hotel projects are currently under way in Thunder Bay, but no planned hotel operation appears to be taking place in the local area.

Northern Ontario Hotel Occupancy



Source: MCTS, 2020

Hotel Occupancy of Selected Regions, July 2019 and 2020

	July 2019			**July 2020**		
	Occupancy %	Avg. Daily	Revenue / Room	Occupancy %	Average Daily	Revenue / Room
Northwestern Ontario	**73.7%**	**126.24**	**93.06**	**37.1%**	**112.35**	**41.74**
Thunder Bay	72.8%	125.25	91.21	22%	108.68	22%
Northeastern Ontario	62.6%	125.03	78.24	22%	103.24	17.57
Sudbury	56.1%	123.21	69.11	23.4%	106.62	24.94
North Bay	63.5%	114.45	72.65	18.6%	89.25	16.63
Sault Ste Marie	52.7%	109.95	57.88	22.8%	95.22	21.71
Provincial Average	71.1%	168.87	120.06	19.5%	99.30	19.39

Source: MCTS, 2020

Northwest Ontario has the highest average room rate for northern Ontario.

Hotel rooms in northwestern Ontario average $126.24 per night, with Thunder Bay being the largest city in the area at $125.25 per night, implying higher prices outside of the city. The higher price in 2019 can also be attributed to Thunder Bay's Municipal Accommodation Fee, which added 5% to every room's rate. In the midst of COVID-19, rates did not fluctuate much in 2020, with average rooms in the area at $112.35 and Thunder Bay at $108.68. Northwestern Ontario's average price of $112 is the second highest in Ontario, behind the Toronto Airport, which averages $116 per night. Revenue per room is by far the highest in Northern Ontario, at $92.06, relative to Sault Ste Marie, and Northeastern Ontario.

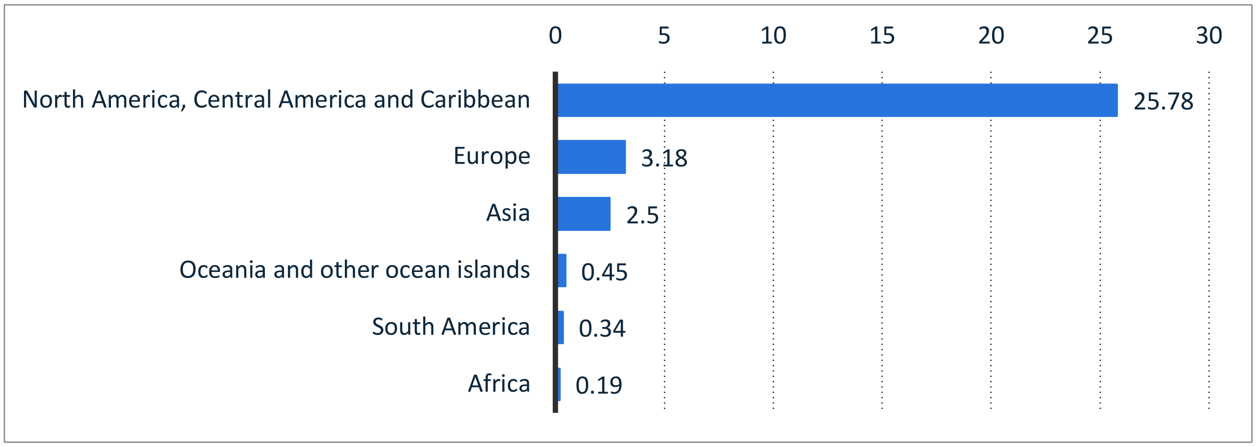
Social Factors

Geography

International Tourism in Canada is Rising

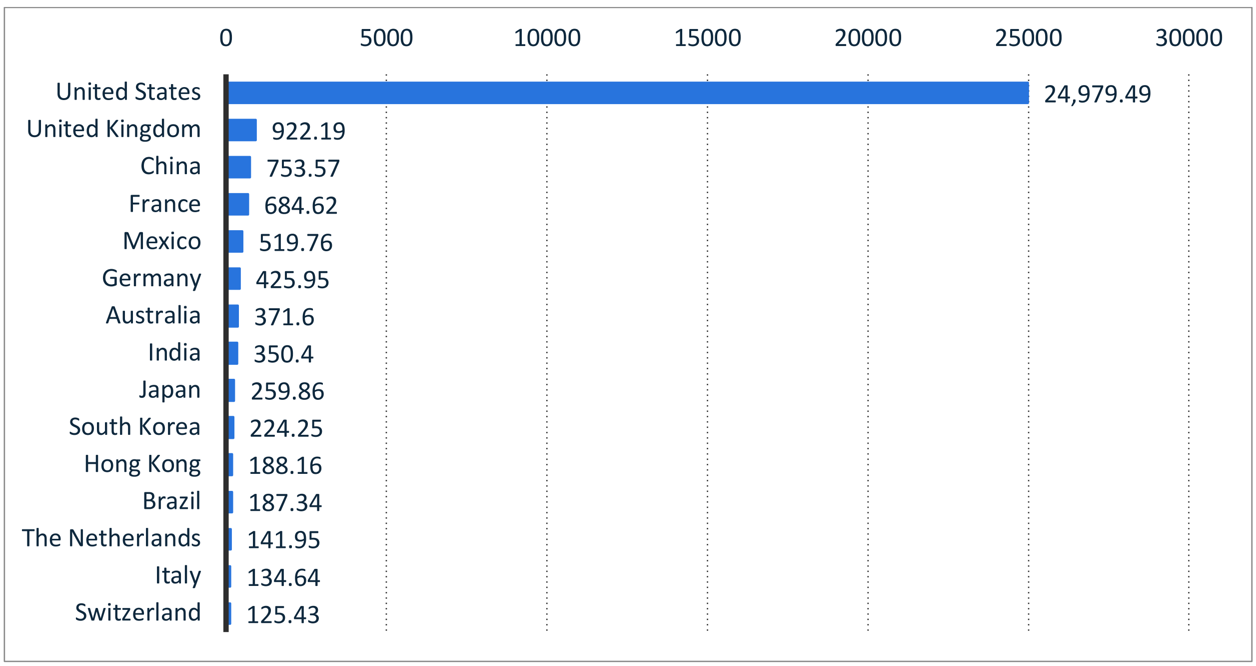
The long-term forecast of the United Nations World Tourism Organization showed a growth rate of 2.6% for foreign tourist arrivals in North America between 2017-2019, following a downturn in the US, which represents a stronger influence for Canada, in international tourism. Europe remains the top outbound travel area in the world, at 48 percent, with Asia at 36%, and the Americas at 17%. Similar patterns are seen in Canada, as shown in the diagram below. 2017 saw 32 million foreign guests arrive in Canada, with 3.18 million coming from Europe, and 2.5 million coming from Asia. The U.S. remains a significant contributor to tourism in Canada, Ontario, and the Northwest.

Number of international tourist trips to Canada 2019, by region of origin, in millions



Source: StatCan; ID 422469

Number of international tourist trips to Canada 2019, by country, in thousands



Source: Canadian Tourism Commission; StatCan; ID 477525

A Vast Majority of Tourists stay under three nights.

Regional and short-haul travel in northwestern Ontario is important, accounting for 43% of tourism. This is significant as it demonstrates that interactions can be targeted towards a wide variety of audiences, from those on the same-day trips, to those who stay for a week or longer.

Visitors by length of stay, northwestern Ontario, 2017

Number of Nights	Person Visits	Percentage	Avg. Per Day
0 nights	723,305	43%	1980
1 night	208,045	12%	569
2 nights	342,410	21%	936
3 nights	158,812	10%	432
4 nights	45,661	3%	125
5 nights	28,251	2%	77
6 - 9 nights	99,733	6%	273
10+ nights	63,271	4%	172

Source: MCTS, 2020

Cohort

Increasing prominence of new Canadians and millennials in tourism.

Owing to the aging of the baby boomers, and millennials growing their buying power, the strong demand for travel from the rising middle class of new Canadians is being met with intensity in the domestic market. This is significant, considering the number of millennial visitors in Northwestern Ontario, where many may be more likely to be parties of 1 or 2 individuals.

Visitors by Age, Northwestern Ontario, 2017

Age of Adult Visitor [18+]	Number	%
18 - 24 years old	189,306	11%
25 - 34 years old	**342,441**	**21%**
35 - 44 years old	280,981	17%
45 - 54 years old	244,701	15%
55 - 64 years old	**338,778**	**20%**
65+ years old	269,558	16%
Average age	**45.7**	0%

Source: MCTS, 2020

Visitors by party size, northwestern Ontario, 2017

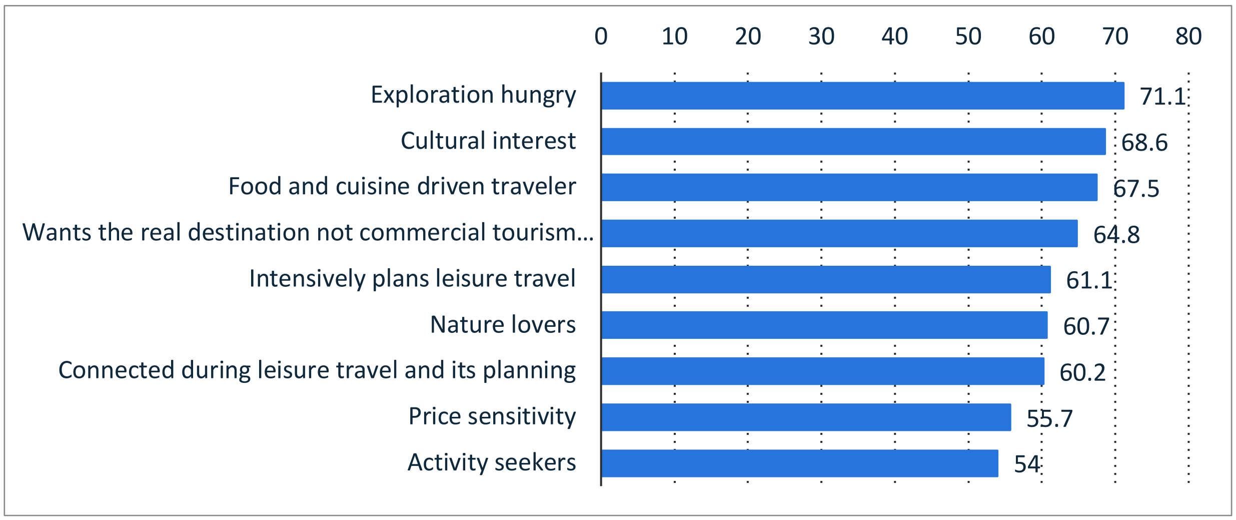
Party size	Number of visits	%
1 person (Party Visits)	351,779	30%
2 persons (Party Visits)	487,774	41%
3 or more persons (Party Visits)	344,084	29%

Source: MCTS, 2020

A strong and increasing demand for authentic and immersive journeys.

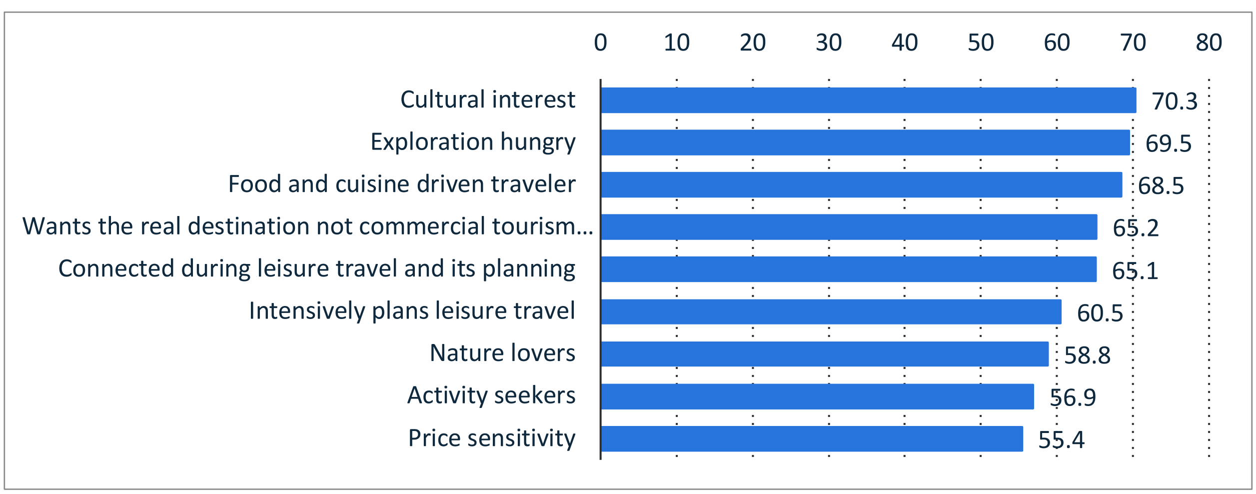
Immersive travel means living like a local society. Academic research points out that rather than simply visiting, short-haul tourists want to understand specific destinations, and get to know the city, or its people. This points to a personal fulfilment of a dream that tourists are pursuing, which also partly explains AirBnB's popularity and acceptance with millennials and generation X. With millennial impact, it is preferred to have local hotels and restaurants, instead of cookie-cutter chain stores.

Profile of Generation X travelers
Average Traveler Psychographic Intensity Index score*



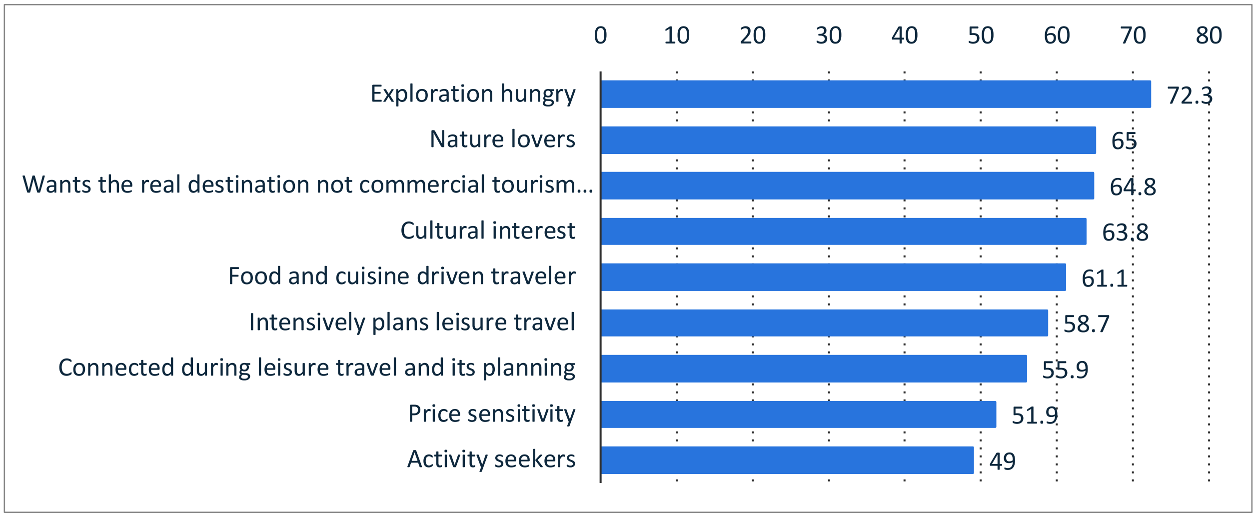
Note: 2,007 Respondents
Source: Destination Analysts; ID 318088

Profile of Millennial travelers
Average Traveler Psychographic Intensity Index score*



Note: 2,007 Respondents
Source: Destination Analysts; ID 318096

Profile of Baby Boomer travelers
Average Traveler Psychographic Intensity Index score*



Note: 2,007 Respondents
Source: Destination Analysts; ID 318071

Segmentation Targets

Ontario's domestic markets are mostly mellow vacationers, family memory builders, and youthful socializers

The OTMPC (Ontario Tourism Marketing Partnership Corporation) identified twelve distinct domestic markets to help identify ideal segments, as follows:

- **Pampered Relaxers**: Enjoy resorts, beaches, and sun destinations to re-energize through high-end activities.
- **Sports Lovers:** Mostly male, driven by a love of sports to watch or participate in, and are most likely involved in either team sports or golf.
- **Knowledge Seekers:** Couples aged 55+ who are nearing retirement as empty nesters, looking to expand their mind through cultural experiences.
- **Up & Coming Explorers:** Young, affluent families looking to learn as a family, with an emphasis on those of visible minorities, looking to explore the outdoors closer to home.
- **Connected Explorers:** Looking to escape, these youthful 18 to 34 year-olds are without children, and enjoy authentic experiences, and expanding their horizons, with a strong interest in outdoor adventure.
- **Aces:** Driven by a love of gambling, these individuals like to escape and have 'fun' with close proximity to casinos and hotels.

- **Outgoing Mature Couples:** Seniors in retirement who are driven by maintaining vitality, often by interacting with other people, hoping to feel competent and vital.

- **Family Memory Builders:** This segment has children under 18, who believe in centering experiences around their children, to make lasting memories.

- **Mellow Vacationers**: Wanting to unwind in low-key style, they want experiences that set them at ease, without much activity.

- **Nature Lovers:** Attracted to outdoor experiences aligned with Ontario's parks and lakes, this group has a passion to experience the outdoors, and are looking to experience something new.

- **Solitaires:** This group refers to those who travel alone and are usually quiet and reserved people whose travel experiences and budgets are basic. They are introspective and prefer activities with inward thinking, like museums, art galleries, and some outdoor single person activities.

- **Youthful Socializers:** This segment is driven by experiencing new things with friends on a limited budget, in order to share memorable experiences with other youthful friends.

Tourism Northern Ontario described primary markets as information seekers, up-and-coming explorers, and connected explorers with a secondary objective towards nature lovers.

Tourists in northwestern Ontario are most likely drawn to outdoor activity.

Destination Northern Ontario's product development strategy unveils the main activities in northern Ontario as follows:

- Priority 1: Fishing, Nature & Adventure, Auto/RV, Urban
- Priority 2: Motorcycle, Hunting
- Priority 3: Cruise Ship, ATVs, Snow machines, Indigenous Experience

Sunset Country's target markets are fishing, RVing, and short-haul travel

Sunset Country, Kenora District's Regional Tourism Organization, has its primary target market set for US anglers. This is due to their high yield, and so in general, from January to March, most marketing dollars are spent on promotions that target this category. The RV vacationers are second on their list, again, for their high yield in tourism spending in the region. Short-haul travel is also a high priority for the region, especially during COVID-19, as it draws large numbers of people from the Thunder Bay area, but this segment 's yield is much smaller, with the most value spending coming from restaurants. This shows that alignment with regional strategies is essential to effective strategies for the local community tourism.

Activities

19% of visitors to northwestern Ontario had an outdoor activity as their primary purpose.

This is exclusive of an additional 3% visiting national parks, 2% visiting historic sites, and 4% enjoying the sights. Other reasons include 9% for family visits, and 3% for shopping.

Activities of those whose primary purpose was outdoor activity, 2017
Respondents could have multiple responses.

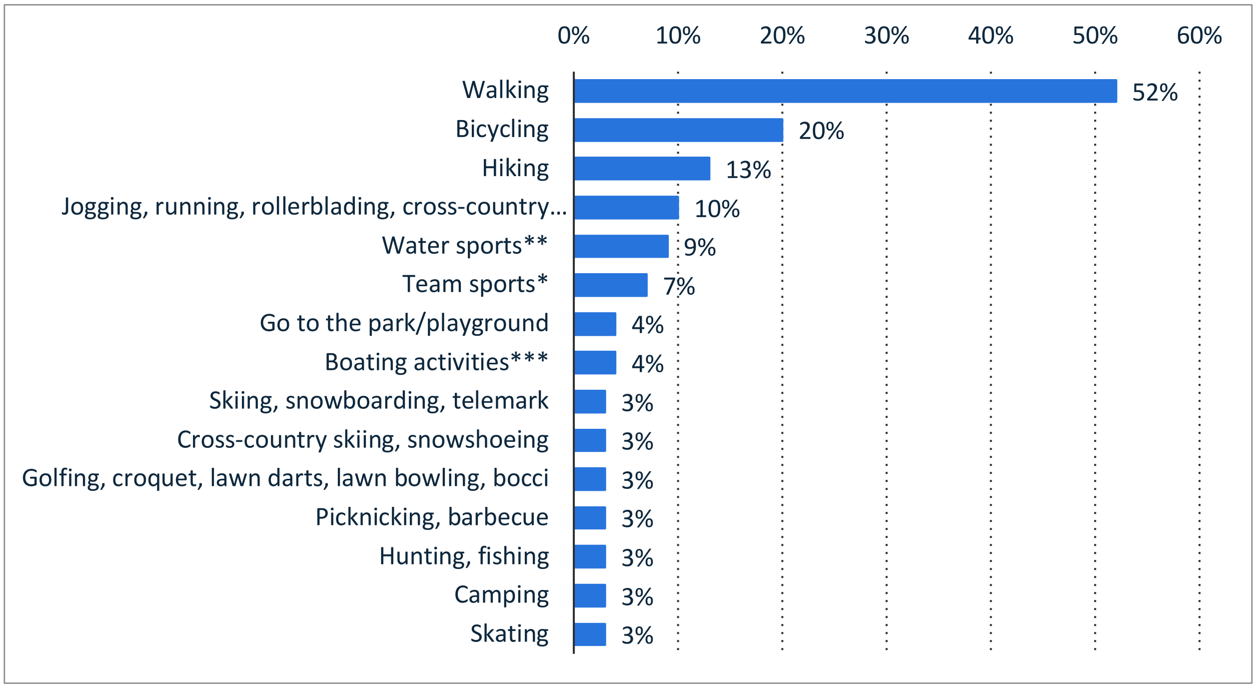
Activity	Number	%
Play a sport	77,607	10%
Boating	292,065	37%
Canoeing	186,433	24%
Golfing	43,469	6%
Fishing	292,171	37%
Hunting	29,741	4%
Skiing/Snowboarding	9,776	1%
Cross-country Skiing	28,483	4%
Snowmobiling	19,603	3%
ATV	24,054	3%
Cycling	67,822	9%
Hiking	235,020	30%
Camping	232,852	30%
Visit a beach	240,875	31%
Wildlife/Bird watching	193,677	25%

Source: MCTS, 2020

13% prefer hiking, as a close to home activity in Canada, which may require travel outside an urban core

This indicates that hiking is a very good activity for promoting regional centres located outside an urban area, that seeks to attract visitors from day to day.

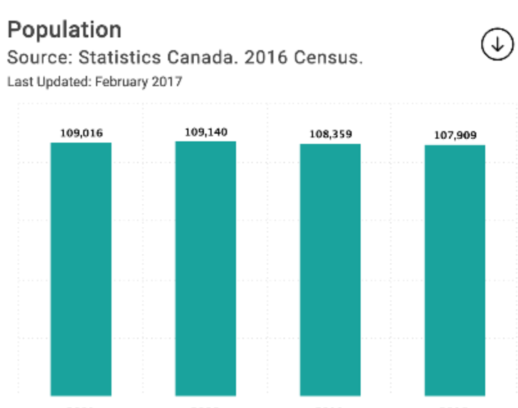
Most popular close to home outdoor activities among households in Canada in 2015



Source: StatCan; ID 425103

Relatively steady population in the City of Thunder Bay presents opportunity

Culturally, as a result of its immigration strategies, and information economy, Thunder Bay sees regional effects of immigration from Southeast Asia. Its population remains roughly 108,000.



Immigrant entrepreneurs rising in northern Ontario

In addition to a sharp increase in international students at Thunder Bay's Lakehead University, immigrant entrepreneurs have also taken up businesses quickly. These include motels, gas bars, convenience stores, restaurants, and shops for sandwiches. Most of these entrepreneurs come from India, and since 2007, these numbers have increased. According to media reports with Northern businesspeople, a major attraction is the work-life balance. In Veterinarian Dr. Sandhu 's words, "the return here is much more, with less investment and less competition. If you like doing things outdoors, like the lakes, then it's great. I like to play golf." (Curry, 2020). Recent immigrants from India also own several hotels in Northwestern Ontario, based on word-of-mouth. The Multicultural Association of Thunder Bay notes the takeover by those from India and other countries who buy motels in smaller communities. In a CBC interview, Michelle McKenzie-Lander from the Thunder Bay Multiculturalism Association suggests “there’s a trend with immigrants moving into the region and purchasing motels.” In Terrace Bay, an East Indian company owns the Mill, and the town now boasts a substantial East Indian population, with enough critical mass to host its own cultural festival. Interviews along the Trans Canada highway reveal that immigrant entrepreneurs are buying many motels from Wawa to Marathon, and this trend is likely to continue into Sunset Country, and the Pickle Lake region.

Expedited visa program for northwestern Ontario

The Rural and Northern Immigration Pilot is a community-driven programme to accelerate visas for those immigrants who may choose to reside in Northwestern Ontario, and have received a job offer in the community. This can be critical to filling jobs, which the current local labour market can not meet.

Fishing and Hunting Tourism

Northwestern Ontario has a continued stronghold on hunting market

Ontario attracts more hunting tourists than any other province in Canada, 3 in 10 nationally, with 275,000 North American tourists staying overnight (1%). There is an average of 75,000 hunters in northern Ontario each year, comprising 8% of all hunting tourists in Ontario. Americans account for about one-tenth of North American overnight tourists in Canada, and about the same proportion of those will be hunting on their trips (9%).

Northwestern Ontario has a continued stronghold on fishing market

Fishing is also a major outdoor activity for northern Ontario, attracting anglers at 4 times the rate all other overnight tourists are attracted to. Canada attracts 8 million anglers in an average year, one million of whom are attracted to northern Ontario, representing 12%, compared to just 3% of all overnight tourists. Angling accounts for just over 33% of all overnight tourism in northern Ontario, representing 37% of the $1.0 billion in goods sales, and half of the $4.2 million in roofed accommodations.

Recreational fishing tourism, as an industry, faces threatening demographics

Most studies support a declining angling market, due to urbanisation and population ageing. There are 60 million anglers in the US, 46 million of which fish in any given year. USA Anglers who come to northern Ontario tend to be older and live in nearby northern US states, and they don't bring kids on their trips. This is important to note, as the younger segments of the population appear to have little interest in fishing. Northern Ontario accounts for 50% of Ontario anglers who require paid, roofed accommodation during their trips. Southern Ontario represents 23% of these individuals, while other parts of northern Ontario account for 27%. Manitoba is also home to another 10%. While there are more Canadians going on fishing trips in northern Ontario than Americans, the market yield for Americans is significantly higher at a rate of 6 to 4, due to their desire for all-inclusive lodges over the week. Two-thirds of those looking for roofed accommodation for a fishing trip are Americans (262,000), while a third are Canadians (126,000). Likely, when they engage in fishing, Canadians prefer campgrounds, cottages, and friends' and family cottages.

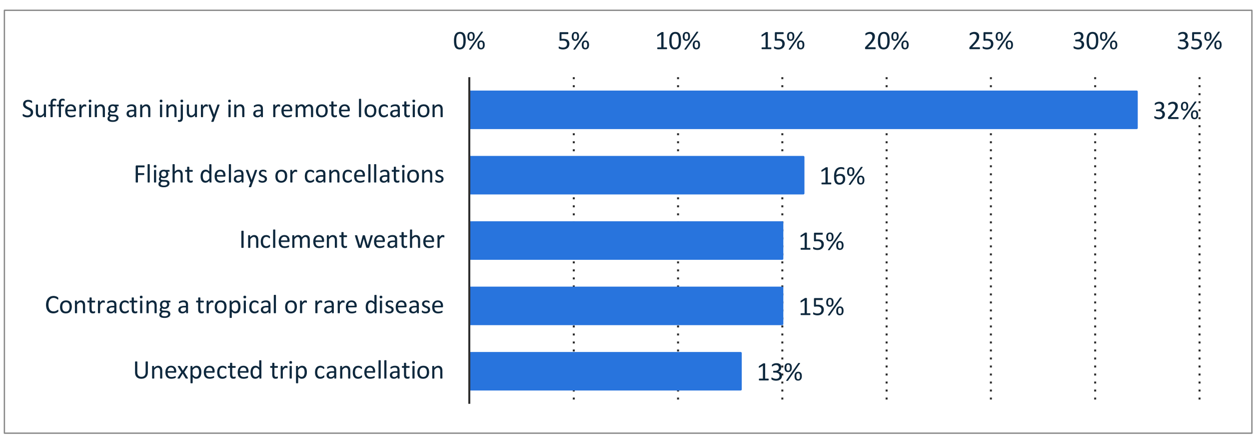
American anglers have a 76% higher yield than domestic angling tourists.

In Northern Ontario, 75% of Americans prefer a commercial lodge, and Canadians account for 50% of the campsites. American tourists in northern Ontario generate 76% more spending than their Canadian counterparts, probably due to differences in preferential accommodation. Anglers are getting older, and the downward pressure on angler volumes has been seen with urbanisation and immigration. Experience programmes for partners and children, and programmes designed to build the next generation of anglers, therefore need attention.

The risk of injury is of great concern to eco-tourists, with flight delays and inclement weather also in the top three concerns.

This suggests that communities that are looking to expand into eco-tourism need to ensure that trails and other resources are met with a safety environment. Other people can also act as a safety mechanism, since it minimises the perception of the risk of suffering injury while walking alone. Moreover, cellular service can also serve as a key mechanism to minimise risk perception.

Most common concerns of ecotourists when traveling



Source: Travel Guard; ID 299673

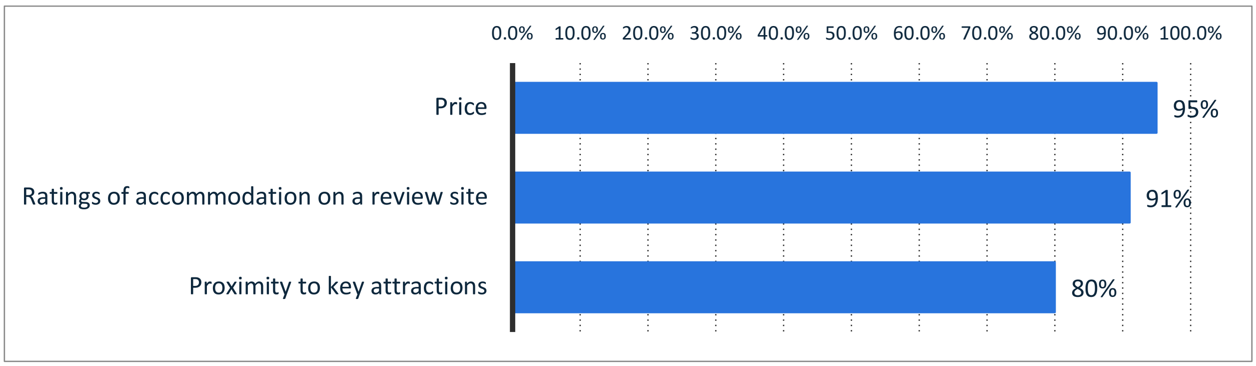
Estimated Growth in winter eco-tourism

The Globe and Mail (2019) points to the fact that while there is a scarcity of data on winter eco-tourism patterns in Canada, anecdotal evidence indicates that this is not the case. As an example, the winter camping system of Algonquin Park went from having an average of 10 visits per night, to the present situation of having trouble even accessing a winter cabin, due to the overwhelming demand. Several other provincial parks have developed winter camping facilities in times since. In Northwest Ontario, based on the number of Instagram posts, specifically with Mazukama Falls, and Pickle Lake Falls in the Sunset Country area, there is a rising trend in winter hiking.

Influences affecting hotel bookings are most commonly price, ratings, and close proximity to attractions

The most important factors to bookings are price, ratings, and proximity to attractions. TripAdvisor and Google reviews are key to keeping them at the top of the search result list, and are also valued as a possible ranking system for lodgings. A big consideration is the proximity to attractions, and it is important to remember that the highway is the attraction of the night for highway tourists, as they are proceeding towards their destination. For any new hotel building project, all these factors, particularly proximity, should be considered.

Factors affecting accommodation booking worldwide as of July 2016

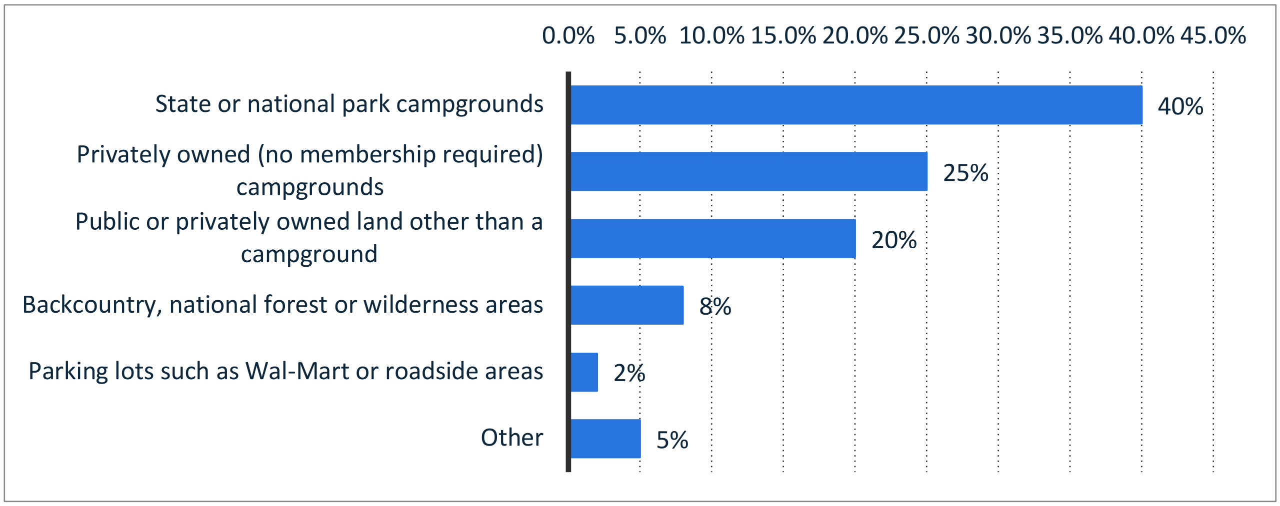


Source: TripAdvisor; Ipsos; ID 299809

Tents lead camping facilities, led by motor homes, which collectively constitute more than 80% of North America's camping industry.

This means that modern camping and RV site designs compete with government-owned camping facilities, which were traditionally first and foremost, with a combined market share of 60%.

Most popular camping accommodation types in North America 2018



Source: KOA; Cairn Consulting; ID 415993

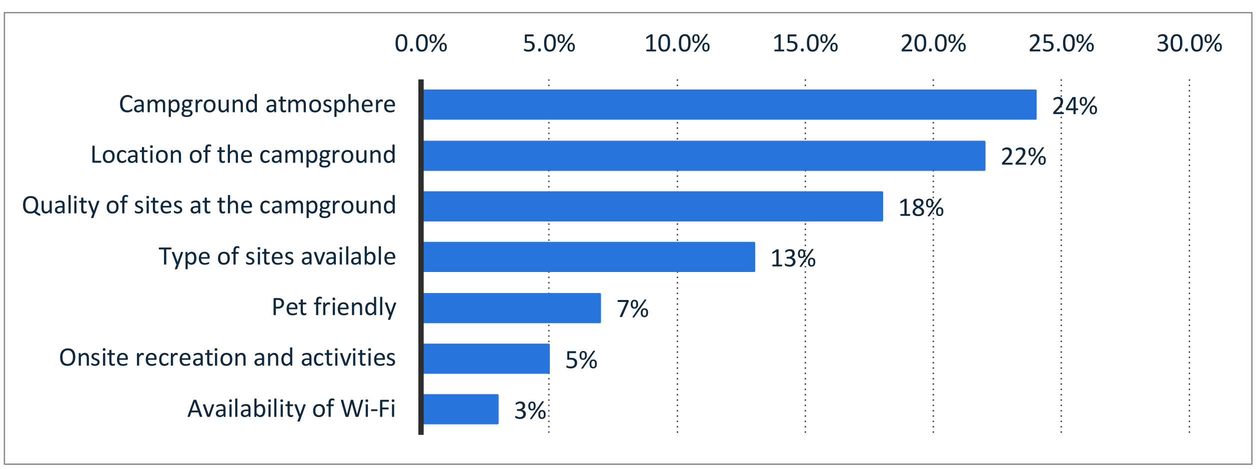
Overall, campers look for opportunities to hike, fish, canoe, sight-see, and visit historical sites, with over 60% preferring hiking.

This indicates that potential RV sites would rely partly on the activities surrounding their park projects, including hiking, fishing, and canoeing, which has an impact on their success. It can also be argued that close proximity to scenic drives is a required condition for success in this market, with 37% of campers engaging in these activities.

The most important amenities to an RV park are its atmosphere, location, and the quality and type of sites available

In reality, campers mainly care about the site's general location, and what it offers, with 46% citing the environment or location as the most important factor. This means that parks should be situated in locations where it is possible to do outdoor activities, preferably situated in an environment with a view such as a lake, mountain range, or river.

Most important campground amenities according to campers in North America in 2018

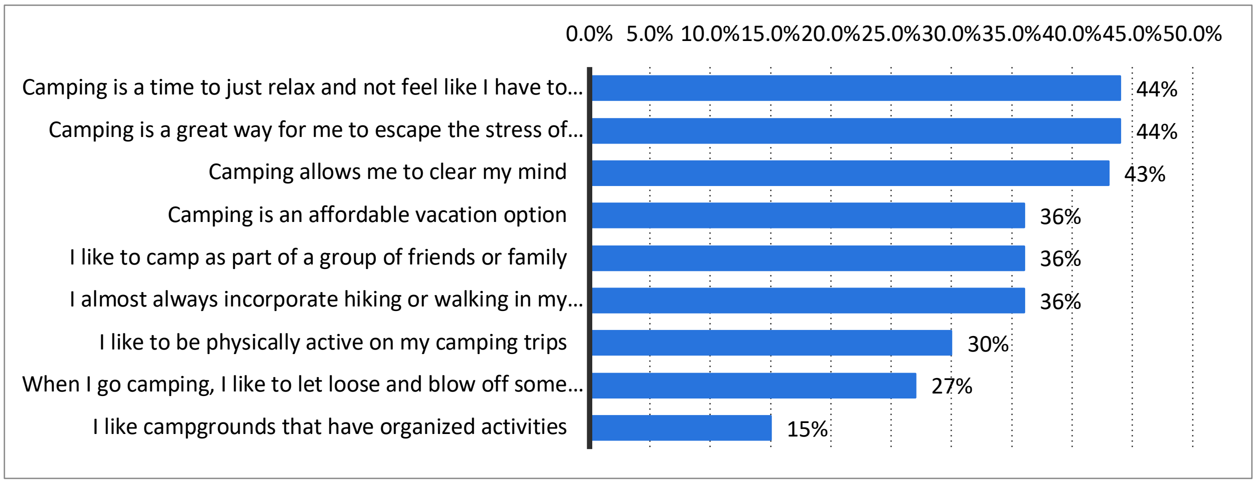


Source: KOA; Cairn Consulting; ID 415977

Campers' main motivation is to get away from the big city and clear their mind.

Not surprisingly, the key motivation for campers is to relax, and to escape the tensions of their lives. Camping with an emphasis on mental health is an activity that people participate in when they simply want to be more attentive, and spend more time with their families. Sites that are quiet, and associated with nature, are also more likely to cater to campers, than those sites closer to the big city.

Leading benefits of camping in North America in 2018



Source: KOA; Cairn Consulting; ID 416883

Overlanding is a major growth niche market.

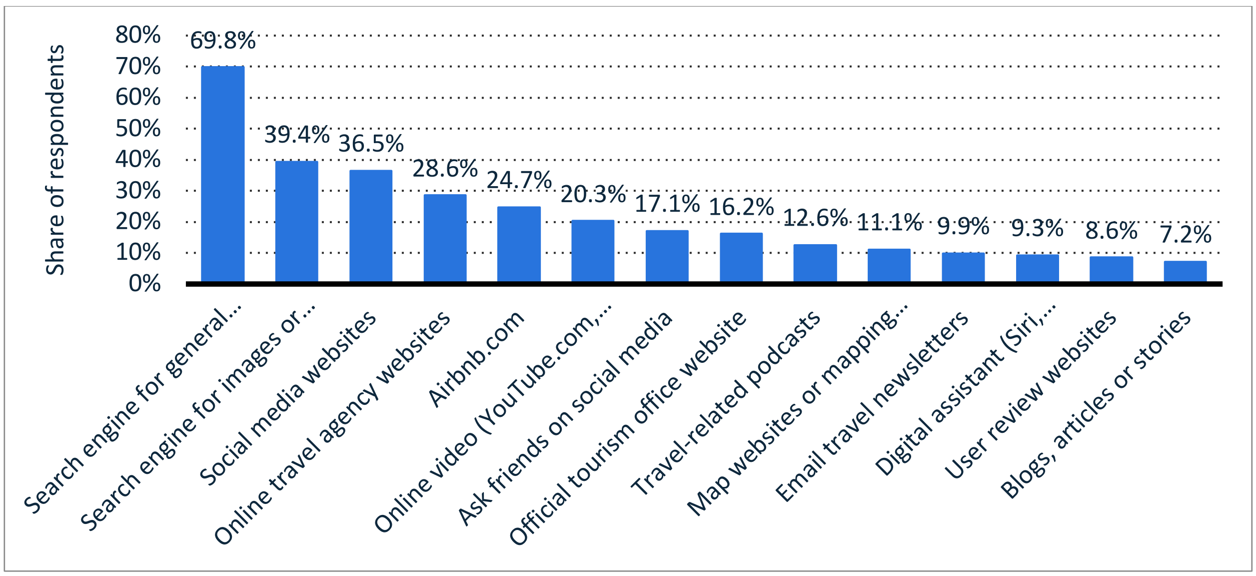
Between 2015 and 2017, the Overlanding Expo in the East experienced 175% growth, with over 5,500 attending in 2017; and by 130% in the West with over 11,500 attending. The number of exhibitors to this event grew by 70% in the East and 24% in the West in the same period of time. US states and Canadian provinces were both well represented at the East expo. Other statistics to note is an increase in subscribers to popular YouTube channels dedicated to overland travel, a 30% increase in the Overland Journal, a premium magazine on overlanding, and growth from 2,000 subscribers in 2006 to 150,000 in 2016 of the Expedition Portal. This portal's membership is viewed nearly 1.2 million times per month. While a small niche, the overlanding market is experiencing growth and may be suited for niche communities as a target audience.

Technological Factors

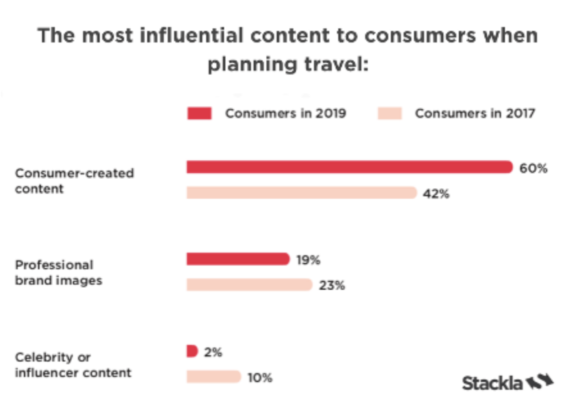
Greater Role of Technology in Trip Planning

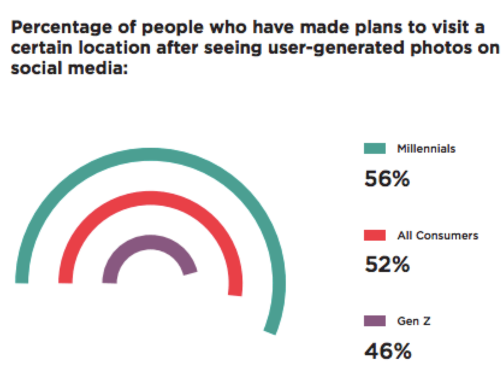
Technology plays a growing influence in the planning of trips, with video marketing and Instagram playing excellent roles in attracting people of all ages, with concentrations on online booking, and social media. Millennials are 84%, and non-millennials are 73% more likely to schedule a trip based on someone else's holiday pictures or posts on social media (amp agency, 2016). When it comes to inspiration for the destination, leisure travellers aged 18 to 34 are 2.4 times more likely to discover travel destinations through mobile applications than those over 35 (Facebook, 2018). All hotel categories, from multinational luxury hotel chains (79%), to hotel groups (73%), to small hotels (52%) use a social-media-first branding approach (Sojern, 2019). It is clear that technology is becoming the standard for travellers, with mobile payments and wi-fi becoming critical components to engaging millennials and baby boomers who are tech-savvy.

Mobile phone services used to plan leisure travel in the US as of Spring 2019



Source: Destination Analysts; ID 185454





Source: Stackla

www.NorthernOntario.Travel is well-developed gateway

Northern Ontario has aggressively embraced digital and social channels by maintaining the northern portal of Ontariotravel.net, and it has created the first-class northernontario.travel portal with regularly updated content.

Social media as social currency

With travel credibility a key driver for emerging market travellers, and millennial authenticity and individuality, social media has evolved in its role in recording contact, and influencing travel experiences. Travelers spend 72% of their time on holiday, which includes 90 per cent of millennials (Crowdriff, 2020). Social media is still used during holidays, for many who share restaurant and hotel reviews, and 55% of people who "like" Facebook pages from locations they've travelled to, or come across (SmartInsights, 2020).

Legal Factors

Insurance for adventure tourism is at a high cost

Adventure tourism insurance is a major obstacle to the creation of eco-tourism, as it relates to equipment rentals and leases, such as kayaks or boats. Some regional municipalities do provide equipment rentals, should local business entrepreneurs not have the investment margins that would cover the insurance premiums, and other fixed costs, related to these activities.

Fish licences continue conservation-oriented limits

Ontario fish licences are split between Conservation, and Sports Fishing. Regulations are adhered to, solely to avoid overfishing. Guests staying at lodges are only allowed to carry back the equivalent of a day's catch. Fishing regulations vary among Ontario's 20 Fisheries Management Zones, and effective laws, including fishing quotas, size restrictions and catch-and-release systems, must be enforced.

Paid, crown land camping permits are needed for non-residents on most lakes in Ontario

In certain areas, camping on Crown Land is different for locals, as opposed to tourists from other countries. In general, if camping is accessible on crown land, Ontario people are permitted to stay at no expense, however, non-residents will need to buy crown land camping permits at a cost of about $9.35 a day.

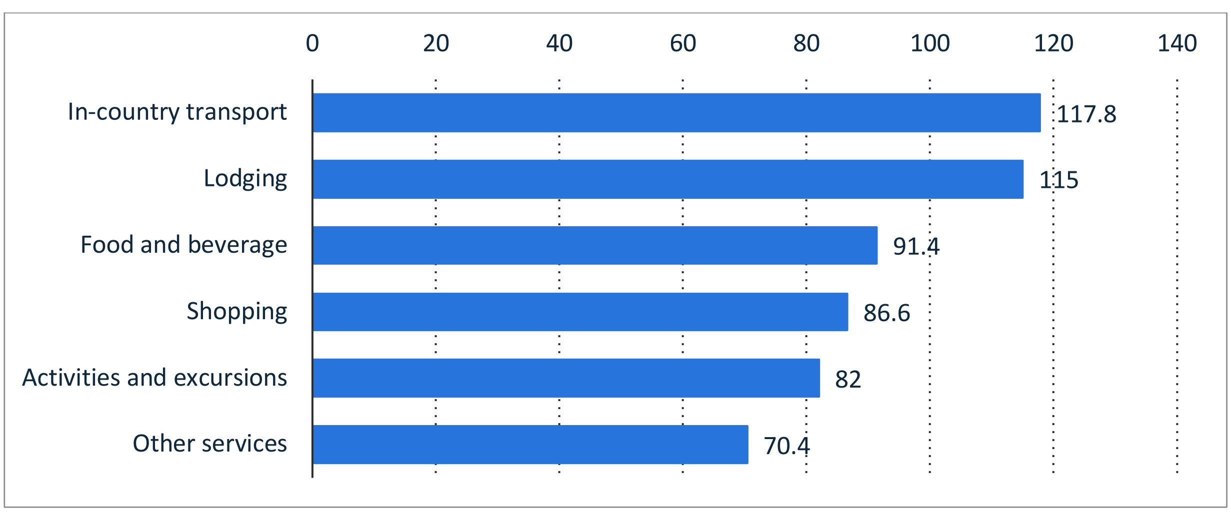
Environmental Factors

Wellness tourism is a continued high yield segment of tourism

Wellness tourism involves primary wellness travellers like those looking for a yoga experience, as well as secondary wellness tourists who may wish to buy health food or other related items while on a vacation. In 2017, secondary tourism accounted for 89% of wellness tourism journeys, 82% of which are taken from the domestic market. A primary domestic wellness tourist spends more than an average domestic tourist, at 178%, while a secondary domestic tourist spends around 146% more. In part this can be seen in premiums for wellness-based travel enhancers, such as local neighbourhood health food stores.

Source: Global Wellness Institute

Global market size of the wellness tourism industry in 2015, by segment, in USD billions



Source: Global Wellness Institute; SRI International; ID 318289

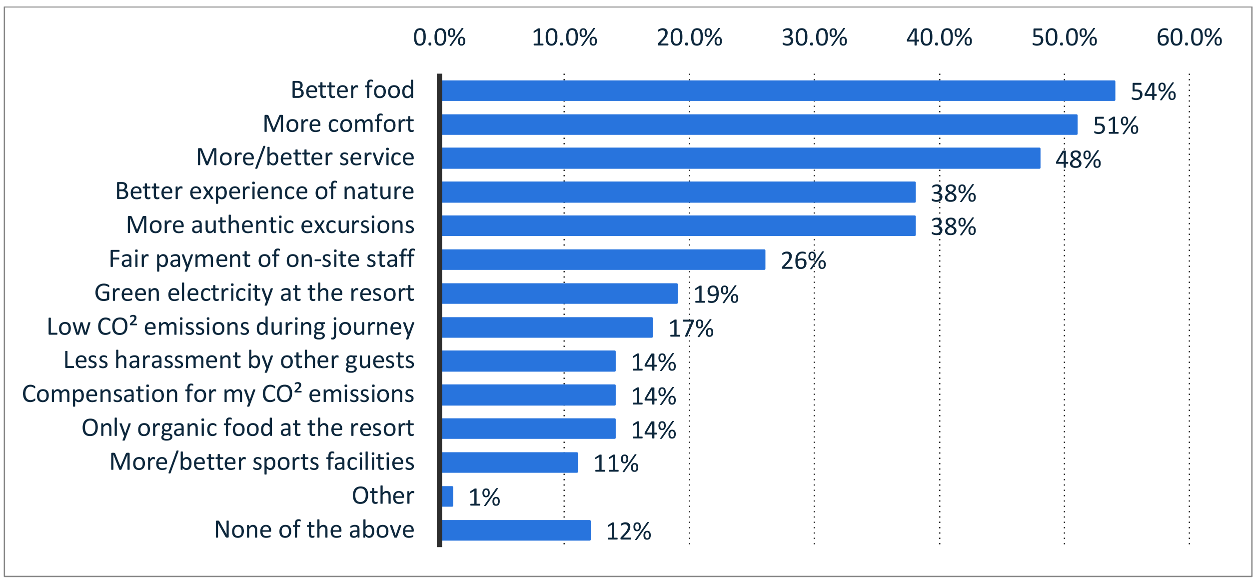
Climate change is having significant impact on fish populations and water quality

Growing levels of mercury in Northern Ontario lakes, and an increase in certain invasive species such as Asian carp, zebra mussels, or sea lampreys, as well as increasing threats from blue green algae, and a lack of adequate studies on climate change adaptation for fisheries in Northern Ontario, means that fish stocks and water quality remain environmentally endangered.

Increasing consciousness of overconsumption and the environmental impact of tourism

While stainable experiences are necessary to meet the needs of the up-and-coming explorer traveller segment, millennials and baby boomers alike favour small, organic, and eco-friendly products when visiting in an area.

Circumstances travelers would pay more for aspects of their vacation, 2017

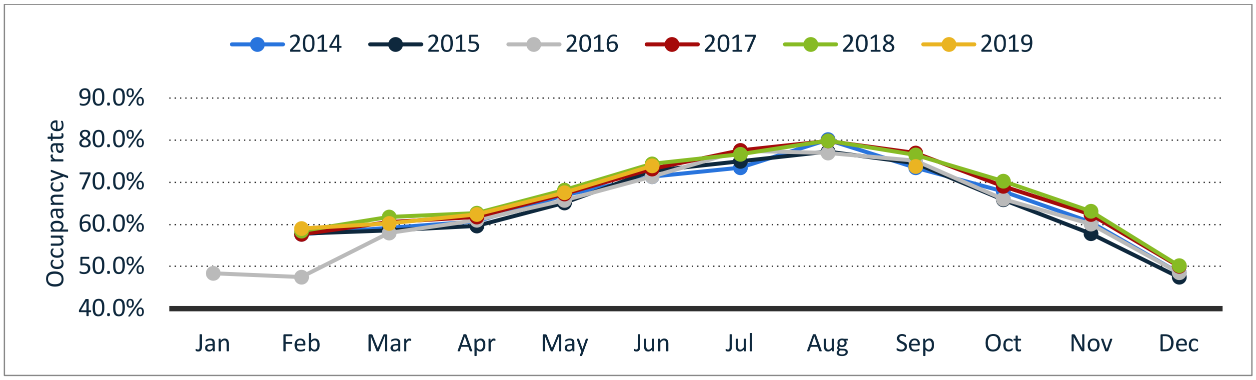


Source(s): Statista Survey; ID 707460

Seasonal fluctuations in hotel occupancy are seen across Canada.

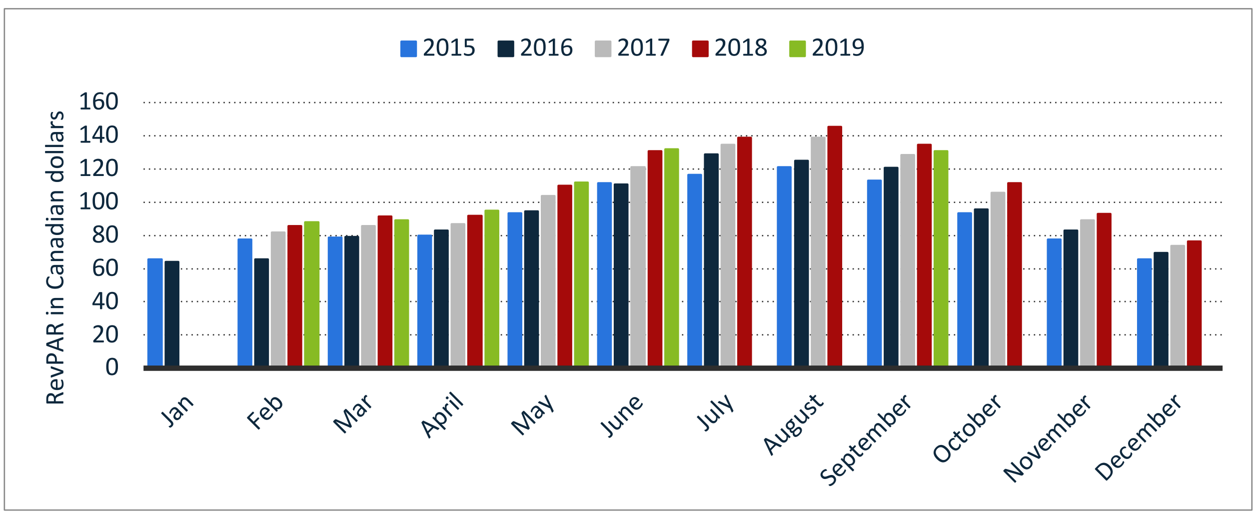
The hotel occupancy in Canada fluctuates regularly every season, with warm summers and cold winters, rising to a peak in August, and decreasing in December. This has an impact on revenue per room in different seasons, with most revenue in the summer, and the least in the winter.

Monthly occupancy rate of hotels in Canada from 2014 to 2019



Note: Canada; February 2014 to September 2019
Source: TIAC; ID 422485

Monthly average revenue per available room of hotels in Canada from 2015 to 2019



Note: Canada; April 2015 to September 2019
Source: TIAC; ID 422499

Lakes North of Ignace have special regulations for fishing and hunting on crown land.

In an interview held in the Northwoods Inn at Savant Lake, it was revealed that all land north of Ignace along Highway 599 has special hunting and fishing regulations, requiring that US residents and other foreign travellers stay with an outfitter to fish on the lake. This legislation was pushed as a result of certain abuses of regulatory and conservatory control observed on these remote lakes, with many having previously been over-fished. As a result, no fishing is permitted if one does not stay with an outfitter.

Competitive Analysis

Understanding and assessing the attractiveness of the tourism segment is critical, in order to identify key success factors that enable a group to thrive within its target markets.

Four potential segments, in line with OTMPC segment identification research, emerged from our stakeholder consultations, as follows:

- **(a) Achievers, as a subsegment of Nature Lovers,**
- **(b) Connected Explorers,**
- **(c) Solitaires,**
- **(d) Up-and-Coming Expeditioners**

Achievers also departs somewhat from existing strategies, for it refers to a subsegment of the “Nature Lovers” segment from Destination Northern Ontario and OTMPC, to refer to those interested in fishing and hunting, and has been broadened to also include avid anglers and hunters.

In addition, **bleisurers** and **event attendees** were identified as potential sub-segments that can be found throughout the larger segments identified. Bleisurers refer to those who visit Pickle Lake with business as a primary purpose; weather working in rotation on powerline or construction projects, on rotation with an airline like Wasaya or North Star, or just visiting for the day to conduct business in mining development projects. Event attendees can stem from any of the segments, including community members, and may also include First Nations from the surrounding catchment area.

This study adapts *Porter's Five Forces Model* for the tourism industry, and analyzes the competitive climate, and the factors that will be essential to long-term profitability, to determine the attractiveness of the market. The following considerations are:

(a) **Potential of new entrants into the segment:** This refers to the potential of other nearby communities entering the segment, while considering the barriers to entry, such as access to capital, or the extend and complexity of related regulations.

(b) **Power of operators**: This refers to the power of operators to potentially raise prices, which increases dollars spent in the community, without reducing demand.

(c) **Power of tourists**: This refers to the buying power of tourists in making decisions, as sectors with many smaller customers, will have an easier time in raising prices.

(d) **Threat of substitute experiences**: This refers to the potential that a targeted tourist will do an unexpected activity, or not doing an activity at all.

(e) **Degree of competitive rivalry**: This refers to the degree of rivalry, as other communities compete for a segment in a region in close proximity with another.

Key success factors for each segment will be established along with patterns from the situation study, with success being described by measuring revenue in the group.

Achievers

Segment Description:

Achievers refer to those who are driven by a sense of achievement, and in this context, achieving big fish, or big game. Fishing and hunting experiences are Northern Ontario's business stronghold, and can be split into guests from Canada and the Americas. Freshwater fishing is done by 15.4% of Canadian pleasure visitors, and ice fishing by 3.9%. Of the 17.6% who fished while on holiday, just under half (48.6%) said fishing was the main factor. Sportspeople are overwhelmingly male (68.2%), and even those between 18 and 54 are well represented. They have an estimated household income of $76,370, and are one of the least likely to obtain a post-secondary degree. Canadians who enjoy fishing do so throughout the province, and are the second least likely to visit the United States of America among the 21 parts.

Alternative opportunities for outdoor Canadian sportspeople include nature trips, snowmobiling, ATVing, and sporting event participation. They are looking for vacations that allow them to get away from their daily lives, relax, alleviate stress, and experience loneliness and isolation.

Anglers are the least likely to use the internet to schedule or book travel between the 21 classes of operations, but this figure is growing at 60.1%. Nevertheless, past practise, word-of-mouth, maps, and trade fairs are still widely used methods of targeting this category. Nature magazines and newspapers linked to sports are similar target methodologies.

14.6% of Americans went fishing while on an out-of-town journey of one or more nights, with 40.9% of whom recorded that as their primary reason. Those who went fishing during trips appear to be male, married, and aged between 35 and 54. Their household income and educational level are similar to that of the US average, and are most likely to live in smaller towns, suburbs, and rural areas. In the last two years, 17.9% of American fishermen reported going to Ontario for a fishing trip. Their Canadian counterparts are very similar, and alternative activities for these visitors include wildlife watching, hiking, climbing, and paddling, with an alternate option being the attendance at sporting events.

Northern Ontario captures 28% of hunting volume and 42% of hunter spending for Ontario's tourism market. This is likely due to stronger reliance on paid lodging and longer stays. They tend to spend about six nights in northern Ontario, much longer than an average of just 2.8 in southern Ontario. The most popular accommodations are unpaid lodging with only 18% spending on paid lodging, though that is higher than only 13% in southern Ontario. As most hunters engage in the sport near home, northern Ontario's hunting sector is mainly from other regions of the province and border states with Wisconsin and Pennsylvania strongest. Texas and New York, however, are potential noteworthy sources according to Destination Northern Ontario. 1 in 20 are below 24 years old, one quarter are between 25 and 34, another quarter between 35 and 44 and two fifths between 45 and 64. 91% of hunters in northwestern Ontario are men, and those travelling to northwestern Ontario to hunt are somewhat older than other regions. Generally, hunters average age is 50, compared to 55 in northwestern Ontario.

On average, these tourists visit lodges and outposts for inclusive packages, and prefer to search the internet, but not book their travel online. Travel and trade shows, as well as TV programming play a crucial role in attracting hunting tourists to various locations. Media interests include nature-oriented magazines, TV shows, and blogs.

Five Forces Analysis

Low Power of Tourists

- Significant number of anglers and hunters though there are declining demographics.
- Lakes are differentiated based on species of fish and distance to centres.
- Anglers must travel outside of urban centre to experience such.
- High Yield Anglers are concentrated in Midwest US; High Yield Hunters are from border states.
- Regions may impact catch quantity and experience quality for anglers; and game size for hunters.

Moderate Power of Operators

- High number of operators at ~250 lodges in northwestern Ontario alone.
- Outfitters provide a differentiated offering in terms of lodging.
- Switching costs are low.
- Outfitters can integrate forward.

Moderate Competitive Rivalry

- Many competitors, crowded.
- Small Industry Decline.
- Moderate differentiation among regions.
- High Fixed Costs to build lodges.
- Moderate Exit Barriers in finding new owners.

Moderate Threat of New Entrants

- The need for financial resources to enter the lodge market is relatively high for land acquisition and construction.
- Capital costs are high with labour for lodges.
- Shrinking supply of labour available.
- Existing Players do have somewhat of a quality advantage with property on lakes.
- Newcomers find consumer channels easy to access with internet and trade shows.

Moderate Threat of Substatute Experiences

- Alternative activities include boating, ATVing, and attendance to sporting events.

Power of Tourists: Low

Outdoor sportspeople are high in number, with a large number of Canadians and Americans claiming that their trips for hunting and fishing are a major factor. However, there are decreasing populations among these segments that were discussed in the situation study, to which its effect on lodge vacancy rates in the next decade may be experienced. Lakes are largely segregated according to fish types, whether or not there is road access, and the distance from other centres. In general terms, lodge prices are dependent on fish quality within its waters, and its proximity to larger urban centres. Fishing quality can impact one's experience, especially on whether or not they are capable of catching their desired fish, and the species limits. Among anglers in northern Ontario, there is a higher yield among American tourists, and these people mainly come from border states. Hunters also have low power, as hunters must rely on having hunting tags. A number of tags are distributed to lodge owners, allowing them to entice outdoor tourists to stay with an operator, while hunting in northern Ontario.

Power of Operators: Moderate

There is moderate level of operator power in this area, and in Northwestern Ontario alone, about 250 lodges exist. Outfitters have slightly different types of accommodation, depending on the amount of rustic comfort it offers. Costs for switching are low among customers, since they can select different lodges for different years. Outfitters will push forward, and since they are inclusive holidays, considerable power rests with the outfitter on their ability to provide a choice of food, gasoline, and other services.

Threat of New Entrants: Moderate

Given that an entrepreneur with very high financial resources is needed to acquire land and create a lodge, which is necessary for regions specialising in servicing these visitors, there is little chance that other regions will begin to compete in this segment. With a high degree of labour, and high capital costs, future entrepreneurs may be deterred. However, emerging players will grow, and there is a good likelihood that emerging operators will extend into the off-season, such as September and October. Established players also have a good quality advantage due to aggressive marketing campaigns, given their enhancement of fish supplies in the lakes, and with brand awareness through presence at regional sport fishing shows. It is for this reason, and the personal relationships that are formed, it is understandable that lodges generally have extremely high retention rates.

Threat of Substitute Experiences: Moderate

American and Canadian anglers and hunters both regularly also attend sporting events, and could also consider wilderness vacations which would involve hiking, wildlife viewing, and ATVing. The strongest likelihood of one of the aforementioned being a primary reason of engaging a trip is 44%, implying a relatively average threat of substitute experiences.

Competitive Rivalry: Moderate

Economic competition between regions is mild for fishing and hunting tourism. Northern Ontario has many regions that cater to fishing tourists, as it is the number one target market of most provincial tourism organisations. Due to different fish species, and the degrees of luxury and inclusiveness offered, there are only mild distinction between lodges. With a daunting task of seeking eligible new buyers, there are moderate exit barriers present. For hunting, it is much the same, but with northern Ontario specializing in longer-term stays compared to southern Ontario.

Summary

Achievers, as a subsegment of outdoor sportspeople, are a very desirable group. Together with the moderate market forces, their spending yields found in the situation analysis indicated that although it would be a rather ambitious target, there is huge potential for further growth and development in this market. To ensure that rates can be set with fair income, a low tourist power, and moderate operator power are favourable. With risks of new entrants and replacement experiences both being mild, with stable trends anticipated, market rivalry is unlikely to shift dramatically and dynamically. Reasonable competition also means that while price sensitivity is a factor, aggressive marketing strategies in the sector will ensure market dominance in the next few years.

Key Success Factors

All-Inclusive Accomodation for Diverse Markets	Attractive Waterways with High Fish Populations	Unique Town Outdoor Stores	Aggressive Marketing	Lodging Support Markets

Inclusive Accommodation for Diverse Markets:

As the situation analysis reveals, most American tourists tend to stay in lodges with inclusive packages for their stays. The number of lodges is therefore a key success factor in how well a region performs in this field. Furthermore, the variety of tourist centres makes it possible to mitigate external circumstances affecting visitor numbers in one area, drawing on different customer pools. There is a rising tendency between lodges to host families, and host weddings and conferences, with additional potential in the field of well-being tourism. Ensuring that lodges are prepared for a number of water-based applications and events will also guarantee consumer flexibility, and proactively resolve challenging industry dynamics and population changes in North American markets.

Attractive Waterways with High Fish Populations:

Since fishing is a key activity for visitors to these lodges, it is vital for them to have attracting waterways with dense fish populations. If visitors catch more fish, their value for money experiences will increase. Focuses on unique species and excellence of service are important for marketability and differentiation within this category.

Unique Shopping:

For anglers, it is important to have unique shopping opportunities, so outdoor sportspeople who frequent all-inclusive lodges on their holidays can be engaged and contribute to local economies. During their stay, their investment in various stores would increase the economy for the region. Souvenirs bring back memories for tourists, and are important for monetization in the local economy.

Aggressive Marketing:

In a competitive market, aggressive marketing is needed to generate potential visitors, in order to provide a good economic flow to the region. In a competitive market, it is important to emphasise the variety of the mediums used to catch the various consumer segments, in terms of facilities, and the natural environment.

Lodging Support Market:

Hospitality service companies may be the key factor in optimising economic flows into the region, where ancillary companies provide outboard engine repair, boat sales and service, trades, diesel, bait shops, as well as wholesale food companies offering services to lodges. This maximizes jobs, and alleviates economic uncertainty in all-inclusive resorts.

Connected Explorers

Connected Explorers are young couples under 40, who are energetic, youthful, and ambitious, both with, and without children. Similar to related adventurers, they have a great desire for travel, and many new experiences. They are searching for a robust programme of activities, and thus extend into to different horizons. Technology is a key component of the voyage, from home to home, in all stages of the journey, from searching, booking, planning, and sharing.

Connected Explorers have a psychological need for a break, and change to gain new insights and information. They are identified as committed to broaden their horizon through journeys that are key tools for facilitating these travel interests and experiences through the Internet and new technology. In every point, before, during and after the journey they scan, book, and share travel experience through new technologies. During travel, 79% use a smartphone and 90% share social networking travel experience.

Most Connected Explorers are working couples are 18-34 (44%), without children (55%). The average income is above average of $93,080, and $4,267 is the annual travel budget. In a typical 12-month cycle they make 3.6 journeys, with a typical of $862 per journey.

94% of connected explorers want to share the tourism experience after their trip. Living like a local and living in a different area is appealing to 88%. 85% of travellers appreciate social elements, with 75% wanting to discover areas off the route. 69% aim to seek a learning or intellectual experience from locals, which is much higher than average travellers.

They have a wide array of alternatives. 78% have also visited museums, 70% travelled for shopping, 69% visited natural parks, 69% travelled to culinary talent, and 63% travelled to a resort.

Porter's Five Forces

Low Power of Tourists

- Significant number of eco-tourists.
- Destinations are somewhat differentiated with special experiences at each area.
- Eco-tourists must travel outside of urban centre to experience such.
- Eco-tourists are fragmented.

Low Power of Operators

- Eco-tourist operators are relatively smaller in scope.
- Suppliers provide a specialist or rare activity that a traditional public park cannot provide, yet only in the form of a value-added service.
- Switching costs are low.
- Municipalities can integrate forward.

High Competitive Rivalry

- Many competing destinations.
- High industry growth rate.
- Moderate differentiation.
- Moderate Fixed Costs for infrastructure to monetize ecotourists (ie restaurant).

Low Threat of New Entrants

- As eco-tourism is dependent upon natural resources, entry of new regions competing for eco-tourists remains low, however it is an increasing trend.
- Existing Players do not necessarily have a notable advantage.
- Newcomers find consumer channels difficult to access.

High Threat of Substitute Experiences

- Connected Explorers visit other experiences at high rates such as museums, the arts, culinary experiences and resort travel.

Power of Tourists: Low

This segment is very fragmented, inferring low power of tourists. Destinations themselves are somewhat differentiated by offering different types of activities and scenes, however, they are similar in Northwestern Ontario in terms of their geography, and proximity to urban centres. As these tourists must travel outside the urban area to hike or engage in most eco-based activities, they must travel to a regional municipality or unorganized area. These factors suggest the power of connected explorers is low.

Power of Operators: Low

Businesses catering to this segment are usually smaller in scope, and within the shopping and hospitality sectors. Switching costs are low for these tourists, as there is a wide range of places to visit within close proximity to most northern Ontario cities. Municipalities can integrate forward, and offer more services to these segments to capture more tourism spending, namely through establishment of dining facilities, and the procurement of fuel.

Threat of New Entrants: Low

As most nature-based assets involve a natural resource, commonly a provincial park, or well-marked hiking trail, so the barrier to entry of new regions is low. However, some municipalities are engaged in trail development programs to further develop their natural resource appeal towards these tourists, such as in Manitouwadge. A major barrier to entry is the natural infrastructure for nature-based tourism that appeals to solitaires and connected explorers, such as lakes, rivers, and groomed and maintained trails. The existing regions competing for ecotourism do not necessarily have any notable advantages over others, aside from the proximity to the City of Thunder Bay, which is a factor for city residents and city tourists. Newcomers find it difficult to access where hidden hiking trails may exist, yet the use of apps are continually bridging such concern. Accordingly, the threat of new municipalities beginning to compete for eco tourists in the Sunset Country region remains low.

Threat of Substitute Experiences: High

Connected explorers have strong affinity to a wide range of other activities, such as attending the museum, involvement in the arts and culinary scenes, and resort travel. 78% attended a museum among this segment, which is extraordinarily high as an activity substitution rate. Accordingly, the threat of substitute experiences is very high among this segment.

Competitive Rivalry: High

The market rivalry for connected explorers is high, with many competing destinations for eco-tourism targeted to casual travellers in Ontario, and especially within northwestern Ontario. As the industry growth rate climbs, so too does the market size, allowing diffusion of regions competing for this segment. With moderate levels of differentiation between sites in terms of their experiences, difficulty levels and proximity to urban centres, destinations competing in this category would need to build on their areas of strength to be positioned well. Communities catering to Connected Explorers, have faced difficulty in monetization, compared to other segments. However, amenities such as restaurants, hotels, and gas stations effectively bring an adequate yield for these tourists, indicating that developing these establishments have moderate fixed costs.

Summary

Connected Explorers are an enticing category for targeting, given significant growth prospects, yet municipalities face significant challenges in monetizing these tourists, unless they have shops and services that directly cater to their needs. Green tourism is a growing industry with participants from a number of regions, especially those with provincial parks or crown land, which is the reason why the operators have modest power when it comes to its use. Tourist monetization is important, and is mainly achieved by restaurants and retail services. Since this segment means that municipalities must have a strong natural environment in close proximity, this restricts newcomers, however, some of them with untapped potential are entering the market by developing and recognising pathways. Connected explorers will take part in a wide variety of other activities, and will need content marketing to determine if the main aim of the trip is eco-tourism.

Key Success Factors

Competitive Green Consumption Trip Enhancers	Marketing Image and Reputation	Differentiation in Landscape Resources	Safety Communications	Technology Connections

Competitive Green Consumption Trip Enhancers:

Consumers have low power, however, as the situational analysis discusses, they have defined tastes, for which regions must cater to. In the situational analysis, it was revealed that sustainable consumption is a growing trend, especially among eco-tourists, which largely cover this segment. Further, in the segment profile, it was revealed they prefer nicer accommodation if they don't tent, as well as local shopping and regional cuisine, which suggests a more localized and independent taste. Offering enhancers that cater to these needs will enhance economic flows into the community.

Marketing Image and Reputation:

With a high degree of competitive rivalry, the emphasis must be on fighting competition in the areas of distinction. In the overview of the segment and situational analysis it has been seen that this segment uses social media both before, during, and after the trip, and have a good presence in relevant social media networks. A connected explorer will be more conscious of an area, and more likely to return, since they have a good profile on social media, with a good media image.

Differentiation in Landscape Resources:

With low consumer power, low to moderate power of operators, and high potential for substitute experiences, offering a diversity of landscape is important for appealing to as many individual tastes as possible. The situational analysis also unveils an uptake in winter tourism, which could prove to be a fruitful area of differentiation.

Safety Communications:

The threat of substitutes for this segment are high, and combating barriers to engage in eco-tourism become extraordinarily important. The situational analysis shows that a major barrier is the risk of falling and injury, to which safety communications are essential components of availability. Safety communications can be marketing the availability of cellular service, or having locals in close reach.

Technology Connections:

The competitive analysis in this segment suggests competitive rivalry is high, putting focus on differentiation. Tourists in this segment are very media-savvy, so having assets designed to ensure media-savvy tourists can take and share photos is essential to their happiness, and can organically grow the presence of community attractions.

Solitaries (for Touring/ Roadtripping)

Solitaires are largely single people that often travel alone. They are quiet and reserved people, whose travel experiences and budgets are often quite basic. While they often connect with acquaintances or family at the destinations they choose, they are introspective people. If they gravitate to any forms of activity, they tend to be those that can be enjoyed in isolation and align with inward thinking.

Most solitaries live alone, at 65%, and have a slightly lower household income at $62,507 with an average personal income of $53,689 compared to other segments. 64% are employed and are mostly domestic. 21% are between 18 and 34, 40% are between 35 and 54 and 39% are above 55. They go on roughly 2.5 trips per year and spend a maximum of $1,436 on each trip.

Important to solitaries is to see local landscapes that are different from their own (70%), examine local customs and routines of local people (69%), and walk around and socialize like locals (70%). They like to visit small towns and villages (62%) and only 28% constrict themselves to those areas they know well. Solitaries are below average on other motivations to travel compared with other segments.

In terms of their lifestyle, 57% seek experiences that provide solitude and quite times for contemplation, which is well above compared ot other segments. 51% also are open to diverse cultures and experiencing such.

Research reveals that solitaires are well-above average on their desire to renew personal connections other than family (35%), and average on their desires to try something new (34%), relax and relieve stress (54%), seek isolation (20%), have fun (38%) and create lasting memories (9%). 77% use the internet to plan their travels, compared with 81% among all segments.

34,149 solitary tourists are identified from Manitoba, suggesting 6.3% and 573,696 in Ontario approximately split between inside and outside the GTA.

This segment is strongest in road trips (30%), but also has a variety of limited number of alternatives. About 48% will also visit a museum, 35% would experience culinary experiences, and 32% would experience nature parks.

<u>Porter's Five Forces</u>

Moderate Power of Tourists

- Smaller number of solitary tourists.
- Destinations are somewhat differentiated with special experiences at each area.
- Solitaries are fragmented.
- Solitaries have a limited travel budget.

Low Power of Operators

- Operators are relatively smaller in scope and need to cater to a limited budget.
- Suppliers do not provide a specialist or rare activity such as motels and dining being preferred at the basic level.
- Switching costs are low.

Moderate Competitive Rivalry

- Many competing destinations.
- Moderate industry growth rate.
- Moderate differentiation.
- Moderate Fixed Costs for infrastructure to monetize solitaries (ie restaurant).

Moderate Threat of New Entrants

- There is no imitable resource a place needs to attract solitaries, and could include cultural cities to sparsely populated rural areas.
- Existing Players do not necessarily have a notable advantage with only 21% reporting travelling somewhere they are familiar with.
- Newcomers find consumer channels difficult to access.

Low Threat of Substitute Experiences

- Smaller number of substitute experiences when compared to other segments.

Power of Tourists: Low

There is a smaller number of solitary tourists compared with other segments and, with limited budgets, spend far less than other segments on a per-household basis. Destinations themselves are somewhat differentiated by their scenery, yet such differentiation is only moderate. With an aging society and as millennials enter the target age, there is moderate growth in this segment. The segment is relatively fragmented geographically and in their preferences. Altogether, this culminates in moderate power of tourists.

Power of Operators: Low

Businesses catering to this segment are smaller stores, motels and dining options. These are low-purchase transactions and there are no specific requirements of solitary travellers preferring one option of accommodation or dining from others, aside from an appreciation for local options. Specialization is low, however can be made through offering unique goods and services. Aside from hospitality services, there is little more one could do to cater to this segment.

Threat of New Entrants: High

There is a moderate threat of entry as many communities exist with the required services along the TransCanada highway and beyond.

Threat of Substitute Experiences: Low

While museums, culinary and nature park experiences are alternatives, having only three options of alternatives with over 30% of the segment partaking in, is low compared to other segments. This infers that solitaires engaging in touring faces relatively little threat of substitute experiences.

Competitive Rivalry: Moderate

The market rivalry for connected explorers is moderate, with many competing destinations competing for single, touring travellers. There are no natural or special attractions required to please this segment, aside from offering something unique and filled with local culture. Accordingly, competitive rivalry is viewed as moderate.

Summary

Solitaires are an exciting segment for exploring as a complementary tourism segment. While their numbers are smaller, the threat of substitute experiences is low. The major challenge with this segment is monetization past accommodation and dining, as very few extra amenities are required to appease this traveller. Only 9% engage in outdoor activities when travelling, implying their duration to destinations is also relatively smaller. Accordingly, ensuring that sufficient value is captured from dining and lodging would be necessary to generate reasonable economic flows. As an individual, marketing costs on a per-capita basis would hence be greater than those targeting groups of people.

Key Success Factors

- Local Culture
- Localized Trip Enhancers
- Marketing Cost
- Differentiation of Journey or Culture
- Location providing solitude

Local Culture:

This segment cares deeply about experiencing life like a local and exploring local cultures that are unfamiliar to them. Accordingly, it is important that this segment be attracted with a strongly defined local culture. This could include customs, traditions and characters that are unique to a specific region and provide rich experiences unlike other destinations. Formal means to provide connections to locals are important for engaging this segment and ensure they make interactions during their visit.

Localized Trip Enhancers:

Given their strong preference towards experiencing local cultures, and also recognizing their limited budgets, providing localized accommodations, dining and shopping is important for monetization. As these tourists mainly partake in road-based journeys, little value capture can stem from outside of these three services.

Marketing Cost:

As sole-travellers, the travelling household is much smaller than for families and other groups of people, and therefore controlling marketing cost is important to success in catering to this segment.

Differentiation in Landscape Resources:

As there are many competing destinations, featuring differentiation in terms of what benefits they will receive are important. This can infer messages speaking to their desires for solitude, cultural experience and even landscape experience from driving to a specific destination.

Location providing solitude:

Repeat visits are made by how well a destination fulfils goals, and in this segment, that is the goal of seeking solitude and quiet time for contemplation. Accordingly, providing a means to accomplish this goal well would be important for long-term success in catering to this segment.

Up and Coming Expeditioners

Segment Profile

This is a youth-oriented group that is on its way up in the world. These travellers are emerging into a new life-stage, often characterized by greater affluence and new opportunities. Visible minorities and immigrants often fall into this segment.

Travel is not about connecting with family or friends, but rather for excitement of something new. While these people often want to be adventurous and energetic, their travel experiences often start with what is nearby, and typically involve core tourist attractions similar to “up and coming explorers”, they later transition to more extreme versions of eco-tourism, snow machining, and back country hiking, known as “expeditioners”.

This segment has an average household income of $88,361, stays an average of 4.6 days, and spends on average, $947 per trip. 70% aim to travel to feel carefree, compared to how they feel at home, 65% believe shopping is an important part of the experience, and 45% are inspired to try local cuisine that they can not get at home.

54% report being attuned to nature, 52% report a need to escape everyday life through these experiences, and 51% travel to seek solitude and quiet times for contemplation. Alternative activities involve major tourist attractions, museums, and beaches.

In terms of media consumption, 89% use the internet to plan or book travel, spending an average of 13.8 hours online per week. 19% use travel apps, 41% use the internet to make reservations, and 73% use the internet to look up information.

<u>Porter's Five Forces</u>

Moderate Power of Tourists

- Significant number of tourists.
- Destinations are somewhat differentiated.
- Tourists need to travel to experience exploring areas.
- Tourists are not concentrated.

Moderate Power of Operators

- High number of operators (ie hotels) that capture this segment, yet not as many to capture demand
- Operators have limited differentiation
- Operators can integrate forward.

Moderate Competitive Rivalry

- Many competitors, crowded.
- High industry growth rate.
- Moderate differentiation.

High Threat of New Entrants

- Targetted well in northern Ontario
- Existing Players do not necessarily have a cost nor quality advantage though may have one with proximity to cachment areas.
- No notable regulation.
- Newcomers find consumer channels easy to access.

Moderate Threat of Substitute Experiences

- Alternative experiences include shopping, sightseeing national attractions and visiting friends and family.

Power of Tourists: Moderate

This segment is significant in number in Canada, growing with internationalization of Canadian citizens and millennials, and they are well targeted across Ontario RTOs. Given this, tourists of this segment are not concentrated to any particular area of the province. Destinations these tourists seek are very well differentiated, in order to have a wide range of understanding of the sights of Canada. Given the volume and spread of these tourists, their power hence remains low.

Power of Operators: Moderate

The power of the operators in this segment, such as hotels, is moderate. On one hand, there is a significant number of operators that capture and cater to this segment, yet not enough to fully cater to the demand. Operators can integrate forward by offering dining services and retail space to capture more value from these tourists. Additionally, they could also integrate into activities such as fishing, snow machines, gear rental, and ATV charters.

Threat of New Entrants: High

The threat of new regions competing these segments is high, as it is targeted as an ideal segment by eleven of the thirteen RTO, in addition to 13a and 13b representing Northeastern and Northcentral Ontario respectively. While each region varies in its own ways, existing regions who cater to this segment do not necessarily have a cost or quality advantage, aside from proximity to an urban centre catchment areas. Newcomers to this segment find channels relatively easy, with a range of digital marketing campaigns by others, being targeted to them.

Threat of Substitute Experiences: Moderate

This segment participates in shopping, sightseeing national attractions, and visiting friends and family, at average rates to other segments in the mid-40% range, depending on the activity. Accordingly, the threat of substitute experiences is ranked at moderate.

Competitive Rivalry: Moderate

As a targeted segment by many northern communities, there are many regions in northern Ontario currently competing for this segment, and it is accordingly a crowded market. Each destination catering to this market offers something somewhat different from others in Ontario, however, the degree of differentiation among northern Ontario attractions remains moderate.

Summary

Expeditioners are a small, yet high yield and growing market. The power of these tourists is moderate, as they face many choices in terms of regions to spend their vacation. The threat of new entrants is quite high, as this group is a priority segment for the majority of Ontario RTOs, and this implies towns within each RTO will have expanded plans to better cater to this segment. Substitute experiences are moderate, as on average, have a likelihood to engage in other activities, namely shopping, sightseeing, and visiting others. Competitive rivalry for this segment is moderate, implying that supply and demand are closely tied, and that some price sensitivity exists when catering to this market.

Key Success Factors

Competitive Trip Enhancers	Differentiation of Destination Drivers	Ability to Draw Traffic to Community Downtown	Range of Accessible Outdoor Activities	Proximity to Regional Centre

Competitive Trip Enhancers:

In order to monetize expeditioners and eco-tourists, it is important to have a competitive offering of trip enhancers, such as dining options and hotels. In the situational analysis, it was revealed that most tourists in this age range seek local cuisine, and unique shopping, and are willing to pay more for sustainable products and local food. Expeditioners also prefer lakeside lodging, and so having lodging that ties in with the natural environment would be important for extracting maximum value from this segment, and serving their needs best.

Differentiation of Destination Drivers:

Highlighting differentiation among destination drivers, whether natural or physical structures, would be important to maximizing the likelihood of them pursuing one region over others.

Ability to Draw Traffic to Community Downtown:

The primary purpose of the trip for this segment is exploring, however, shopping ranks as a high alternative, and is important for economic contributions to the community. Wayfinding signage has become increasingly popular in North American destinations, for its effectiveness at bringing tourists into the commercial parts of the community to maximize visitor spending.

Range of Outdoor Activities:

Having outdoor activities that are different would be important for engaging this segment, who is experienced in the outdoors. As this segment is likely to also consider pursuing other activities as the main purpose of their trip, it would be important for regions competing in this space to market a range of outdoor activities. This would raise awareness and desire to explore, and in return, increase the likelihood of them pursuing these other activities. Further, providing a range of activities can increase retention of tourists, who will visit again, and reduce associate acquisition costs.

Proximity to Regional Centre:

Backcountry explorers look for having a high sense of remoteness, reduction of litter, and opportunities to view stunning scenery. In a University of Guelph thesis, Chad Neufeld (2014) surveyed 119 backcountry visitors in Canada, to determine the highly sought features of a backcountry destination. Interestingly, proximity to urban centres was seen as a negative. Conclusions also suggest user experiences can be improved by protecting the remote feel of the environment, ensuring an adequate mix of trail and backcountry facilities, and the availability of stunning scenery are important factors to success for backcountry travel.

Destination Analysis

Understanding the tourism potential of a region in terms of competitive advantage, leads to an understanding of key opportunities for responding to the external climate, and its key challenges.

A VRIO review asks, on a yes / no basis, four questions relating to each asset.

(a) **V**alue: Is it valuable in providing something that tourists like?
(b) **R**arity: Is it rare compared to its immediate competition?
(c) **I**mitability: Is it easy for competition to imitate the resource?
(d) **O**rganization: Are activities in the town organized for exploitation economically?

When a "no" on any of the ordered questions is reached, the analysis ends and the asset is able to be classified as either:

(a) **Competitive Disadvantage** – Providing something that is not valuable
(b) **Competitive Parity** – Providing something valuable, but not rare
(c) **Temporary Competitive Advantage** – Providing something rare, yet easily imitated
(d) **Underused Competitive Advantage** – Providing something valuable, rare, and imitable, but not organized to exploit for economic potential; or
(e) **Sustainable Advantage** – Providing something valuable, rare, difficult to imitate, and organized for exploitation economically

VRIO analyses every group asset in one of the following categories:

(a) **Natural Destination Drivers**: Based on environmental resources, these assets drive visitors to a region.

(b) **Infrastructural Destination Drivers**: Based on buildings and infrastructure, these assets drive visitors to a region.

(c) **Regional Destination Drivers**: Based on proximity to regional nature or infrastructural attractions, these assets drive visitors to a region.

(d) **Trip Enhancement Drivers**: Important for monetization of tourists, these drivers help monetize traffic, by providing goods and services relevant for tourists.

(e) **Development Assets**: These are important for future development of the region, to further drive visitors to a region, and capture their spending.

(f) **Marketing Assets**: The marketing assets of a region are directed to potential tourists, in hopes of driving demand.

Community Destination Drivers

Hiking Opportunities	**V**	**R**	**I**	**O**
Description: Hiking opportunities in the Township and beyond exist, however, trails are unmarked. Some local residents and former residents who know the trail system will embark on hikes and find some hidden gems, as exposed on social media. There is limited cellular service just beyond township limits.	**Value:** Hiking in the extreme north is a very unique experience and speaks to the resilience of the community. **Rarity:** Very rare given the sheer remoteness of the hiking trails compared to others in the country. **Imitability:** As a natural resource, it is difficult to imitate, especially the remoteness from urban centres. **Organization:** The townsite is well organized to monetize tourists that seek hiking, given the availability of restaurants and accommodation, however, these remain limited.			

Sportsfield and Arena	V	R	I	O
Description: A small sports field and arena exist in the community. They are outdated, however, have capacity for small-scale regional events.	**Value:** Arena and Sportsfield can host some small-scale events and are in relative proximity to northern communities. **Rarity:** Sports fields and arenas are common to many communities. Sioux Lookout and Red Lake also offer these amenities within relative proximity.			

Boat-in Cottage Lot Developments	V	R	I	O
Description: Newly added waterfront development on Kapkichi Lake offering boat-in cottage lots.	**Value:** Provides a cottage that features an extreme version of wilderness, only accessible by boat and offered at tremendous value on price. **Rarity:** Boat-in cottage lot developments are increasingly rare in southern parts of the province and remain relatively rare in northern Ontario. **Imitability:** Other communities can also develop similar lots.			

Pickle Lake (Lake)	V	R	I	O
The waters of Pickle Lake provide tremendous opportunity for fishing some limited species of fish (not walleye), and provides waterfront access for development.	**Value:** Small lake close to the town centre. Offers extensive lakefront. **Rarity:** Several other communities have small lakes close to their towns.			

Availability of Locals	V	R	I	O
Description: Several residents of the region show values of hard work, resilience, and can provide visitors a true glimpse into real, northern living. The Blackfly Festival, occurs annually to gather the community together for both citizens and visitors of friends and family alike.	**Value:** Offers residents an opportunity to interact with a wide range of locals. **Rarity:** Very few other communities are small enough yet organized to provide such interaction. **Imitability:** Considering this is a human capital asset of a considerable size, it would be difficult to imitate. **Organization:** Lack of organization to facilitate exchanges reduces abilities for interaction.			

Regional Destination Drivers

Pipestone River Provincial Park	V	R	I	O
Description: Features the DeGeer mountains, Big Beaverhouse moraine, and Glacial Lake Agassiz sands and silts. Pipestone is also an excellent paddling destination, and the park allows hunting. It is a non-operating park and does not provide any services. The focus is extreme wilderness and back country adventure. Usually, a strong population of Blackflies are present at this park.	**Value:** Exceptionally northern park, making it an ideal place of travel for extreme travellers. **Rarity:** Most northern provincial park accessible by road. **Imitability:** Many other communities have non-operating provincial parks, however this one is exceptionally remote which overs a very different feel of remoteness. Hence, it would be difficult to imitate such remoteness. **Organization:** The park remains relatively unknown to regional travellers. Some services exist in Pickle Lake, such as grocery, dining, gas and accommodation. There is a lack of outfitters who can transport residents from one end of the river to			

	other. There is also a lack of an appropriate campground.

Unorganized Kenora District and Highway 599	V	R	I	O
Description: Unorganized Kenora District includes virtually all of the Crown Land surrounding the Township of Pickle Lake. Highway 599 is the highway that connects the Trans-Canada to Pickle Lake.	**Value:** Moderately long (3.5 hrs) stretch of road without cellular service or much civilization. **Rarity:** Most northernly paved road in Ontario, colloquially known as the "end of the road". It is noted the access roads technically continue to Weagamow Lake. **Imitability:** Given the physical geography, it would be unlikely paved roads in Ontario would ever be more northern than 599. **Organization:** Lack of billboards suggesting visitors venture north, and lack of wayfinding signage in the town suggests future potential to exploit this segment.			

Nearby Fishing Lodges	V	R	I	O
Description: Several lodges exist along Highway 599 that specialize in servicing American angler tourists. Several wilderness outposts are found to the south or north of the townsite.	**Value:** Lodges provide an exciting wilderness experience, with Lakes such as Lake St. Joseph boasting over 2 million walleye fish. Little development if any, on these lakes. **Rarity:** While other lodges exist, the sheer catch rates of fishing on extreme lakes are unmatched. **Imitability:** As the success of lodges are tied to its fishing populations, it would be only slim possibilities for other regions to duplicate. **Organization:** The lodges themselves are organized to exploit well, with legislation ensuring all foreign visitors to these lakes stay in lodges to prevent over-fishing; however, the town is not organized well to take advantage of the lodges nearby. Very few lodges are located north of the town meaning traffic does not enter. Further, the lodges deal with vendors to the south for the majority of their needs and there is a lack of a lodge service sector in Pickle Lake aside from the LCBO which supplies liquor.			

<table>
<tr><th>Highway 599 Corridor</th><th>V</th><th>R</th><th>I</th><th>O</th></tr>
<tr><td>Description: Most northern highway in Ontario, this road with little civilization between Ignace and Pickle Lake, and no civilization spans two hours past Central Patricia, to Windigo Lake and turn-off points for ice roads.

Important points of interest of the corridor include:
Silver Dollar, which includes a gas station, general store and CAN-OP gas station
Savant Lake, a community with a store, restaurant and motel, mid-way from Igance to Pickle Lake
Mishkeegomang First Nation
Pipestone Provincial Park and several lakes
Windigo Lake, the most northern destination of formal Highway 599
Weagamow Lake Rd., an all-season road connecting to Weagamow Lake First Nation.</td><td colspan="4">Value: Travelling the most northern highway allows adventurous tourists to explore the townsite of Pickle Lake, natural attractions such July Falls, and several interesting bridges. It also offers exhilaration given the sheer northern location.
Rarity: Most northern paved road in Ontario.
Imitability: Unlikely, as no other community would invest in creating an all-season road of equal length. Some indigenous communities are eventually going to connect to all-season roads, however, these are not highways.
Organization: Little photography, literature or signage exists on what to expect south of, within and north of Pickle Lake which infers little marketing attention has been placed in this area. Interviews with Weagamow Lake reveal that the EDO is planning for a motel development within the community, however this has yet to be formally approved by their Council.</td></tr>
</table>

<table>
<tr><th>Lake St. Joseph</th><th>V</th><th>R</th><th>I</th><th>O</th></tr>
<tr><td>Description: Lake St. Joseph is 30 kms south of Pickle Lake, and is a massive Lake historically used as part of a canoe route from James Bay to Winnipeg. HBC established a post at Osnaburgh House in 1939. The lake is diverted to go downstream to support the Ear Falls Generating Station and others. Over 2 million walleye live in the lake.</td><td colspan="4">Value: Large lake with extensive fishing populations leads to very quick catch rates.
Rarity: Few other lakes have the density of walleye as Lake St. Joseph. It is also a protected Lake with minimal development.
Imitability: As a natural resource, this can not be imitated.
Organization: Lodges on this lake are to the south of the town, meaning visitors miss the town who are there for the lodge.</td></tr>
</table>

<table>
<tr><th>Proximity to Regional Lakes north of Pickle Lake</th><th>V</th><th>R</th><th>I</th><th>O</th></tr>
<tr><td>Description: Literal hundreds of lakes lay just to the north of Pickle Lake, including:
Mud Lake – 41km North with camping sites
Farmer Lake – small lake with good hunting
Lysander Lake – 80km north with a popular camping area</td><td colspan="4">Value: Campsites are important to rugged travellers.
Rarity: The remoteness of each lake from civilization makes them extraordinarily rare.</td></tr>
</table>

➢ Menako Lake – 105km north with beaches and camping spots ➢ Otoskowin River – 48km north with small campsite ➢ Pipestone River Landing – 147km with rugged camp site but solid fishing and hunting opportunities. ➢ Stirland Lake – 182km north with rugged camp site.	**Imitability:** As a natural and geographical resource, they are difficult to imitate. **Organization:** While each traveller must pass the town to go to these lakes, few buy groceries in town and interviews with tourists in this segment suggest there could be enhanced access to stores for unique dry goods.

Trip Enhancement Drivers

Accommodations	V	R	I	O
Description: Existing accommodations include a bed and breakfast, and a small hotel.	**Value:** Overnight visitors increase spending by far, compared to short haul guests. Accommodations are at under-capacity. **Rarity:** Accommodations similar to those in Pickle Lake exist in many other northern towns.			

Camping	V	R	I	O
Description: Currently, the RV park is a gravel parking lot.	**Value:** Campgrounds increase overnight spending to a wider audience of tourists. The current parking lot set as the campground has no amenities and is not adequate.			

Town Recreation Amenities	V	R	I	O
Description: Pickle Lake is home a community hall, curling rink, bowling alley, and fitness centre in addition to the arena and sports field. Pickle Lake now also has a lakefront dock.	**Value:** These structures can draw large swaths of tourists for tournaments and smaller events. **Rarity:** Many communities have arenas and sports fields including many remote First Nations.			

Dining	V	R	I	O
Description: Pickle Lake is home to one restaurant, that serves a wide variety of Canadian cuisine, and breakfast. It is located inside the hotel. A Tiki Bar and extensive deck has recently been added to the hotel.	**Value:** Visitors like to dine, and it is an important area for the town to monetize tourists. The only restaurant in the town is inside the hotel, which produces quality food at an affordable price. **Rarity:** There is nothing gleamingly rare about the dining options in town.			

Shopping	V	R	I	O

Description: Stores available include a grocery and general store, LCBO, credit union, hair salon, gift shop and convenience store. Town swag can be purchased from the Township Office. Gift shop is located in residential section, while other stores are located in central downtown area.	**Value:** Visitors like to shop, and it is important for the town to monetize tourists. LCBO and grocery store are used by visitors to buy essentials. **Rarity:** Gift shop sells very unique items to Pickle Lake, however other stores are very generic and do not sell local work.

Development Assets

Highway 599 extension	V	R	I	O
Description: Highway corridor expansion is going through, which connects the townsite to the major highway portion of 599.	**Value:** Provides another point of entry to the community, which will see most traffic from and to the town. **Rarity:** Will become one of only two entries to the town. **Imitability:** As a physical resource, this would be hard to imitate. **Organization:** Potential infrastructure development			

Waterfront Development near NorthPop	V	R	I	O
Description: Waterfront Land close to downtown has strong potential for development of supporting infrastructure.	**Value:** Studies from Sunset Country reveal a desire by tourists for scenic vistas, and for water view accommodations. This land provides a water view, and is ready for development. **Rarity:** Limited waterfront accommodation exists in Pickle Lake. **Imitability:** As a physical resource, this would be hard to imitate. **Organization:** While this provides an exceptional opportunity, it has not yet been developed.			

Existing Assets for Potential Repurpose	V	R	I	O
Description: Winston Motor Inn is an older waterfront inn that has seen little investment in recent times. Potential redevelopment is a consideration.	**Value:** Waterfront motel that presents opportunity for redevelopment. **Rarity:** Limited lakefront on Pickle Lake within town limits. **Imitability:** As a physical resource, this would be hard to imitate. **Organization:** While this provides an exceptional opportunity, it has not yet been developed.			

Location from Market

Pickle Lake Airport	V	R	I	O
Description: Pickle Lake Airport is a hub airport servicing mostly cargo needs of Ontario's northern First Nation communities. Scheduled passenger service via Wasaya and North Star Air (Northwest Co.) is offered from Sioux Lookout, or from Thunder Bay and Winnipeg via Sioux Lookout.	**Value:** Provides quick connections to the US market and southern Ontario compared to driving. Also shrinks travel time for markets in driving distance. **Rarity:** Only one airport serves the community. **Imitability:** As a physical resource, this would be hard to imitate. **Organization:** Interviews reveal very little tourist businesses, though strong potential with one operator using a flight to fly people in from down south. There are currently no connections made widely available and YPL, the local airport code, does not integrate with routes on Google Flights or other flight engines. The two regional brands have little integration with national carriers.			

Steady flow of Business Travellers	V	R	I	O
Description: Business travellers to Pickle Lake refer to those whose primary purpose is business. These tourists can be from the following sources: a) **Mining Business,** responding to local growth in the mining sector b) **Energy Business**, including Phases I and II of the Power Line project better connecting Northern Communities c) **Government Day Business,** including those visiting from elsewhere for government business. d) **Long-term Service Business**, including pilots, teachers, retail managers, healthcare workers and natural resource workers.	**Value:** Provides a steady stream of travellers to Pickle Lake, who have to come to the community for business and are already present. **Rarity:** While many communities have business travellers, few are so isolated that they spend a great deal of time within the town itself. **Imitability:** As the isolation is a physical resource, this would be hard to imitate. **Organization:** The community seems to be encouraging of long-term service workers, who even make personal 'welcome' calls to newcomers. However, interviews also reveal enormously more potential to engage all business travellers in activities within the community.			

<table>
<tr><th>Day Drive from Thunder Bay, and Winnipeg</th><th>V</th><th>R</th><th>I</th><th>O</th></tr>
<tr><td>Description: Pickle Lake is within a 7-hour drive from Thunder Bay and 9 hours to Winnipeg, two major Canadian centres.</td><td colspan="4">Value: Winnipeg and Thunder Bay may be in the north, but if they want to experience the far north by car, Pickle Lake is the most northern place to go by road.
Rarity: Only Pickle Lake, Sioux Lookout and Red Lake are major towns north of the Trans Canada.
Imitability: As a physical resource, this would be hard to imitate.
Organization: Consultations reveal little travel from Thunder Bay and Winnipeg.</td></tr>
</table>

<table>
<tr><th>Day Drive from USA</th><th>V</th><th>R</th><th>I</th><th>O</th></tr>
<tr><td>Description: Pickle Lake is within a 12-hour drive from Minneapolis and an 8-hour drive from the Duluth border crossing.</td><td colspan="4">Value: With a border crossing in close proximity, border states such as Minnesota, and Wisconsin are in exceptionally close reach.
Rarity: Only wilderness town connected by road and hence available for road travel from the US.
Imitability: As a physical resource, this would be hard to imitate.
Organization: Interviews reveal many lodge businesses in the region are reliant on US customers. However, this traffic mainly goes to lodges south of the town and does not enter town accordingly.</td></tr>
</table>

Proximity to First Nations and Remote First Nations	V	R	I	O
Description: First Nation communities close to Pickle Lake include Mishkeegomang First Nation to the South, and several northern First Nations serviced by the community to the North.	**Value:** First Nation Communities can offer tourists from elsewhere a glimpse of authentic Indigenous culture; and can also serve to feed Pickle Lake as a source for visitors. Indigenous communities are also able to apply to specific funding programs to bolster tourism for their community. **Rarity:** Very few other full-service communities are in close proximity to remote First Nations. **Imitability:** As a physical resource, this would be hard to imitate. **Organization:** From interviews, it was revealed very few visitors to Pickle Lake partake in Indigenous tourism due to a lack of tourism-based activities on these communities. Further, interviews also reveal that there is a lack of fully monetizing the traffic from First Nations to the North inferring a lack of services meeting their needs.			

Marketing Presence	V	R	I	O
Description: Presence on Northern Ontario travel, signage on the Highway, page on township website; logo and billboard design.	**Value:** Marketing draws people, however, it is rather small and limited. Pickle Lake's tourism marketing is very limited to a page on its township website. There remains a lack of a list for possible activities. Highway signs and the logo for tourism promotion are new and very valuable.			

Summary

Pickle Lake is home to many strong tourism assets, especially within the surrounding region, that make it a one-of-a-king wilderness destination. As a full-service isolated community, it has many resources that are not easily imitated and sufficiently rare and valuable that could provide long-term advantage in the future, should the township make better use of these resources. There are some resources which are not valuable or valuable but not rare, and as such, the township should work to address these through greater attention. This includes most trip enhancement drivers, which are essential for monetization of tourists within the township and for economic growth. Strategy should focus on how Pickle Lake can better exploit its resources better for such.

	V	R	I	O	
Community Destination Drivers					
Hiking Opportunities					Underutilized
Sportsfield and Arena					Competitive Parity
Boat-in Cottage Lot Developments					Temporary Advantage
Pickle Lake (Lake)					Competitive Parity
Availability of Locals					Underutilized
Regional Destination Drivers					
Pipestone Provincial Park					Underutilized
Unorganized Kenora District					Underutilized
Nearby Fishing Lodges					Underutilized
Highway 599 Corridor					Underutilized
Lake St. Joseph					Underutilized
Proximity to Regional Lakes north of Pickle Lake					Underutilized
Trip Enhancement Drivers					
Accommodations					Competitive Parity
Campsites					Competitive Disadvantage
Town Recreation Amenities					Competitive Parity
Dining					Competitive Parity
Shopping					Competitive Parity
Development Assets					
Highway 599 extension					Underutilized
Waterfront Development near NorthPop					Underutilized
Existing Assets for Potential Repurpose					Underutilized
Location from Market					
Pickle Lake Airport					Underutilized
Steady flow of Business Travellers					Long-term advantage
Day Drive from Thunder Bay, Winnipeg					Underutilized
10 to 12-hour Drive from USA					Underutilized
Steady flow of Business Travellers					Underutilized
Proximity to First Nations					Underutilized
Marketing Presence					Competitive Disadvantage

Strategic Framework

Putting Research into Action

A tourism strategy is fundamental in establishing what resources are available, and how a region should use its resources, or enhance and adjust those resources to take better advantage of opportunities and protect against threats. It therefore explores how the strengths and weaknesses of its resources can meet a changing, complex external climate.

The TOWS matrix is like a conventional SWOT review for strengths, weaknesses, opportunities, and threats, but its emphasis is on strategic formulation. The opportunities, vulnerabilities, and challenges are based on key topics discovered in the PESTLE analysis, that explores the main drivers of change in a detailed fashion, and the model of five forces that provide key success factors in the dynamics of the industry. Strengths and weaknesses are gathered from key subjects in the VRIO resource study, for which strategies are then measured, where potential and threats can be calculated.

In comparison to SWOT, TOWS offers a visual framework for linear relations between each group, in four strategic classifications:

(a) **Attacking Strategy (Strength/Opportunity):** Actions that leverage strengths being put to use in the most promising opportunity.

(b) **Build Strengths for Attacking Strategy (Weakness/Opportunity):** Actions that minimize the company's weaknesses in being able to respond to opportunities.

(c) **Defensive Strategy (Strength/Threat):** Strategies that can leverage a community's strengths to minimize identified threats.

(d) **Building Strengths for Defensive Strategy (Weakness/Threat):** Strategies that minimize a community's weaknesses to avoid a threat identified.

	<u>Strengths</u>	**<u>Weaknesses</u>**
	➢ Natural Destination Drivers provide extraordinary rare moments given their extreme northern location. ➢ Most northernly municipality in Ontario, 3.5 hours north of the TransCanada. ➢ Locals have unique stories of resilience. ➢ Outfitters provide inclusive services. ➢ Proximity to several regional nature assets including Pipestone River Provincial Park ➢ Significant number of lodges in 2-hour radius. ➢ Development Assets, namely Waterfront and Lake view land for development. ➢ Adequate Cellular Service for Canadians. ➢ Proximity to Markets, namely Thunder Bay and USA border states. ➢ Arena and Sportsfield located within town. ➢ Gas station, hotel, grocery store and restaurant are present to make this a full-service community. ➢ Full-service airport with passenger service. ➢ Steady flow of business travellers. ➢ First Nation community in short distance.	➢ Dining options are very limited and at a competitive disadvantage. ➢ Few accommodations limits the ability to monetize tourists. ➢ Limited camping facilities. ➢ Limited shopping with limited hours and little awareness of local artisans. ➢ Underutilized natural destination drivers and infrastructural drivers due to lack of amenities within the town and under promotion. ➢ Lack of events. ➢ Lack of WiFi. ➢ Blackflies are numerous. ➢ Marketing presence is generic, dated and has not gained significant attention. ➢ Limited integration between regional and national airlines.
Opportunities ➢ FedNor Funding for building on tourism strengths. ➢ NOHFC funding for events, and strategic infrastructure. ➢ Recent Tourism Strategies from Federal, Provincial and Regional governments and agencies. ➢ Indigenous Tourism increasingly growing in importance as a priority for the Governments of Canada and Ontario. ➢ Tourism Northern Ontario is focussing on high yield sports (fishing, nature, auto/ RV) as first priority, with a focus on Knowledge Seekers, Up and Coming Explorers, and Connected Explorers. ➢ Sunset Country's target markets are fishing and long-haul travel. ➢ 85% of tourism value capture in NWO is in accommodation, transportation and food. ➢ Continued growth of US tourists to Canada. ➢ Growing internationalization of tourism. ➢ Most tourists stay 3 nights. ➢ Hotel market strong in NWO in terms of vacancy, price per room and revenue per room. ➢ Increasing prominence of millennials and New Canadians in tourism, which increases authentic and immersive travel with local cuisine and accommodation. ➢ Hiking is most popular nature-based activity requiring a short-haul travel outside of urban area. ➢ Rise in Immigrant Entrepreneurs in the Region. ➢ American anglers are 75% likely to stay in a lodge and have a 76% higher yield. ➢ Growth in Winter Eco-Tourism Projected. ➢ Overlanding Tourism a Small but Growing Niche. ➢ Greater Role of Technology in Trip Planning. ➢ Northern Ontario-wide Marketing. ➢ Social Media as Social Currency for Millennial Travelers. ➢ Wellness Tourism as a growing high-yield segment. ➢ Increasing consciousness of sustainable consumption. ➢ Low threat of substitute experiences to RVers. ➢ Low threat of new entrants to RV, eco and marine.	Build Distinctive Wayfinding signage to attract and steer tourists of lodges to the south towards the town, and those visitors to the town towards appropriate tourist assets. Prepare to service lodges in the local region. Plan for re-development of campground. Promote Pickle Lake as a unique, one-of-a-kind natural destination to achievers, solitaires, connected explorers, and expeditioners. Offer visitor packages for its target segments to increase visitor engagement.	Plan to attract a hotel developer within five years to anchor tourism and development. Encourage development of local dining and retailers and consult available funding for strategic infrastructure. Integrate technology to connect tourists, local residents, businesses in the Pickle Lake region. Develop an inclusive digital marketing strategy connecting Pickle Lake through a range of mediums, including web, social media, mobile apps and integrated technology partners. Build Event Portfolio. Explore market research to examine development of new Highway intersection.
Threats ➢ Most visitor spending occurs July to September, and by pleasure tourists, those visiting and those on business. ➢ Threatening Demographics of Recreational Anglers and Hunters. ➢ Eco-tourists are concerned about risk to injury. ➢ Insurance for Adventure Tourism at a high cost. ➢ Climate Change having negative impact on fish populations and water quality. ➢ Seasonal fluctuations to Hotel occupancy in Canada. ➢ High Threat of Substitute Experiences among Eco-tourists/ Connected Explorers. ➢ High likelihood of new entrants for Expeditioners and moderate level for Connected Explorers. ➢ High competitive rivalry for Expeditioners and Connected Explorers.	Work with local tourism operators and airlines to diversify winter offerings through packages. Promote abundance of scenic winter and off-season eco-tourism activities.	Consider promoting stronger integration between regional and national airlines. Attract virtual car rental agency, and possibly diversify into other rentals.

<u>Attacking Strategy:</u>

Build distinctive wayfinding signage to attract and steer tourists of lodges to the south towards the town, and those visitors to the town towards appropriate tourist assets.

Wayfinding signage strategically located near exists and entrances for hunting lodges are important for drawing visitors to the community. Catching the largest fish may be an achievement, however, so too is visiting the most northern town. Integrating the gift shop, township office, hotel, gas station, and other services within signage of the community is also helpful for ensuring visitors are able to find their way, and visit high-monetizing services, or natural attractions that would extend stays.

Prepare to service lodges in the local region.

Offering services to lodges, such as small engine repair, bait and tackle, food service, and others can provide local employment. Furthermore, labour market preparation for some seasonal jobs as guides or lodge staff should also be considered.

Plan for re-development of small campground.

With overlanding a growing trend, and many target segments to Pickle Lake having sufficient preference of camping, enhancing the existing RV park (currently a gravel parking lot) would be a low-investment, high-return project. The campground is owned by the municipality.

Promote Pickle Lake as a unique, one-of-a-kind natural destination to achievers, solitaires, connected explorers, and expeditioners.

Pickle Lake is the most remote municipality in Ontario. It is an area where people are truly by themselves and must embody resilience to even visit. It is a once-in-a-lifetime, unique experience.

Offer visitor packages for its target segments to increase visitor engagement.

Packages are a strong method of encouraging people to visit all worthy points of interest that may appeal to them, and alow each segment to experience a ‘signature experience’ of their own. This would improve visitor retention and spread the word to audiences back in these travellers’ homes. Developing packages is also important for bleisure tourists, who are already in Pickle Lake, and may also correlate to a higher retention rate of its transient workforce.

<u>Build Strengths for Attacking Strategy:</u>

Plan to attract a hotel developer within five years to anchor tourism and development.

Significant value capture by tourism is from accommodations. As the region has very attractive market conditions for hotel development, as does the immediate region surrounding Pickle Lake, future development would surely be feasible. A ten to fifteen room motor hotel provide increases capacity to meet existing demand unmet by the current accommodations. Redevelopment of an existing property and potentially engaging the surrounding First Nation can be important next steps.

Encourage development of local dining and retailers and consult available funding for strategic infrastructure.

Living like locals are important for most target segments identified in the strategy for Pickle Lake. Accordingly, offering local dining and retail experiences would be important. This means supporting existing entrepreneurs while also promoting the opportunity for future entrepreneurs to take on the opportunities of the north. Establishment of an economic development corporation could also be explored, to work with agencies such as the new programs under NOHFC.

Integrate technology to connect tourists, local residents, businesses in the Pickle Lake region.

With innovative technology increasing among modern consumers, connectivity is increasingly valued, yet is rare in Sunset Country. Understanding the lack of broadband internet is a detriment to Pickle Lake, making connectivity more widely available is a strong next step.

Develop an inclusive digital marketing strategy connecting Pickle Lake through a range of mediums, including web, social media, mobile apps and integrated technology partners.

Digital marketing is important for the target audiences, as ensuring proper digital campaigns with a unique branding position are important, in order to identify larger markets. Digital marketing can reach out to potential lodgers to pre-plan that extra hour needed to plan on reaching the most northernly town in Canada. Having a souvenir, or a selfie sign, would be a strong asset. The legendary one that exists with “you finally made it” can be updated with something similar.

Build Event Portfolio.

Events can be a multiplier for revenue to communities, and therefore, there should be a plan to strengthen existing events, while introducing a new anchor event showcasing Pickle Lake as a quirky unique wilderness destination.

Explore market research to examine development of new Highway intersection.

With potential for fuel, accommodation, and commercial development, there may be many new possible business opportunities. Further real estate and market research of highway travellers should be conducted to confirm viability. A swag shop with unique gifts could steer people from missing the town when they are headed for points further north, and these shops bring substantial margin which would be good for the community.

Defensive Strategy

Work with local tourism operators and airlines to diversify winter offerings through packages.

Working with the non-profit entities would be essential to marketing the region towards winter eco-tourism, who comprise a large group in the local region. Airlines would be important for these travellers to access the area as the highway can be a concern for less adventurous road tourists.

Promote abundance of scenic winter and off-season eco-tourism activities.

Pickle Lake is home to some spectacular winter tourism adventures in close proximity, and can carve itself a niche by being the first mover on promotion of winter tourism. Economically exploiting these tourists will be greatly enhanced once a commercial centre is open and available.

Build Strengths for Defensive Strategies:

Consider promoting stronger integration between regional and national airlines.

Airlines are essential for winter tourism, and for attracting US visitors. It is also useful for growing local communities. Current Regional airlines are not integrated well with major air carriers online, especially in search engines like Google Flights, for the YPL airport. This may lead some to thinking flights to Pickle Lake can be difficult, expensive and may be not available.

Attract virtual car rental agency, and possibly diversify into other motorized rentals.

Car rentals are important for servicing flight tourists. Some car rental franchises, like Discount Car Rental, sometimes station one or two cars and have an automated booth that connects to a live agent via Webconference. One example is the VIA Kingston train station. This option can be explored for Pickle Lake. In addition, diversification into other rentals such as boats, should be encouraged if the Township decides to grow its dockage on Pickle Lake.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WELCOME
TO
PICKLE
LAKE
ONTARIO'S LAST FRONTIER
POPULATION: Somewhat
Smaller than Toronto
RV
PARK
A FULL SERVICE
COMMUNITY
Limestone
PARTNERS