

# Preparing for the 2021 Tourism Season in NL

*March 2021*

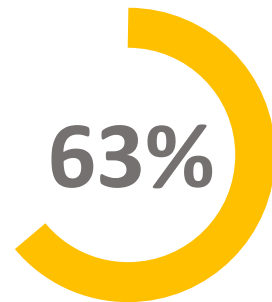
# Agenda

- Travel demand
- 5 things to know about resident travellers
- Opportunities for the 2021 season
- The baseline
  - Building traveller confidence
  - Delivering value
- *If the Atlantic Bubble does open ... (April 19?)*

# Travel Demand is Building ...



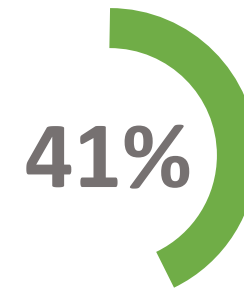
Residents who would plan to travel in-province if COVID-19 travel restrictions were lifted tomorrow



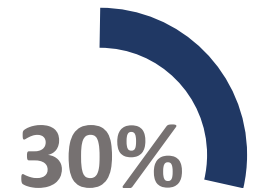
Residents who miss travel and can't wait to go out and travel again



Residents likely to take an in-province trip in 2021



Residents planning to spend more vacation time in-province this year than last year



- There are signs of pent-up travel demand, with over half of residents missing travel
- In-province travel features well on top of residents' minds as nearly two thirds would plan to travel in-province if travel restrictions were lifted tomorrow
- According to research by Destination Canada, NL residents are the only provincial residents across the country who indicated they were more likely to take a trip within their own province (41%) than to take an out-of-province trip (26%) within Canada
- With residents less inclined to spend their vacation time travelling out-of-province or out-of-country, provincial tourism stands to benefit as residents plan to spend more of their vacation travelling in-province

- As residents were encouraged to spend their vacation at home in 2020, a large share (43%) heeded the call and explored the province on overnight trips
- Residents of all regions and all ages went across the province for vacation and to visit family/friends
- While residents tended to stay closer to home by either travelling in their own region or a nearby region, they took in the outdoors and beautiful natural scenery, favouring hiking and walking and visits to the beach
- Residents cherished time with family and friends the most and even discovered places and sites for the first time
- Ensuring the province is a safe place to travel will be crucial to build on last year's momentum

# Resident Travellers

## *5 Things to know*



Residents of all ages and from all regions are travelling, with a preference of nearby destinations



Residents are travelling for vacation and/or to visit family/friends on multi-night stays



Residents are looking for culinary, outdoor and nature experiences, enjoy attraction visits



Residents enjoyed their travel experiences last year and would do it again this year



Travel potential can be increased by building up residents' level of confidence that it is safe to travel

# Resident Travellers

*Travel destinations*



## Relative Regional Strengths

### Labrador

- Unique culture
- Great place to see wildlife
- Unique experiences

### Western

- A place that inspires
- Great place for outdoor activities
- Beautiful scenery

### Central

- Touring around
- A place to spend quality time with family
- Value for money

### Eastern

- Great for exploring
- Great historic, cultural experiences
- Appealing festivals

### Avalon Peninsula

- Friendly, welcoming people
- Lots to see and do
- Authentic experiences

### St. John's

- Diverse food/culinary experiences
- Vibrant arts scene
- Outdoor + city

**Destination knowledge**

49%

*St. John's*

*Residents rating their destination knowledge as excellent/very good*

18%

*Labrador*

Source: Destination Canada GTW Nov 2020

- 2020 saw residents travelling to all regions, however, residents tended to stay in their own region or a near by region, with travel patterns likely impacted by the pandemic
- The province is diverse in terms of landscapes, scenery, history, culture and types of attractions across the regions, providing a wealth of travel opportunities for everyone
- Based on residents' perceptions, regions have distinct strengths which provides opportunities for (cross-) regional collaboration
- As in all provinces, destination knowledge about provincial tourism regions varies among residents, implying a need to educate residents about travel opportunities which would benefit stimulating resident travel potential to all regions

# Resident Travellers

*Travel purpose/  
length of stay*



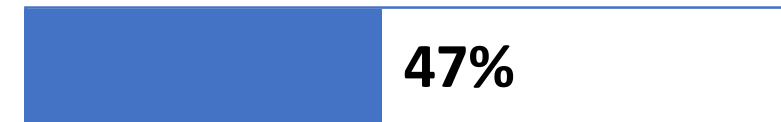
*Likely to do during next in-province trip ...*



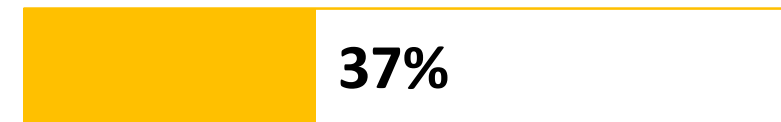
Go on vacation



Visit relatives/  
friends



Take a short  
getaway (1-3 nights)



Go on a longer  
trip (4+ nights)



- As in 2020, going on vacation and visiting relatives or friends are also the top two reasons for residents to get on the road for their next in-province trip
- In 2020, half of residents went on more than one trip and it is very likely that this will be the case again this year, with individual trips varying by purpose
- While residents averaged 4 nights per trip in 2020, trip purpose and destination(s) will drive trip length
- Research suggests that residents prefer shorter getaways of 1-3 nights over longer trips (4+ nights)
- Short getaways are a year-round travel opportunity, and offers that appeal to the desire for shorter, more frequent trips are likely to get residents on the go as they are looking for a 'change of scenery'

# Resident Travellers

*Experiences  
and activities*



Last year's TOP 10	TOP 10 Interests / Anchor activities
Local food/culinary experiences	Hiking/walking
Hiking/walking	Natural attractions
Beaches	Local food/culinary experiences
Local pub/bar	Nature parks
Historic sites	Wildlife viewing
Craft breweries	Camping
Provincial/national parks	Self-guided tours
Whale watching	Breweries/wineries
Ocean fishing	Art galleries/museums
Nature parks	Historic sites

Live shows?

Festivals?

**Anchor activity:** Activity around which travellers would plan a trip

- 2020's top experiences involved local food and drink to a great extent, which also contributed to many memorable trip moments
- Exploring the province's hiking and walking trails, historic sites and beaches were also among the top experiences for residents last summer/fall
- Spending time outdoors in nature, seeing natural attractions and wildlife as well as culinary experiences continue to be among residents' top interests into 2021
- Promoting uncrowded natural spaces and showcasing nearby historic sites, parks, trails and beaches will help attract residents who want to relax and unwind
- If allowed, live shows and festivals would create additional travel potential for residents

# Resident Travellers

*Memorable moments*



- Residents appear to have had a great time travelling the province last summer/fall and came home with many memorable moments
- While they enjoyed spending time with family and friends the most, a number of residents found visits to specific places and attractions most memorable
- Despite living here, many residents found the province's natural beauty and scenery amazing and inspiring
- Many a resident's memorable moments are also associated with local eating places and the unique food and drink they offered
- In-province travel experiences in 2020 will drive repeat travel this season



Spending time with family and friends



Visiting specific places, attractions



Beauty of the province, nature, scenery



Based on 2020's travel experiences in NL,

**92%**

of residents would consider taking an overnight pleasure trip again in 2021



# Opportunities



Give residents a “taste” of the province



**Feature local food and drink in any setting**



**Combine culinary experiences with other activities**

**Regional and Cross-regional Packages & Partnerships**

- Culinary experiences are an essential part of any travel and this is true for residents as well, as 2020 has shown
- Interest in local food and drink is generally high year-round and showcasing the variety of culinary experiences (e.g. restaurants, cafes, picnics, breweries) would support motivating any type of trip
- Combining culinary experiences with other experiences/activities would help attract residents and add value by expanding on the “traditional sense of taste”
- Creating packages featuring unique local food and drink opportunities along with nearby hiking trails, beaches or historic sites will likely encourage more residents to travel at home and “taste” the province in nearly any setting

# Opportunities



*Let residents discover something new in their own backyard*

27%

Residents who travelled last summer/fall visited a destination for the **first time**

38%

Residents who would visit **new destinations** they have never visited before



Residents enjoyed exploring historic sites and other attractions when they travelled in NL in 2020

- There is great potential to motivate residents to travel at home by encouraging them to discover something new
- Over one quarter of residents discovered a new destination while travelling in the province last year, and more than one third would visit new destinations
- Showcasing destinations and sites that may be considered 'hidden gems' provides an opportunity to inspire travel at home and attract more residents by appealing to their interest in nature and history
- To limit social interaction, residents will only do one or two things during a day rather than fill it with as much as they can and unique opportunities such as discovering something new have great potential to make a traveller's day

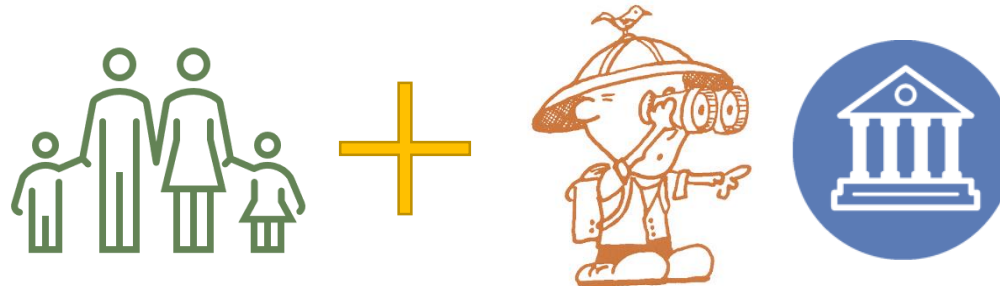
# Opportunities



*Enable residents to explore the province as a family or with friends*



Visiting with family and friends is a highly important factor for residents when it comes to deciding *where* to travel on their in-province trips



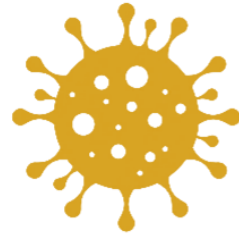
Enjoying family time while exploring sites and attractions

- Family and friends are an integral part of residents' in-province trips and opportunities to visit with family and friends is notably more important for NL residents than for residents of any other province
- For many residents who travelled last year, spending time with family and friends was the most memorable part of their vacation
- As “family bubbles” will likely still be part of our lives come the travel season, being able to explore the province and taking in attractions and experiences as a family will resonate well with residents in 2021 and likely factor into travel decisions
- Appealing to kids' curiosity and sense of learning, contests or prize draws for completing activities or visiting various sites may inspire longer trips to more destinations



# The Baseline

## *Building traveller confidence*



**38%** of residents did not travel last summer/fall due to pandemic-related concerns



**Half** of residents are discouraged from travel due to health risks and safety concerns



**49%** of residents are looking for a safe place to visit



**22%** of residents would be most encouraged to make a travel booking if offered full refunds

- The pandemic has brought deep changes to how people perceive and feel about travel
- Pandemic related health risks and safety concerns are the top barriers to travel among residents, unseating cost of travel from its longstanding place at the top of the list
- When selecting a travel destination, residents are now most concerned about the safety of the destination
- (Re-) building traveller confidence is essential to supporting tourist activity and many aspects can be controlled by operators as residents need to be assured that the province is a safe place to travel
- Mitigating residents' health and safety concerns also includes flexible travel policies so travellers have an "out" if the course of the pandemic impacts their travel plans



# The Baseline

## *Building traveller confidence*



**Demonstrated** commitment to health, hygiene and safety



Vastly increased role of digital, virtual, touchless



Flexible and easy cancellation, rebooking and refund policies



New business models, flexibility and adaptability

- Even with things opening up for travel, it is not going to be “business as usual”
- Promoting and following proper COVID-19 hygiene protocols, including mask enforcement, is a leading factor in influencing travel decisions
- To address travellers’ health and safety concerns, face-to-face interactions will need to be limited, increasing the role of technology to provide virtual, digital and touchless services
- As economic effects of the pandemic filter into travel decisions, travellers seek liberal and flexible cancellation, options for refund and travel postponement
- Flexible and adaptable business models are key to address the changing needs of travellers



# The Baseline

## Delivering value for money

- With the economic impact the pandemic has had on people, it is understandable that potential travellers are concerned about the cost of travel
- Cost of travel/affordability has typically been the top reason before the pandemic why residents do not travel in the province
- Over a quarter of residents has experienced big financial impacts due to the pandemic and the cost of travel and residents' level of price sensitivity are likely to play a major role in travel decisions this season
- Given that Canadians across the country, including NL residents, will curb travel spending, focusing on meeting travel budget needs and delivering value are more important than ever

NL residents who experienced a dramatic/  
big impact of the pandemic on their  
household finances (TCAR Nov 2020)



NL residents who delayed big purchases  
due to the COVID-19 pandemic (TCAR Nov 2020)



NL residents who feel their economic well-  
being is worse now than 12 months ago  
(Narrative Research AQ Q4 2020)



NL residents who are discouraged from  
travelling due to costs (DC Nov 2020)



NL residents who would spend ... *... less*  
than they did on vacation pre-  
COVID-19 (DC Nov 2020)







# The Baseline

*Delivering value for money*

**PRICE** is what you pay; **VALUE** is what you get.  
(Warren Buffet)

- Understanding travellers' re-shaped sense of value is key to adapting offers to deliver memorable experiences at every stage of the visitor journey
- Value is in the eye of the traveller and creating that value means that operators need to understand their customers' needs
- While discounts or monetary perks always have appeal for some travellers, prices operators charge need to match the value travellers are seeking and expecting
- Consumer trends toward prioritizing meaningful experiences over material possessions provides new opportunities for creating value which can be anchored in flexible operational processes that include customized offers, partnerships to enhance offers or empowering staff



Personalize and customize, make customers feel special



Turn an 'activity' into an 'experience' to increase perceived value



Make it easy for travellers to find out about special offers, packages and rates



Partner with others to 'package' a variety of activities/experiences



Create memorable experiences through the entire visitor journey



Empower staff, engage customers, stay connected

- With over one quarter of Maritimers considering NL as travel destination, combined with a strong likelihood of travelling to visit family and friends, there is solid potential for visitation from the Maritimes
- In addition, given NL's range of natural attractions, UNESCO World Heritage Sites, rugged landscapes and scenery, NL is well positioned to attract Maritime travellers
- Similar to NL residents, Maritimers' interest in culinary and outdoor/nature based experiences provides a range of opportunities to showcase local food in combination with other activities and in various settings
- With health risks posing the largest barrier to Maritimers' travelling in Canada, positioning NL as a safe place to visit is essential to attract visitors from the Maritimes

# *If the Atlantic Bubble Does Open ...*

## *5 things to know about potential Maritime visitors*



One quarter to one third of Maritimers are seriously considering NL as a travel destination this year



Local food and drink, hiking/walking and nature/natural attractions are top interests



Maritimers are likely to plan trips around visiting natural attractions and historic sites



Safety of the destination is a top consideration among Maritimers when deciding where to travel



Nearly half of Maritimers are likely to travel to visit family and friends this year and strong family ties with NL will stimulate travel here



***“We’re going to need a holiday and the world will still be there as long as we look after it and support it.”***

**(Tom Marchant, co-founder of *Black Tomato* travel company)**

# Contact and Further Information



Michaela Roebothan, 729-6024  
[michaelaroebothan@gov.nl.ca](mailto:michaelaroebothan@gov.nl.ca)



Krista Noseworthy, 729-2975  
[kristanoseworthy@gov.nl.ca](mailto:kristanoseworthy@gov.nl.ca)



<https://www.gov.nl.ca/tcar/tourism-division/visitor-and-market-insights/>

## Newfoundland and Labrador Resident Travel Survey

*December 2020*



[https://www.gov.nl.ca/tcar/files/Resident Travel Survey Dec2020.pdf](https://www.gov.nl.ca/tcar/files/Resident_Travel_Survey_Dec2020.pdf)

## Travel and Tourism During COVID-19 Consumer Research

*February 2021*



[https://www.gov.nl.ca/tcar/files/tt covid conditions res.pdf](https://www.gov.nl.ca/tcar/files/tt_covid_conditions_res.pdf)