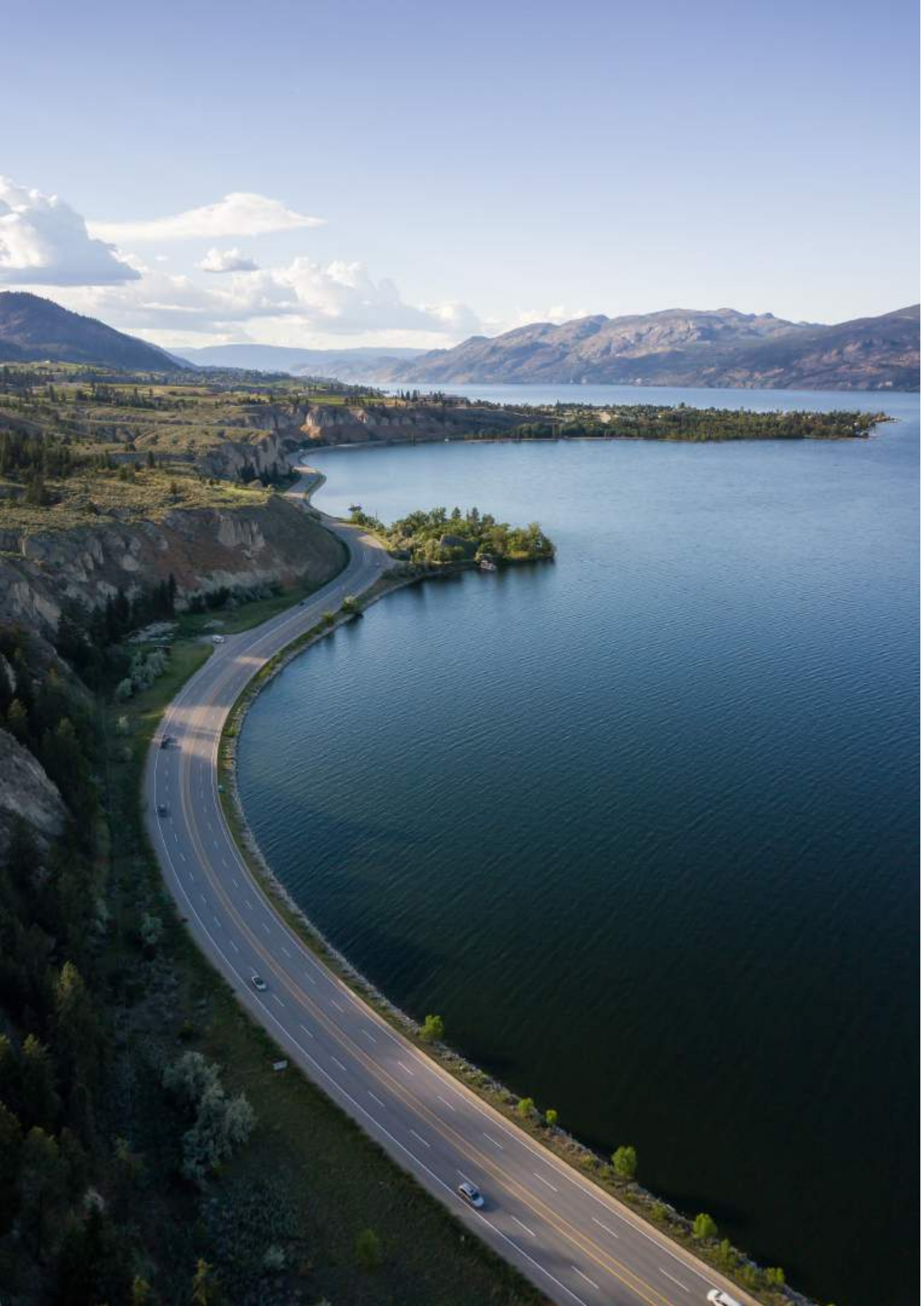

THOMPSON OKANAGAN

SUSTAINABLE TOURISM OBSERVATORY

STUDY REPORT FOR INSTO

AUGUST 2019

BRITISH COLUMBIA
CANADA

THOMPSON OKANAGAN

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THE OBSERVATORY

The Thompson Okanagan Tourism Association (TOTA) is seeking to join the World Tourism Organization's International Network of Sustainable Tourism Observatories.

The purpose of becoming an Observatory is to continue to sustain the Thompson Okanagan region as a competitive destination by setting strategic direction and implementing measurement and management practices to ensure the long-term viability and sustainability of the region.

The goal is to stimulate ongoing sustainable growth by embracing the value of tourism through various endeavors, including community engagement, community partnerships, industry collaboration, education, ongoing measurements, impact monitoring and regional certification.

It is our goal to join the list of destinations leading the industry forward through innovative approaches to measuring the impacts of the tourism industry in order to best manage and optimize them.

OBJECTIVES OF THE OBSERVATORY

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The continued implementation of our measurement and management practices to ensure the long-term viability and sustainability of the region is our primary objective as an observatory.

Achieving the region's goal of stimulating ongoing sustainable growth will require ongoing community engagement, community partnerships, industry collaboration, education, while continuing to measure, monitor and manage the impacts of these activities and the tourism industry as a whole.

TOTA has been monitoring and developing tourism over the past seven years as part of the development and ongoing fulfillment of our 2012 Regional strategy. As the result of our work to date and our most recent 2019 strategy update, the following key objectives have been identified for continued monitoring and development. Each Objective is then further broken down

1. Strengthening the delivery of responsible tourism with a focus on Biosphere, accessibility and indigenous tourism
2. Creating alignment and synergy through strengthened partnerships and further cross industry collaboration
3. Research and the utilization of big data through data collection, cross referencing, validation, analysis and interpretation
4. Crisis management through monitoring, mitigation, planning and communications
5. Strategic marketing and communications through research, education and feedback mechanisms
6. Influencing change through municipal, provincial and federal advocacy and resident awareness

OBJECTIVE 1. STRENGTHENING THE DELIVERY OF RESPONSIBLE TOURISM WITH A FOCUS ON BIOSPHERE, ACCESSIBILITY AND INDIGENOUS TOURISM

At the core of all implementation to date, has been a commitment to work toward the development and delivery of responsible tourism that would support the region's natural and cultural heritage, its social well-being and its economic vitality.

The Biosphere Gold Destination certification provides a framework for ongoing destination management. With the program's adherence to the United Nations 17 SDGs that relate to all aspects of achieving a better and more sustainable future for everyone and its alignment with the Paris COP21 Accord to fight Climate Change, there is now a clear context and established criteria against which to assess our development activities.

As steward of the regional strategy, TOTA will continue to play a lead role in sustaining momentum and in ensuring that progress is monitored. This work will be undertaken in collaboration with the Biosphere Interdepartmental Committee.

ACTIVITIES ASSOCIATED WITH OBJECTIVES	CURRENT	MEDIUM TERM	LONG TERM
Continue to support the work of the Interdepartmental Committee advisors in assisting TOTA with its responsibility to develop and implement annual Sustainability Action Plan, and in working together to identify regional priorities in keeping with the 17 SDGs. This includes submitting Regional Certification evidence annually to the Institute of Responsible Tourism.	❖	❖	❖
Encourage businesses, communities and tourism related organizations to actively support the principles of sustainability through participating in the Biosphere Adhesion Committed Entity Program and through other aligned programs, including Sustainable Tourism	❖	❖	❖
Develop and pilot a Consumer Pledge Program that is designed to educate guests and potential visitors on the importance of the values that underlie the region's commitment to sustainability.	❖	❖	❖
Implement the Eco-Efficiency program to provide Energy, Waste and Water Audits to all the Biosphere Committed Adhesion Businesses.	❖	❖	❖
Adopt and promote a Carbon footprint measurement and reduction tool for businesses.		❖	❖
Ongoing development of an annual work plan for the implementation of the regional strategy and undertake this work within the framework of the Biosphere Adhesion Program. This will involve an annual review of Sustainable Action items as determined by the Biosphere Certification Program.	❖	❖	
Continue to pursue funding for the implementation of region wide projects and support partners in the quest for funds to implement related initiatives at the local level	❖	❖	❖
Work with Spinal Cord Injury BC and the accessibility advisory committee to develop, promote and educate for the implementation of universal accessibility, including a review program that will highlight and address related issues with the objective of making tourism more inclusive and accessible.	❖	❖	❖
Continue to strengthen our relationships with Indigenous communities to advance product and experience development, maximizing cultural awareness and fulfilling an economic need	❖	❖	❖
Measure the economic impact of the IArt program. Detailing the number of indigenous artisans involved, month over month sales and employment opportunities provided	❖	❖	

OBJECTIVE 2. CREATING ALIGNMENT AND SYNERGY THROUGH STRENGTHENED PARTNERSHIPS AND FURTHER CROSS INDUSTRY COLLABORATION

Working collaboratively creates synergy and new energy. It increases the likelihood of coordinated planning and development, and ensures a more strategic use of resources for shared priorities. Increasingly the focus on partnerships has played an important role in developing new perspectives, becoming more inclusive, and gaining a greater awareness of best practices and transferable solutions.

ACTIVITIES ASSOCIATED WITH OBJECTIVES	CURRENT	MEDIUM TERM	LONG TERM
Work with partners at all levels to identify best practices. Disseminate findings and develop supporting programs and training that will assist in assimilating innovative sustainable practices.	❖	❖	❖
Continue to explore opportunities for the development and/or facilitation of new partnerships that are in alignment with the strategy and will advance its overall objectives.	❖	❖	❖
Develop Metrics that can be used to monitor the impact of partnership activity and its role in facilitating the sustainable growth of tourism.		❖	❖
Continue to support and promote existing partnerships that have contributed to building a stronger industry.	❖	❖	❖
Support all regional and sub-regional tourism initiatives that are advancing work on sustainability, such as the Shuswap Trails roundtable work on developing cumulative effects assessment tools and processes. Explore and promote transferable practices.	❖	❖	❖
Continue to focus on revealing the story of the region through partnerships to curate story content that relates to the natural and cultural heritage. Use this approach to contribute toward building a greater understanding of sustainability among industry partners and visitors alike.	❖	❖	❖

OBJECTIVE 3. RESEARCH AND THE UTILIZATION OF BIG DATA THROUGH DATA COLLECTION, CROSS REFERENCING, VALIDATION, ANALYSIS AND INTERPRETATION

The initial emphasis on research in the 2012-2022 Regional Strategy paved the way for a much deeper understanding of the visitor through the region's early adoption of Destination Canada's Explorer Quotient and TOTA's partnership with Environics Analytics to gain a comprehensive understanding of current and target markets. This early work set the stage for the partnership with TELUS Insights to utilize 'big data' and technology to gain further insights on visitor profiles and activity within the region.

ACTIVITIES ASSOCIATED WITH OBJECTIVES	CURRENT	MEDIUM TERM	LONG TERM
Expand the use of "Big Data" and continue to work with partners to gain insights on managing visitation and providing relevant visitor information in real-time context.	❖	❖	❖
Promote the value of investing in research to all stakeholders to assist in effective marketing and destination Management.	❖	❖	❖
Continue to use research based on travel values to target niche audiences that are likely to be highly motivated to engage in the region's sustainable experiences and provide higher economic yields with lower environmental and social impacts.	❖	❖	❖
Continue to work with Post Secondary educational institutions to gain new understandings on the evolving tourism industry. Support the UBCO Capstone Program and similar initiatives to engage in new dialogue.	❖	❖	❖
Work with the tourism business community and provincial and federal partners to find new and timely approaches to measuring the value of tourism at regional and sub-regional levels.	❖	❖	❖
Establish a technology task force that would fully explore the role of tech and innovation in delivering remarkable experiences and related aspects of destination management. This includes an integrated approach to utilizing research, big data and technology to not only promote experiences more effectively, but to also assist in managing the distribution of visitors - including ensuring safety and security.		❖	❖

OBJECTIVE 4. CRISIS MANAGEMENT THROUGH MONITORING, MITIGATION, PLANNING AND COMMUNICATIONS

The impact of recent natural crises – particularly the wildfires and floods of 2017 and 2018 have highlighted the severe direct and indirect impact that these events can have on local communities and their tourism economy. The need for emergency preparedness and a sound approach to recovery has become an urgent priority that must be addressed regionally and locally.

ACTIVITIES ASSOCIATED WITH OBJECTIVES	CURRENT	MEDIUM TERM	LONG TERM
Design, monitor and adjust a tourism disaster and emergency strategy program that helps communities and industry prepare for, measure, mitigate and adjust to major natural environmental events including floods and wildfires.	❖		
Develop a climate change mitigation and adaptation plan for tourism operators.		❖	❖
Develop a regional tourism emergency communications plan to inform visitors and industry with a clearly defined approach for the delivery of consistent messaging.	❖	❖	❖
Work with impacted communities/stakeholders to explore opportunities for temporary assistance such as business tax relief or deferral.		❖	❖
Provide best practice research on industry operator response options for cancellations, refunds, re-bookings, and customer relations policy		❖	❖
Work with regional DMO'S and emergency preparedness organizations to share best practices and conduct annual training and education workshops	❖	❖	❖
Review and integrate "UNWTO Toolbox for Crisis Communication in Tourism: Checklist and Best Practices" into above mentioned strategies, plans and communications.		❖	❖

OBJECTIVE 5. STRATEGIC MARKETING AND COMMUNICATIONS THROUGH RESEARCH, EDUCATION AND FEEDBACK MECHANISMS

Successful implementation of this strategy will be supported by an ongoing focus on thematic marketing and communications that supports the key themes, highlights sustainability as a core value of the destination, and is aligned with provincial destination marketing. TOTA is positioned to play a lead role in promoting the region as a whole, including the promotion of the regional pledge, the continued messaging of sustainability and highlighting the rich cultural experiences.

ACTIVITIES ASSOCIATED WITH OBJECTIVES	CURRENT	MEDIUM TERM	LONG TERM
Work with stakeholders to educate on the value of travel trade and proactively develop export ready products in alignment with regional strategy.	❖	❖	❖
Work with community DMO partners to gain insight and advice that can be applied to planning and decision making.	❖	❖	❖
Continue to undertake market and visitor analysis through Environics Analytics, Klick and Mortar Targeting and TELUS Insights, while continually exploring other opportunities	❖	❖	❖
Continue to work with travel media to highlight the regional themes and the underlying emphasis on sustainability.	❖	❖	❖
Highlight the key themes in the travel trade itineraries, web-based messaging, and in the development of product and experience content and information for partners - while maintaining a focus on diversity and inclusivity.	❖	❖	❖
Promoting Flagship projects - regional projects that have significant area impacts and will play an important role in shaping the positioning of the Thompson Okanagan.	❖	❖	❖
Offer educational workshops and programs to community DMO's and community stakeholders for improved experience and marketing efficiency	❖	❖	❖
Adopt and promote a traveller carbon footprint calculator to help increase visitor understanding of the carbon impacts of their trip.		❖	❖

OBJECTIVE 6. INFLUENCE CHANGE THROUGH MUNICIPAL, PROVINCIAL AND FEDERAL ADVOCACY

Given the multi-faceted nature of tourism, it is important to develop a comprehensive understanding of how tourism impacts and is impacted by a wide range of agency mandates from the role of local government in planning to the implementation of national policy on broadband services. Strengthening competitiveness requires a sound appreciation of the value of tourism and the role that each stakeholder plays or can play in delivering a quality destination experience.

ACTIVITIES ASSOCIATED WITH OBJECTIVES	CURRENT	MEDIUM TERM	LONG TERM
Ensure that the voice of the tourism sector is represented in regional forums and initiatives that are designed to advance wider discussions and policies on related environmental, cultural and societal issues, including the Okanagan Collaborative Conservation Program and the Sustainability Leadership Council for the Okanagan.	❖	❖	❖
Work collaboratively to provide policy guidance and tools to communities and stewards on the management of carrying capacity in high use areas and continue to develop mechanisms to monitor visitor distribution and the development of an online dashboard. eg: http://www.observatorioturistico.org/	❖	❖	❖
Continue to work collaboratively to promote the value of tourism for the region and the communities within the Thompson Okanagan. Develop and promote a community value of tourism assessment tool, creating an online dashboard that communities can use to determine the local value of tourism. Including access to research on the links between tourism and community stability, resident attraction and retention, recreation and lifestyle benefits.	❖	❖	❖
Support efforts by TIABC to improve and streamline government processes that may be inadvertently impeding business viability and success.	❖	❖	❖
Encourage local governments to explicitly address tourism through the available strategy tools allowed by the local government act - including regional growth strategies, regional context statements and implementation agreements, and support the inclusion of tourism policies and management direction in their official community plans.	❖	❖	❖
Optimize the benefits of the Municipal and Regional Districts Tax throughout the entire region - including working with communities that have yet to implement the legislation.	❖	❖	❖

PRIMARY ISSUES & INDICATORS ALIGNED WITH OBJECTIVES

SUMMARY OF PRIMARY ISSUES IDENTIFIED FOR THE DESTINATION

While it is clear that there are myriad issues that TOTA could give attention to, the following is a list of the primary issues and challenges identified as currently most relevant to the Thompson Okanagan region (and to INSTO), some of which TOTA currently monitors and some of which TOTA recognizes as a key focus moving forward. Each of these issues has been tied back to one of the key objectives identified in the strategy, and the way in which we are currently monitoring each issue is detailed below.

KEY ISSUE IDENTIFIED	RELATED KEY OBJECTIVE
1. Local satisfaction with tourism	Research and the utilization of big data through data collection, cross referencing, validation, analysis and interpretation
2. Destination economic benefits	Research and the utilization of big data through data collection, cross referencing, validation, analysis and interpretation
3. Employment, HR/labour	Creating alignment and synergy through strengthened partnerships and further cross industry collaboration
4. Seasonality	Strategic marketing and communications through research, education and feedback mechanisms
5. Energy management practices	Strengthening the delivery of responsible tourism through Biosphere Certification and Adhesion Program implementation
6. Water management practices	Strengthening the delivery of responsible tourism through Biosphere Certification and Adhesion Program implementation

KEY ISSUE IDENTIFIED	RELATED KEY OBJECTIVE
7. Waste management practices	Strengthening the delivery of responsible tourism through Biosphere Certification and Adhesion Program implementation
8. Carrying capacity	Research and the utilization of big data through data collection, cross referencing, validation, analysis and interpretation
9. Climate change and increased weather-related events	Crisis management through monitoring, mitigation, planning and communications
10. Intra-regional connectivity	Influencing change through municipal, provincial and federal advocacy and resident awareness
11. Indigenous products, experiences and community impacts	Creating alignment and synergy through strengthened partnerships and further cross industry collaboration
12. Land use (cross industry)	Influencing change through municipal, provincial and federal advocacy and resident awareness
13. Sustainable tourism practices	Strengthening the delivery of responsible tourism through Biosphere Certification and Adhesion Program implementation
14. Universal Inclusivity	Creating alignment and synergy through strengthened partnerships and further cross industry collaboration and strengthening the delivery of responsible tourism through Biosphere Certification and Adhesion Program implementation

CURRENT MONITORING ISSUES & INDICATORS

Some of the key issues identified above are being monitored directly by TOTA and some are being monitored by other organizations and jurisdictions as detailed below. We have then further broken down each issue into more discrete components and the indicators that we currently monitor or have access to information through partner organizations. We have noted what indicators already being measured by TOTA or our partners, and what indicators we currently do not have a known source of data for.

LOCAL SATISFACTION WITH TOURISM

Annual surveys are undertaken at a provincial and regional level to better understand resident perceptions of tourism in their communities and the sentiment towards the economic benefits balanced with the social changes. Currently we have the Tourism Perception Report, which indicates provincial and Thompson Okanagan trends of community sentiment. We have been compiling this data for the past 3 years.

The model local or resident questionnaire utilized in these surveys is designed to provide information on the attitudes and concerns of the community with respect to the key issues from their perspective. The sample questionnaire which follows is designed to, as objectively as possible, obtain information from the community. The questions are generally structured as statements with which the respondent can agree or disagree. A five point scale is used, from strongly disagree, to disagree, neutral, agree to strongly agree. This approach is consistent with recommended practice for questionnaires of this type (some prefer a seven point scale), and allows respondents to indicate a neutral stance. Several model questions are provided addressing many of the issues found to be key in past studies and applications.

Destinations may have their own specific issues (e.g. tourists taking the shellfish, tourists disturbing traditional ceremonies, or noise caused by tourism activities, etc.) which are sufficiently important to warrant their own question.

The questions normally refer to perceived benefits received from tourism (individual or community benefits, economic or social benefits, conservation of traditions, etc.), changes in socio-economic conditions (e.g. prices, access to resources, traditional values), changes in environmental conditions (improvement or degradation), interaction with tourists, etc.

NB: The tables below indicate whether the components are monitored: yes = Y or no = N. In situations where data is available but they are not currently being monitored, it is indicated as such with an A.

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Level of community satisfaction	• Local satisfaction with tourism, based on resident questionnaire and tourism perception report.	Y	DBC, Destination Think
Community attitudes towards tourism	• Existence of our Regional tourism plan as endorsed by stakeholders. • Comprehensive engagement with local residences throughout the development of the regional strategy.	Y Y	CDMO's, DC, DBC, ITBC
Social benefits associated with tourism	• Collaboration of cross industry discussions through tourism committee • Collaboration with Indigenous communities through artisan programs	Y Y	ITBC, Interdepartmental Committee, ITAC
Housing issues	• Number of temporary workers during seasonal tourism opportunities. • Vacancy rental availability.	A Y	Go2HR, TOTA, Municipalities, RD's

DESTINATION ECONOMIC BENEFITS

TOTA works with provincial entities as well as private research entities to report on indicators regarding visitation, business investment attraction, revenues, cost of living and net benefits. The following table outlines the areas we are able to monitor through our partnerships, however regional data is extrapolated from provincial data and TOTA wishes to get a more granular understanding of the true local economic impacts. Our primary research partners include: Telus Insights, Environics and our Provincial and National Tourism Bodies. We are able to attain this research through leveraging partnerships, obtaining data from provincially and federally mandated studies, and securing funding through economic investment grants. TOTA employs a full time research staff to analyze reports and share with regional stakeholders.

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Business investment in tourism	• Number of tourism businesses in the community, and % owned locally; • Asset value of tourism businesses and % owned locally; • Longevity of tourism businesses	Y N N	Chamber's of Commerce, Go2HR, COEDC, CDMO's
Tourism revenue	• Tourist numbers; • Tourist spending/spending per tourist; • Occupancy rates in accommodation establishments; • Revenues generated by tourism as a % of total revenues generated in the community. • Local GDP and % due to tourism • Total fees collected by community for access/use of community attractions; • Revenue from business permits, licenses or concessions and taxation.	Y Y Y Y Y Y Y	TELUS Insights, DC, MRDT, DBC, Municipalities, Chambers of Commerce

Community expenditures	• Existence of tourism budget/plan; • Annual expenditures on tourism (% of total tourism revenue); • Cost of tourism advertising and promotion per number of tourists; • Amount and % contribution of tourism revenues to the cost of water, sewage, roads, food production, energy, waste management, air quality, human resources development, etc.	Y N N N	DBC, DC, CDMO's, TELUS Insights, Greenstep
Net economic benefits	• Net tourism revenues accruing to the community; • Economic Multipliers: Amount of additional revenue in other businesses for every dollar of tourism revenue	N N	Municipalities, RD's
Changes in cost of living	• % increase/decrease in land and housing prices over time; • % increase/decrease in expenditures (groceries, transportation, leisure etc.).	A N	REFBC, Municipalities, RD's

EMPLOYMENT, HR/LABOUR

Labour recruitment and retention is challenging, something that is intensified by the seasonality of the industry, difficulties in providing year-round employment, and changes to the regulations regarding foreign workers (which particularly affects the ski resorts). Each is a significant constraint that will need to be explored further.

The market for tourism employment, both globally and in Canada, is expected to face considerable workforce shortages in the future. BC's tourism industry is expected to have 101,430 job openings by 2020, affecting the food and beverage services, and the recreation and entertainment industry sector. Changes to the Temporary Foreign Worker (TFW) program have restricted the capacity and ability, in some cases, to make use of the program within the tourism industry.

The housing situation is contributing to labour market problems. Summerland is conducting an affordable housing study while Kelowna is in the process of assessing a shortfall in affordable housing and longer term trends. The outcomes of these studies need to be examined in relation to the wider sustainability of tourism infrastructure, and in particular housing needs.
Local tourism businesses and destinations will need to continue to evolve to attract a sufficient labour force. The following actions need to be considered:

1. Raising wages to attract more employees.
2. Highlighting opportunities for advancement to prospective employees; workers aged 15 to 24 years were twice as likely to remain with their employer when given opportunities for advancement.
3. Increasing annual vacation days from two weeks.
4. Identifying underused labour pools including mature workers, persons with disabilities and new immigrants.

Our primary partner in relation to employment and HR indicators is Go2HR. TOTA and Go2HR have been in a formal partnership for the past three years employing a joint specialist in region working closely with stakeholders to understand industry challenges and implement programs. Go2HR provides annual reports to the tourism industry to ensure up to date data is available in order to understand baseline statistics. In partnership with TOTA, GO2HR provides the following indicators.

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Number and quality of employment in the tourism sector (turnover, seasonality, pay levels)	• Number of local people (and the ratio of men to women) employed in tourism; • Ratio of tourism employment to total employment; • % of tourism jobs held by local residents; • Average tourism wage/average wage in community; • Ratio of part time to full time employment in tourism; • Retention levels of employees; • Local unemployment rate in off-season;	N A A Y Y N N	Go2HR, Municipalities, RD's, WORTH
Professional and personal development	• Number (%) of employees qualified/certified; • Training funds spent per employee, frequency of training programs • Possibility of on-the-job training.	A A A	Go2HR, DBC
Contentment from work including, type of work, environment, safety, development, etc.	• Employee satisfaction; • Income levels (absolute and compared to other sectors); • Number of workplace accidents (and cost of compensation);	N A A	Go2HR, WCB
Lack of Skilled Labor	• Tourist dissatisfaction • Complaints (by employers, by tourists); • % labor from outside region or from other countries	N N A	Go2HR, DBC

TOURISM SEASONALITY

While progress has been made in extending the season and reducing the dramatic summer peaks highlighted in TOTA's initial Regional Strategy, there is still a need to continue addressing this issue. TOTA has been utilizing provincial and federal data for the past 10+ years to understand the challenges associated with seasonality in our region. The provincial data has historically been provided to us every two to three years showing comparable data from the previous years. This data allowed us to understand the window of economic prosperity for our tourism industry.

In 2011 85% of revenue was obtained during a 45 day period throughout the peak summer season. This is a trend that had not changed for decades. However since the implementation of our regional strategy in the past eight years we have been able to stretch the majority of revenue generation over a 110 day period. Shoulder season experience and event development has been a key priority for our region. TOTA now works with a national telecommunications company (TELUS) to get up to date real-time data for visitation, allowing us to better understand the ever changing dynamics of our visitors and their movement patterns.

The regional data for 2018 highlights two factors that have an impact on seasonality. Firstly, despite the growth in tourism, the domestic/ international ratio has changed little. Secondly, given that the Thompson Okanagan continues to have a relatively high dependence on BC and near-in markets, this can create a degree of risk. The 2018 data shows a significant drop in domestic visitation in August during the fires of that season, and highlights the vulnerability of being overly dependent on near-in markets that have a greater propensity to cancel or travel elsewhere under such circumstances.

TOTA is currently monitoring or is able to obtain reports for the following indicators.

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED- Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Measuring degree of seasonality (And the results of management actions to respond to this issue)	• Tourist arrivals by month or quarter (distribution throughout the year) • % of annual tourist arrivals occurring in peak month, in peak quarter; • Ratio of number of tourists in peak month to lowest month; • Occupancy rates for accommodation by month (distribution throughout the year) • % of all occupancy in peak quarter • Inquiries at tourism information centres by month (ratio peak month to lowest month).	Y Y Y A A Y	TELUS Insights, BCHA, DBC
Strengthening Shoulder season and low season tourism (measuring the level effort designed to reduce seasonality)	• % tourism authority budget spent promoting off-peak and shoulder seasons; • Number of facilities offering alternative activities during shoulder and low season • Special events (e.g. festivals, conferences) held during shoulder and low season (number of events, participants).	Y N A	CDMO's, DBC, Municipalities, RD's
Provision of sufficient infrastructure year-round (especially services for tourists in high seasons and for local communities in low seasons)	• % of business establishments open all year; • % accommodation and services open all year • % of water, electricity, sewage and garbage system capacity used for tourism and for locals. Seasonality of use;	N N A	GreenStep, BCHA

ENERGY MANAGEMENT

Currently TOTA is limited in our monitoring of energy indicators. Working alongside GreenStep Solutions and FortisBC we are creating programs to better evaluate regional business outputs and provide a baseline of our tourism industry stakeholder's usage of energy. Currently our methodology to monitor energy usage is through extrapolation of national data about energy consumption, and we monitor other energy conservation and renewable energy practices through surveys. We are required through the Biosphere Certification to measure and/or report many of these indicators:

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Measuring Energy use and Consumption	• Per capita consumption of energy from all sources (overall, and by tourist sector – per person day) Note: can also be used as derived indicator of energy use per resident relative to energy use per tourist.	Y	GreenStep, RD's, Municipalities, OCCP
Energy Management Programs	• Number of businesses participating in energy conservation programs, or applying energy saving policy and techniques	Y	GreenStep, OCCP
Use of renewable energy sources	• % of energy consumption from renewable resources (at destinations, establishments) • Number of establishments (e.g. hotels) using renewable sources, generating own energy	Y Y	GreenStep, OCCP

WATER MANAGEMENT

Water is a particularly acute issue in the Okanagan Valley and the Shuswap where regionally coordinated water planning, environmental protection, marine services, and lake access all require attention. The Okanagan Collaborative Conservation Program along with the Okanagan Basin Water Board are key partners in the management of our watershed resources. These organizations have some of this data and are able to provide us with and will work with us to assist in gathering additional information.

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Overall water use relative to supply	• Water use: (total volume consumed and litres per tourist per day)	A	OBWB, GreenStep
Conservation initiatives and results	• Water saving (% reduced, recaptured or recycled) • % waste water or grey water recycled; • Number of establishments participating in water conservation programmes, applying water conservation policies and techniques, recycling treated wastewater (e.g. for irrigation purposes, hotels using water saving shower heads, flush systems, advising and incentivizing guests on water saving, water issues, reusing of towels).	A A A	OBWB, GreenStep
Seasonal shortages Water shortages	• # shortage incidents per year or number of days per year where there are supply shortages; • % loss from reticulated system	Y A	OBWB, GreenStep

Allocation of water among users – such as agriculture, local residents, tourist accommodation, and often specific large users such as water parks or golf courses	• Total use as percentage of installed capacity; • Total use by each sector (Tourism as a % of all users) • Yield per litre of each sector	Y A A	Municipalities, RD's, OBWB
Cost and pricing of water	• Water price per litre or cubic metre.	A	Municipalities, RD's

WASTEWATER (SEWAGE) MANAGEMENT

Waste water is a provincially regulated and monitored issue and will be able to provide all of this data.

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Sewage receiving treatment	• Percentage of sewage from the destination/site receiving treatment • % of treated sewage recycled (e.g. for irrigation).	Y Y	Municipalities, RD's, OBWB
Extent of sewage treatment systems	• Percentage of tourism establishments (or accommodation) on (suitable) treatment systems • Percentage of the destination served by storm water systems (separating sewage from runoff and surface drainage).	Y Y	Municipalities, RD's, OBWB
Effect of sewage treatment	• Number of reported pollution or contamination events per annum (by month) in watercourses receiving effluents;	Y	Municipalities, RD's, OBWB

SOLID WASTE MANAGEMENT

Solid waste in the Thompson Okanagan region is primarily managed by six regional districts and their member municipalities. There are also provincially regulated product stewardship programs that regulate and fund the recycling of specific materials such as packaging, beverage containers, tires, hazardous waste and other materials.

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Managing total waste collected in a destination	• Total amount of waste collected; • Waste volume produced by the destination (tonnes) pa / Person years pa (by month) • Waste disposed by different methods (specify, e.g. incinerated, deposited in landfill, etc.); • Waste attributable (by month or season) to tourism.	A A A A	Municipalities, RD's, GreenStep, OCCP
Reducing waste produced	• Volume of waste recycled (m3) / Total volume of waste (m3) (specify by different types) • Number of tourism establishments collecting waste separately, capacity of collecting separated waste from local residents; • Number of tourism establishments recycling their own waste (e.g. composting).	A A Y	Municipalities, RD's, GreenStep, OCCP
Providing waste collection services	• % of destination area (especially in urban sites) covered by solid waste collection services; • Percentage of tourism establishments covered by waste collection programs.	Y A	Municipalities, RD's, GreenStep, OCCP

CARRYING CAPACITY (AND LIMITS TO TOURISM)

As global tourism grows, issues related to the problem of 'over tourism' are starting to cause concern in some popular destinations. In BC, many key tourist destinations are reaching capacity during peak seasons.
In the absence of sufficient accommodation and infrastructure capacity in certain communities, adding more tourists to BC's most popular destinations during peak seasons presents challenges. Shifting demand to new destinations and shoulder seasons will be needed to maintain volume growth. Increased focus on high-yield visitors during peak seasons and filling capacity in secondary destinations and during shoulder seasons are required to maintain growth.

TOTA's work with Big Data research is leading our efforts to measure key indicators for the management of visitor capacity. Telus Insights is being extrapolated to provide localized visitor information to monitor the following indicators:

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Limits of acceptable change, Visitation	• Levels of year over year visitation, % increase or decrease. • Sub regional visitation levels, and recorded levels during peak seasons and high occupancy areas • Provincial and regional Park Carrying capacity limits	Y Y A	Telus Insights, BC Parks, Rec Sites and Trails
Ecological Capacity	• Understanding biological and physical factors associated with constraints to maximum foot traffic • Understanding capacity of water systems to absorb human impacts • Capacity of species to absorb disturbance, understanding areas of high sensitivity	N A A	OCCP, OBWB, GreenStep

Cultural Capacity	• Understanding indigenous communities' perceptions and capacity of accepting tourists.	N	ITBC, ITAC
Social Capacity	• Understanding what are resident perceptions of overcrowding, and their limits? • Tourist perceptions of the destination's limits	N Y	Destination Think
Infrastructural and Management Capacity	• Understanding infrastructural limits associated with increased levels of visitation. Constraints on water supply systems, waste management systems, transport systems and room availability.	N	GreenStep

CLIMATE CHANGE AND INCREASED EXTREME WEATHER EVENTS

Climate change has already had a significant impact in the Thompson Okanagan region. Growing problems with emergency events, primarily floods, droughts and wildfires, have had tremendous economic and environmental consequences. They require better planning and response mechanisms from all levels of government, and the tourism industry.

The industry has a responsibility and an economic opportunity to reduce its own climate change footprint by undertaking various infrastructure retrofit, management, operational and programming changes to reduce energy, water and waste, and their related greenhouse gas emissions. The following indicators have been identified as important to better understanding and managing climate change mitigation and adaptation efforts.

ADAPTATION

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Level of damage related to extreme climatic events	• Frequency of extreme climatic events; • Value of damage to tourism sector.	Y Y	DBC, TIABC
Level of exposure to risk	• Percentage of tourist infrastructure (hotels, other) located in vulnerable zones.	A	Municipalities, RD's
Degree of planning for climate change impacts	• Degree to which key tourist zones are covered by contingency or emergency planning (existence of plan, % area included).	A	DBC, Emergency Preparedness BC
Impact on foreshores	• Value of damage annually due to storm events or flooding; • % of tourist area and infrastructure with flood defenses (could be classed by level of protection).	Y N	OCCP, OBWB
Impact on mountains	• % ski areas or ski-able terrain with snowmaking equipment; • % of developed ski area which would lack access to ski-able conditions with warming (use IPCC warming scenarios for the destination). • % of ski areas with sustainable snowmaking equipment	A A A	Canada West Ski Association, Local Mountains
Impact on wildlife and biodiversity	• % of tourism dependent on viewing species • % of key species considered vulnerable to changes in climate.	Y N	Destination Think, Environics, OCCP

MITIGATION

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Greenhouse gas emissions by the destination and by the tourism component	• Total CO_2 produced due to the community's energy consumption; • Consumption of fossil fuels by the tourism sector	Y N	GreenStep
Transportation fuel use	• Total consumption per capita of fossil fuels for transportation; • Total consumption of fossil fuels in the destination and travelling to the destination for tourist's transportation.	Y N	GreenStep
Coverage of natural areas	• % of natural area coverage in the territory of the destination (change over time).	A	BC Parks, LRMP

INTRA-REGIONAL CONNECTIVITY

While access to the region has improved and work on highway upgrades continues, connectivity within the region remains a concern. The absence of an integrated intra-regional transit service, the gaps in services to regional airports, insufficient car rentals, and a general lack of safe cycle routes for travel between key destinations are all concerns that are impeding growth and impacting the destination experience. Connections between the Kelowna International Airport, the Penticton Regional Airport and the various communities had improved slightly through the introduction of the Let's Go Transportation airport shuttle service, but it no longer provides a scheduled service and only offers a relatively expensive service. As a result of this and the following factors, connectivity within the region still remains a significant area of concern.

TRANSIT AND TRANSPORTATION SERVICES

Expensive taxi services, the lack of regular intra-regional transit service, limited car rental options and few safe bike routes to traverse the region are all holding back an enhanced and lower carbon visitor experience. The rollback of Greyhound (private bus transportation) services is making it more difficult to get into and out of smaller, rural communities. For outlying communities, the absence of shuttle services connecting the Kelowna and Kamloops airports is problematic.

HIGHWAYS

The disrepair of major highways, including the Trans Canada, is a concern. Destination development must consider both the need for a safe and efficient travel corridor and the need to create compelling themed journeys, especially on major routes such as the Trans Canada, Crowsnest, Route 97 and the Coquihalla.

BROADBAND

Some areas of the valley still require better internet connectivity, either through expanded cell coverage or greater access to Wi-Fi.

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Knowledge of tourism related mobility patterns	• Tourist numbers visiting site (including one-day visits) ; • Seasonality of tourism and length of stay; • Annual number of same-day visitors • Total of km traveled per tourist per trip; • Modes of transport used by tourists to reach destination (airplane, car, coach, rail, bicycle, walking, other).	Y Y Y Y Y	TELUS Insights
Access to the holiday destination (Availability / enhancement of road network, railway, port, and airport infrastructures.	• Density of roads (highways / motorways, roads) (route kms per km 2); • Annual levels of investment in public transport compared with road infrastructure; • Frequency, capacity of services and use levels (land, sea and air transport);	A A A	MOTI, YLW
State of accessibility to the area in terms of public transport)	• Number of direct flights, , number of cities served by direct flights (and % passengers arriving without stops);	A	
Journey time and reliability (Road / air / water traffic congestion with related issues of long journey times for tourists, unpredictable traffic conditions, as well as air, noise and water pollution, traffic congestion and emission	• Ratio of travel expenses by public versus private transport to reach destination; • Level of air and ground emissions for passenger transport during peak holiday periods to lowest (per passenger-km);	N N	Tourism Stakeholders, Municipalities, Local Airports

TRAILS

Significant resources have been directed toward developing iconic trail experiences within the planning area through new trail development, improving connectivity between trail systems, enhancing technology based services and related support services, and developing new experiences and market awareness of offerings to raise the overall profile and significance of trails as an asset. Priorities to now consider include sustainable management models, enforcement of non-motorized use designations, new trail experiences integrated with other niche sectors, Indigenous trail partnerships, integration of technology, and greater access for those with disabilities. Increasing connectivity between sub-regional trail systems is also a top-of-mind objective, especially considering the rail trails momentum.

INDIGENOUS PRODUCTS, EXPERIENCES AND COMMUNITY IMPACTS

Indigenous tourism has strong potential for expansion and there is clear interest from First Nations participants in the planning process to play a lead role. Educating visitors about the distinction between the interior and coastal peoples could help generate unique experiences, whether nature-based or cultural tourism. A better understanding between Indigenous peoples and the wider tourism industry on acceptable use and interpretation of cultural practices and sites is needed. Like the rest of the tourism industry, Indigenous entrepreneurs face significant barriers accessing capital, business planning, management expertise and partnership guidance.

While the UNWTO Indicators for Sustainable Tourism document does not specifically address Indigenous tourism, we have taken several of the indicators under "Sustainable Tourism" to measure and monitor our progress on enhancing indigenous tourism products and experiences.

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Availability of information	• Number and types of avenues/channels used to promote indigenous tourism (e.g. audiovisual and printed media, events, Internet); • Number of places in the destination where information is available.	N Y	ITBC, ITAC, Indigenous communities, Visitor Centre's
Analysis of information	• Number of organizations that have a clear understanding of the role of indigenous tourism planning	N	ITBC, DBC, TIABC
Application of information	• Number of agencies applying information on indigenous aspects to their strategic planning processes; • Degree to which the community is satisfied with the quality and quantity of information it receives re indigenous tourism issues (% who approve); • Percentage of partners and key stakeholders who are satisfied with access to appropriate information; • Percentage who agree that the right information on indigenous tourism is available when needed	N N N N	ITBC, ITAC, DBC, Destination Think

Advocacy of information	• Number of promotional opportunities relating to indigenous tourism; • Number of tourism operators offering information on indigenous tourism • % of visitors receiving information on indigenous tourism provided prior to their visit to the destination and at the destination.	A A N	ITBC, ITAC
Action/impact of the information	Accessibility of information • Number (%) of tourism operators providing interpretation on indigenous tourism; • Number (%) of tour companies in destination offering tours/guides with trained knowledge of indigenous tourism • Number of educational programs / institutions incorporating indigenous tourism learning into curriculum; • Number (%) of self guided opportunities that educate regarding indigenous tourism Level of demonstration of good practice • % of agencies incorporating indigenous tourism principles into their strategic planning processes; • Number of operators certified by an indigenous tourism authenticity program (and % of all eligible). Impact of tourism information • % of residents with an understanding of what constitutes indigenous tourism • Number (%) of residents who support indigenous tourism for their destination	Y Y A A N Y N N	ITBC, DBC, Destination Think

	• % of residents who believe indigenous tourism is good for their community. (see Questionnaire Annex C 6);	N	
Economic benefits to indigenous communities	• Number of Indigenous youth employed in tourism related positions • Number of tourism businesses operated primarily by Indigenous people/communities and the number of years in operation • Net economic benefits realized by Indigenous communities through tourism related products and services	Y Y N	ITBC, ITAC
Maintaining a variety of indigenous tourism experiences	• Number of different indigenous tourism attractions in or near destination (classified by experiences type of attractions, e.g. indigenous heritage sites, events and festivities, leisure activities and sites, etc.).	Y	ITBC, ITAC, DBC

LAND USE (ALIGNED WITH DEVELOPMENT PROCESS)

LAND USE PLANNING

Current land and resource management plans are outdated and could be refreshed to better accommodate backcountry and lake access, resource road deactivation, resource use conflicts and emergency preparedness issues that are adversely affecting tourism product and destination development.

ALR

The Agricultural Land Reserve (ALR) and its associated policies have had significant implications for tourism in the Thompson Okanagan. While the ALR has protected agricultural land, it has at the same time significantly constrained higher and better uses of less desirable farm or orchard land (for example housing, airport expansion and even tourism).

BC PARKS PLANNING

While BC Parks is updating some plans, there are still many in the planning area that are in need of updating, with a greater emphasis on parks as tourism demand generators, something that is not at all embodied in the previous plans.

Crown land is land which is owned by the provincial government and includes any lakes or rivers that cover the land. This land is available to the public for a wide range of uses including such things as tourism and recreation, forestry, mineral extraction, oil and gas extraction and production, agriculture and a range of other uses for economic or non-economic activities. The use of Crown land in BC is aligned with the following Crown Land Allocation Principles.

- Crown land values are managed for the benefit of the public,
- Economic, environmental and social needs and opportunities are identified and supported,
- The interests of First Nations' communities are recognized,
- Decisions are timely, well-considered and transparent, and
- Public accountability is maintained during the allocation of Crown land.

These principles provide guidance to public officials who are involved in making decisions related to the allocation of Crown land. In 2016, 18 tourism sector associations worked together to develop an Adventure Tourism Strategy for BC. As a result, in February 2017, the province of BC announced a new relationship with the BC Wilderness Tourism Association.

Increasing competition among resource industries, competition within land-based tourism sectors and increasing visitor volume could lead to pressure on land-based tourism policies and businesses.

Elements of BC's natural environment are documented important reasons to recommend BC as a destination and ultimately travel again. Ensuring these attributes are properly maintained and protected, where necessary, will support continued interest in BC as a travel destination. Increasing visitor volume (Over Tourism) could lead to pressure on land-based tourism policies and businesses.

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Whether any land use or development planning process exists explicitly incorporating tourism.	• Existence of a land use or development planning process, including tourism (can be categorized by the degree to which it expressly covers tourism • % of area subject to control (density, design, etc). • % of area designated for tourism purposes, for buildings.	Y A A	LRMP, BC Parks
Extent and effectiveness of monitoring and control processes	• Existence of specific criteria for tourism development control in plans, such as maximum numbers of hotels/beds, density standards, design controls, environmental and social, etc. ; • % building proposals receiving environmental review, or undergo environmental impact assessment (EIA);	A A	Ministry of Environment, Ministry of Forests, Municipalities, RD's
Whether or not there is systematic enforcement of the plan and its criteria	• Existence of review procedures (e.g. site visits, evaluations); • Number of charges for plan, zoning or site plan violations.	Y A	Ministry of Environment, Ministry of Forests

SUSTAINABLE TOURISM PRACTICES

The Thompson Okanagan Tourism Association as well as the Thompson Okanagan tourism partners have made a commitment to sustainable practices that are fundamentally underlined by the Thompson Okanagan 10-year regional strategy. As an industry we are dedicated to protecting the sustainable integrity of our environmental systems, including clean air, clean water, healthy food, and a healthy ecosystem. We endeavor to develop responsible practices in our day-to-day operations through the implementation of our various eco-initiatives. The below indicators outline areas for continued monitoring and awareness of our efforts.

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Availability of information	• Number and types of avenues/channels used to promote sustainable tourism (e.g. audiovisual and printed media, events, Internet); • Number of places in the destination where information is available.	Y Y	Destination Think, TELUS Insights
Access to information (per type of information)	• Number /% of people accessing information; • Frequency of access (per person).	Y Y	Destination Think, TELUS Insights
Analysis of information	• % of stakeholder audiences that have been engaged to provide a clear understanding of the role of sustainable tourism planning	N	Destination Think, TELUS Insights
Application of information	• Number of times information on sustainable tourism is used within the broader community context; • Number of agencies applying information on sustainable aspects to their strategic planning processes;	N N	Destination Think, TELUS Insights

	• Degree to which the community is satisfied with the quality and quantity of information it receives regarding sustainable tourism issues (% who approve); • Percentage of partners and key stakeholders who are satisfied with access to appropriate information;	N N	
Advocacy of information	• Number of promotional opportunities relating to sustainable tourism; • Number of tourism operators offering information on sustainable tourism practices • % of visitors receiving information on sustainable tourism practices provided prior to their visit to the destination and at the destination.	Y Y Y	CDMO's, GreenStep
Action/impact of the information	**Accessibility of information** • Number (%) of tourism operators providing interpretation on sustainable tourism; • Number (%) of tour companies in destination offering tours/guides with trained knowledge of sustainable tourism • Number of educational programmes / institutions incorporating sustainable tourism learning into curriculum; • Number (%) of self guided opportunities that educate regarding sustainable tourism **Level of demonstration of good practice** • % of agencies incorporating sustainable tourism principles into their strategic planning processes;	Y Y A N N	CDMO's, UBCO, TRU, Okanagan College, Destination Think

	• Number (%) of tourism industry operators applying sustainable tourism concepts within their business; • Number of operators certified by an environmental or sustainability scheme (and % of all eligible). Impact of tourism information • % of residents with an understanding of what constitutes sustainable tourism practice; • Number (%) of residents who support sustainable tourism for their destination • % who believe that they understand tourism and its impacts.	A A N N N	

UNIVERSAL INCLUSIVITY

The Thompson Okanagan Tourism Association have created a formal partnership with Spinal Cord Injury BC and Access BC to co-fund and Accessibility Specialist position. The Accessibility Specialist is responsible for the continued education and development of Universal Accessibility resources and training programs. Through the partnership we have since established and Access BC website that features in-depth accessibility specifications for each audited outdoor recreational area, as well as virtual tours and videos, suggested driving routes and maps, accessible tourism tips and many other features which allows for a seamless experience. The Accessibility Specialist works closely with communities and DMO's to provide information and training sessions as well as business reviews for best practice reports.

COMPONENTS OF THE ISSUE	INDICATORS	MONITORED - Y/N AVAILABLE - A	PRIMARY PARTNER ORGANIZATIONS
Access throughout the Destination	• Existence of accessibility policy • Existence of accessibility programs • Existence of public transport suitable for mobility challenges • Number of tour companies in destination offering tours/guides trained for persons with disabilities	Y Y Y N	SCIBC, Ministry of Tourism, Access BC, DBC
Access to public buildings, hotels and tourist services	• Number/% of hotels with rooms accessible to persons with disabilities • Restaurants, hotels and public buildings with wheelchair accessible restrooms	N N	SCIBC, Ministry of Tourism, Access BC, DBC
Access to tourist attractions, including natural and cultural sites	• Percentage of attractions with wheelchair access • Percentage of attractions offering alternative access for those with mobility concerns	N N	SCIBC, Ministry of Tourism, Access BC, DBC
Assistance when needed	• Distance to hospitals in region or medical facility	Y	SCIBC, Ministry of Tourism, Access BC, DBC
Satisfaction by those with mobility challenges with the destination and attractions	• Exit Questionnaire	N	SCIBC, Ministry of Tourism, Access BC, DBC

OBSERVATORY MANAGEMENT

OBSERVATORY

STRUCTURE & PROCESSES

The Thompson Okanagan Observatory is a culmination of research and data extrapolated from a variety of partner organizations, with the Thompson Okanagan Tourism Association (TOTA) being the primary administrator of the data, providing direction and resources where applicable. Figure xx illustrates the partnership model of the observatory.

TOTA and our partners are currently measuring and reporting out on the key issues and indicators that were identified above to a range of government, non-profit and industry agencies and stakeholders, and for internal analysis. However, we see an opportunity to enhance and synthesize these efforts into the evolution of become a leading Observatory, providing best practice indicators pertaining to our main objectives with a focus on our core strengths of Big Data analysis, Indigenous Tourism experience and innovation, as well as Universal Accessibility.

The structure we have created is simple where TOTA is the central repository and database for all the information that we collect from primary, secondary and tertiary sources. We collect data from a myriad of resources to inform our internal practices as well as provide direction for partners and industry stakeholders. Through the Observatory we will consolidate all relevant data in order to provide a year over year best practices report as it pertains to our efforts. Figure xxx indicates the structure and flow of data as it funnels from data source to outcome.

This process includes the initiatives TOTA is connected to in order to attain data for analysis and reporting. The primary flow of our data comes from Big Data partnerships, our Biosphere Certification Programs, Community level Stakeholder engagement, and subsidiary programs attached to each data source.

Future frequency for process implementation will vary by indicator, depending on the source of data and how its used, and include quarterly, annual or less frequent updates.

INTEGRATION OF OBSERVATORY PARTNERS

TOTA

- INTERNATIONAL
  - Global Sustainable Tourism Council
  - Responsible Tourism Institute
  - UNWTO Affiliate Member
- NATIONAL
  - Destination Canada
  - Tourism Industry Association of Canada
  - Federal Tourism Ministry
  - Indigenous Tourism Association of Canada
  - Parks Canada
- PROVINCIAL
  - Destination British Columbia
  - Tourism Industry Association of BC
  - Provincial Tourism Ministry
  - Indigenous Tourism British Columbia
  - BC Parks
- REGIONAL
  - Community DMOs

RESEARCH STRUCTURE

DATA SOURCES

PRIMARY

- TELUS Insights
- Surveys
- Commissioned Research
- Biosphere Adhesion Program

SECONDARY

- TOTA Partner Reports and Studies

DATA GATHERING AND ANALYSIS

TOTA

INTERDEPARTMENTAL COMMITTEE

OUTCOMES AND DIRECTION

ANNUAL REPORTS

OBSERVATORY

NEXT STEPS

1. THE INDICATORS, STRUCTURE AND PROCESS

- Continue to review and adjust indicators to ensure that we are monitoring those that are relevant, meaningful and attainable as we move forward
- Continue to implement monitoring practices within the Biosphere Certification criteria
- Continue to refine the frequency of data collection for each priority indicator
- Continue to allocate the required funding for data collecting for top priority indicators
- Utilize current framework for the housing of the data
- Continue to revise the person(s) responsible for analyzing, interpreting and reporting on data for each priority indicator as the monitoring process evolves

2. DATA REPORTING

- Review indicators along with TOTA key issues and goals to further establish our map of how data:
- Communicates the impacts of tourism to a variety of audiences
- Influences change by providing data and evidence to support policy recommendations and decisions at the provincial and local level
- Drives behavior change amongst tourism businesses, visitors and locals
- Supports DMOs to enhance their understanding of and ability to influence sustainable tourism

- Supports marketing efforts that aim to communicate various aspects of sustainable tourism
- Enables the enhancement of existing and creation of new partnerships to support sustainable tourism locally and globally
- Continue to communicate data, i.e. on website, on social media, through case studies, white papers, snapshots and reports
- Further determine frequency of reporting depending on difficulty to obtain data and its ability to influence key objectives.

3. OBSERVATORY ACTION PLAN AND GOALS

- Further document the Observatory results in the form of an action plan to guide efforts past the first year.
- After the first year of Observatory status, once baseline measurements are better established for the priority indicators, work with the committee to review and set stretch goals and update the action plan

4. CONTINUE ONGOING MONITORING, MEASUREMENT, MANAGEMENT, PRIORITIZATION AND COMMUNICATION OF INDICATORS BASED ON RESULTS AND TOTA'S STRATEGIC PRIORITIES

RELEVANT STAKEHOLDERS

Destination Management Organizations Including:

- Osoyoos
- Penticton
- Kelowna
- Vernon
- Kamloops
- Valemount
- Shuswap
- Wells Gray
- Christina Lake

Interdepartmental Committee Members including:

- University of British Columbia (Okanagan) (UBCO)
- Thompson Rivers University
- Okanagan College
- Indigenous Tourism BC (ITBC)
- Destination British Columbia
- Women's Enterprise Network
- WORTH – Women of Recreation, Tourism, & Hospitality
- Fortis BC
- BC Hotel Association
- Okanagan Collaborative Conservation Program
- Slow Food Convivium
- Tourism Industry Association of British Columbia
- Central Okanagan Regional District
- Sustainable Wine Growing BC
- Okanagan Water Basin Board
- Osoyoos Indian Band
- University of Calgary
- Spinal Cord Injury BC / Access BC
- Greenstep Solutions / Sustainable Tourism 2030
- Ministry of Tourism


ABOUT

ABOUT THE THOMPSON OKANAGAN

TOTA is a not-for-profit society governed by the British Columbia Societies Act. The Association is governed by an elected Board of Directors comprised of 15 stakeholders who represent business and community tourism interests throughout the region. The TOTA staff consists of a core team that is supported by both contract and grant employees and are guided through the advice and consultation of stakeholder advisory committees on key initiatives.

TOTA was originally founded in 1956 and from its inception was a membership-based organization with a mandate to promote and market tourism products and services within the region. In 2009/10, after 53 years, a number of internal changes were made which allowed the association to begin to move forward with initiatives that would assist the regional tourism industry in not only surviving but thriving into the future.

Simultaneously, TOTA passed the rigorous accreditation standards of the prestigious Destination Marketing Association International (DMAI) when it received formal DMAP Accreditation for its operations and policies.

Subsequently, in 2011 TOTA embarked on the process of developing a Regional Tourism Strategy. In a collaborative approach with industry, that ultimately took 18 months to complete, the strategy engaged 1,800 stakeholders through various workshops, surveys, and one on one meetings. Members of the TOTA team travelled extensively throughout the region to ensure that the concerns of the very large and diverse region were clearly understood and articulated within the final document.

In the fall of 2012, the Thompson Okanagan 10 year Regional Tourism Strategy - Embracing our Potential, was officially launched. The Strategy was the first of its kind in British Columbia and Canada to be formally endorsed by all our 90 communities and hamlets as well as the 33 First Nations communities. It was further endorsed provincially through Destination BC and nationally by Destination Canada.

The Tourism Strategy established a framework and has guided the work of the association since that time. It provided a clear mandate from our industry and has enabled TOTA to engage in programs and projects that move forward the priorities identified, while underlying principle of economic, environmental, social, and cultural sustainability.

As a part of TOTA's strategic plan, in early 2016 TOTA commissioned a best practice report to research a framework for sustainable tourism development. The report indicated six primary areas of focus for continued development to align with our regional vision. The following are ongoing results of these findings.

1. Engage and consult with stakeholders about sustainability to help Inform future-plans and actions:
   - This has been done extensively, and a permanent interdepartmental stakeholder committee has been established, which includes representation from TOTA, local municipalities, first nations, community organizations and tourism businesses. The committee convenes two to three times per year to provide input and thought leadership into TOTA's sustainability goals.

2. Establish a baseline, set clear goals and identify the specific actions to achieve those goals:
   - TOTA's recent Biosphere Destination Certification provides a comprehensive framework for understanding the baseline of the destination at a regional level and TOTA has been provided with an action plan for improvement.
   - TOTA will be able to establish a baseline for tourism businesses and will then be making specific recommendations and providing education to businesses to help them work towards improving their performance.

3. Ongoing Monitoring and Measurement of Impacts and Results.
   - Through both the Biosphere Certification and the Eco Efficiency Program, TOTA will be monitoring and measuring results and related impacts annually on an ongoing basis.

4. Publicly Report.
   - TOTA will develop a report for each year that the Eco Efficiency Program runs, to report out on results back to industry and key stakeholders, identifying the baseline, goals and progress towards these goals.

5. Certification of Destination.
   In 2016 TOTA undertook a year-long assessment and certification process with the Responsible Tourism Institute, and in 2017 became the first tourism destination in all of the Americas to become a Biosphere Certified Destination. This Certification requires ongoing improvement of the sustainability

of the destination, as well as the reporting of key indicators of sustainability. The Eco Efficiency Advisor and Education Program specifically aims to support several of these best practices through addressing the improvement of four areas of environmental sustainability, energy, water, waste and climate action. The Thompson Okanagan Received Biosphere Gold Status in 2018.

6. Certification of Tourism Businesses
   - TOTA is encouraging businesses to formally sign onto and commit to the vision, mission and principles of sustainability through the Biosphere Adhesion and Commitment program. TOTA's goal is to have 100 committed tourism businesses and destination marketing organizations sign on to the program before the end of 2019, and it is these businesses that will have the opportunity to go through the Eco Efficiency Program. Each business will also be required to measure their carbon footprint using an online carbon management platform and will be encouraged to set reduction goals.

In 2019 TOTA completed - Embracing our Potential 2.0, an updated version of the original strategy. The implementation of TOTA's regional strategy 2.0 is currently based on three primary cross-cutting destination management programs – sustainability; building partnerships, and research and the utilization of big data.

These programs embody the core values of the strategy and the destination's approach to developing and managing tourism. They build on the strengths of past accomplishments and provide a context for generating momentum in the ongoing development of responsible tourism in the Thompson Okanagan.

Maintaining a shared focus on sustainability, ensuring the pre-eminence of research as a basis for managing responsible tourism, and working collaboratively on all aspects of destination and experience development will continue to be critical to the success of the industry in the next ten years.

BIOSPHERE

Certified
Gold
Destination

BDT 005/2017 RTI

Figure 5-1 represents our regional vision for our foundation of sustainability. TOTA's approach to destination development and destination management ensures all aspects of our work are guided by a focus on responsible development. At its core, the wheel centres on our commitment for a sustainable destination that will enable visitors decades into the future to enjoy a quality of experience while ensuring resident quality of life is not negatively affected.

Feeding into the core are our key processes by which each play a significant role in achieving our long term objectives. The initial changes commenced with a review and adoption of new Internal Practices and Policies concurrently completed with the development and adoption of our Regional Strategy. The Regional Strategy was the first of its kind in Canada and included engagement with stakeholders from local municipalities, regional districts and indigenous communities. This framework enabled TOTA to move forward in a thorough and thoughtful manner ensuring regional projects and strategic partnerships were selected in alignment with the strategy.

The Biosphere Certification and successive Adhesion Program further solidified our opportunity to increase regional awareness and build industry capacity to implement programs aligned with the United Nations 17 goal areas. Finally, we have employed research and Big Data to aid us in better understanding visitor volume to influence possible dispersion and take the necessary steps to alleviate overcrowding before it becomes an overbearing issue.

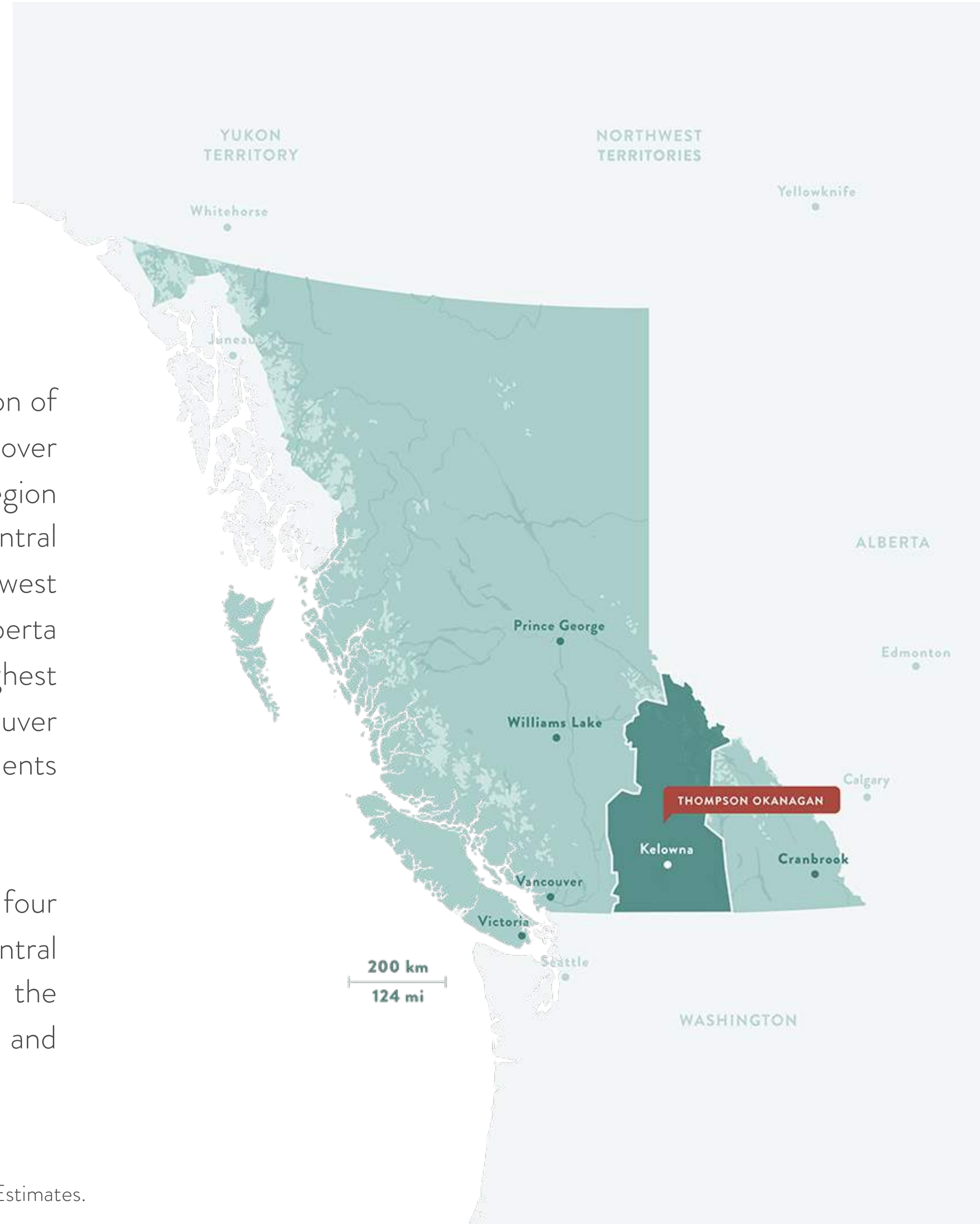
5.1

GEOGRAPHY, COMMUNITIES AND TOURISM

GEOGRAPHY, COMMUNITIES AND TOURISM

There are 32 municipalities with an aggregate population of 446,990 in 2017. This represented a 5.2% increase over 2011. The Thompson-Okanagan tourism region encompasses more than 100,000 km2 in south central BC and is bound by the Cascade Mountains in the west and the Monashee Mountains in the east and the Alberta border in the northeast. The area has the third-highest population after the Mainland/Southwest and Vancouver Island/Coast Development Regions with 564,166 residents in 2017.

The Thompson Okanagan tourism region comprises four entire regional districts (Okanagan-Similkameen, Central Okanagan, North Okanagan, Thompson Nicola) and the western portions of two others, Columbia Shuswap and Kootenay Boundary.



[1]BC Stats. 2018. British Columbia Regional District and Municipal Population Estimates.

In absolute terms, the majority of growth was concentrated in the larger centres such as Kelowna, Kamloops, Vernon, Penticton and Salmon Arm, however proportional growth has been equally strong in smaller communities like Lake Country, Merritt and Lytton. The rural area populations have continued growing as well.

Geographically, the region runs predominantly north-south following the course of several key valleys and waterways. Highway 97, acts as the primary spine to navigate the region.

The economy has a diverse mix of industries ranging from a traditional base of forestry, agriculture, and mining to manufacturing and high-tech companies. The area’s climate and scenic appeal makes it a popular tourism and retirement destination that has generated significant investment and construction activity over many years. This in-flow of people has fuelled employment growth in health care, accommodation, and food services.

The area is also a centre for post-secondary education institutions, including Thompson River University, Okanagan College, and UBC Okanagan, all of which have growing student enrolment.

Okanagan Valley's history is intrinsically linked to the Indigenous peoples who have made the area their home for thousands of years. Indigenous Nations in the Thompson Okanagan tourism region belong to the Interior Salish peoples, comprising the Secwepmec, Nlaka’pamux and Syilx Nations. There are 31 bands with a 2016 census population of 25,495. Metis, Inuk and other Indigenous people account for another 19,000.

The first Europeans arrived in the region in 1811, and the first permanent settlement was a mission built by Father Charles Pandosy on the site of present day Kelowna. The early settlers subsisted on cattle ranching, and later, via the valley's hallmark fruit production industry.

In the early 20th century many large paddlewheel steamships plied the waters of Okanagan Lake, shipping out fruit to other markets and returning goods and supplies to the many towns along the lake which were then not yet connected by road or rail.

TABLE 1-1 THOMPSON OKANAGAN POPULATION CHANGE, 2011-2017

Name	Area Type	2017 Population	% Change 2011-2017
Thompson Okanagan	DR	564,166	5.2%
Okanagan-Similkameen	RD	87,161	-1.5%
Central Okanagan	RD	199,103	7.0%
North Okanagan	RD	86,451	4.9%
Columbia Shuswap	RD	53,028	0.7%
Thompson-Nicola	RD	138,423	4.9%

Source: BC Stats. 2018. British Columbia Regional District and Municipal Population Estimates.

Notes: DR = Development Region, RD = Regional District

FIGURE 1-1 THOMPSON OKANAGAN TOURISM REGION MAP

SITUATIONAL ANALYSIS, CURRENT ISSUES AND TRENDS

SITUATIONAL ANALYSIS, CURRENT ISSUES AND TRENDS

The Thompson Okanagan tourism region is diverse in its natural, cultural, and built assets, and landscapes. A number of underlying or systemic issues that are common across the planning area are balanced by opportunities that reflect the distinctiveness and the diversity of experiences.

The challenges for the Thompson Okanagan are focused on inputs and resources that tourism needs to be viable and a healthy contributor to the regional economy.

Environmental issues such as water, ecosystem management, wildfire, flood preparation and carrying capacity are at the top of the list. As destinations around the world face issues of over-tourism, concern for the quality of the experience, the environment and the well-being of local communities grow. Therefore, the current focus on sustainability must remain central to the strategic management of tourism in the Thompson Okanagan.

The holistic nature of the Biosphere Certification program will allow a multi-faceted approach to be taken when looking at the future development of tourism and its interrelationship with the environment, culture, and society.

Labour market constraints are an ongoing concern as they affect not just tourism but the associated agriculture industry. Even though tourism is a key economic base sector in all sub-regions, the understanding of its value, potential for future development and relationship to community quality of life is not yet well understood by the average resident or local government. There is a cascade effect in the housing market where temporary populations (both visitors and workers) drive up demand, and in some cases result in accommodation shortages. Investment in infrastructure, whether highways, resource roads, trails, lake/river access or broadband are required to move visitors across the region, connecting them to exceptional features, assets and play areas.

Seasonality issues and broadening visitation into the shoulder and winter seasons is also a priority to support the ongoing viability of BC's tourism sector. Across the province, multiple 10-year destination development strategies are being created which will inform six regionally specific strategies. In turn, these strategies will then inform the creation of a single provincial destination development strategy.

By working together with local, regional and provincial agencies, Indigenous communities, destination marketing organizations (DMOs), industry organizations, and tourism operators, the strategies will guide the long-term growth of tourism experiences and revenues within the province. Through destination development, we envision BC as a world-class tourism destination which offers remarkable products and experiences that are authentic, driven by visitor demand, and exceed expectations.

A more proactive approach to managing distribution of visitors and understanding destination development is the strategic planning and advancement of defined areas to support the evolution of desirable destinations for travellers, with a sole focus on the supply side of tourism, by providing compelling experiences, quality infrastructure, and remarkable services to entice repeat visitation.

In line with strategic planning of destination development, the challenge of sustainability aligns with it as well. To better manage the strategic planning of destination development, identification and problem solving to sustainability issues is important.

The Thompson Okanagan being predominantly a semi-arid region, has issues with drought-like conditions during the summer months, which can cause water capacity problems. With a large agricultural and wine industry and several mid populated urban areas, the water usage can become an issue without proper education and regulation in place for usage practices.

Access to and within the region can be an issue. The Thompson Okanagan is a landlocked region sandwiched in between several mountain ranges. Due to this, transportation to and from the area can be challenging particularly in the winter months. Most transportation within region is vehicular, due to a lack of regional transportation options.

The recent surge in natural events has had one of the largest noticeable current impacts. The increased fire activity has a variety of negative implications. The fires threaten communities within the region and have a large economic impact from a business standpoint as well as recovery costs. The primary impact with wildfires is the extended lengths of time where our valleys are covered in smoke. The air quality is drastically reduced and has a negative effect on residents and visitors. Activities are lessened and travellers are visiting our region for the beautiful weather and outdoor lifestyle which is not longer enjoyable during days with high levels of smoke. Media can also have a negative effect on the tourism industry during times of natural disasters. The image that has been portrayed over the past few seasons indicates a province that is unsafe to travel to, whereas most days are normal. Therefore, many domestic travellers are cancelling their travel due to negative perceptions.

Backcountry regulation and access is another current challenge. Our region has vast areas of land to explore, which has gone relatively unchecked to date. Different environmental groups as well as water advisory boards are beginning to discuss the impacts of increased motorized usage in our backcountry areas and the effects it is having on our watersheds; wildlife, wetlands, stream systems, sensitive habitat and drinking water quality.

Due to the lack of resources for our vast areas, the impacts can be greater than anticipated.

TOTA is taking a holistic approach to the sustainable development of our region and undertaking a variety of initiatives designed to help alleviate issues in the short term while primarily focusing on the long term.

Our Biosphere Adhesion Program addresses key issues related to tourism business operations. Through this program TOTA has identified four initial UN Sustainable Development Goals (SDG's) to focus on and we work closely with tourism stakeholders to monitor and implement more sustainable business practices:

- SDG 5 - Gender Equality
- SDG 6 - Clean Water and Sanitation
- SDG 7 - Clean Energy
- SDG 12 - Responsible Production and Consumption

TOTA has also been very actively addressing the increasing threat of natural disasters in our region, primarily from a communication standpoint. We work closely with local governments, provincial government staff, community organizations and media outlets to discuss current happenings and how to disseminate them in an accurate and effective manner. This has the effect of providing residents and visitors with crucial, accurate information without providing overly sensationalized news that is out of context. We currently employ a strategic team with the role to better understand the rising incidence of natural disasters and how to work to alleviate the impact.

The work we are doing with Big Data is rapidly advancing and providing strategic information for us to better understand visitor impacts, carrying capacity, regulations and dispersion techniques.

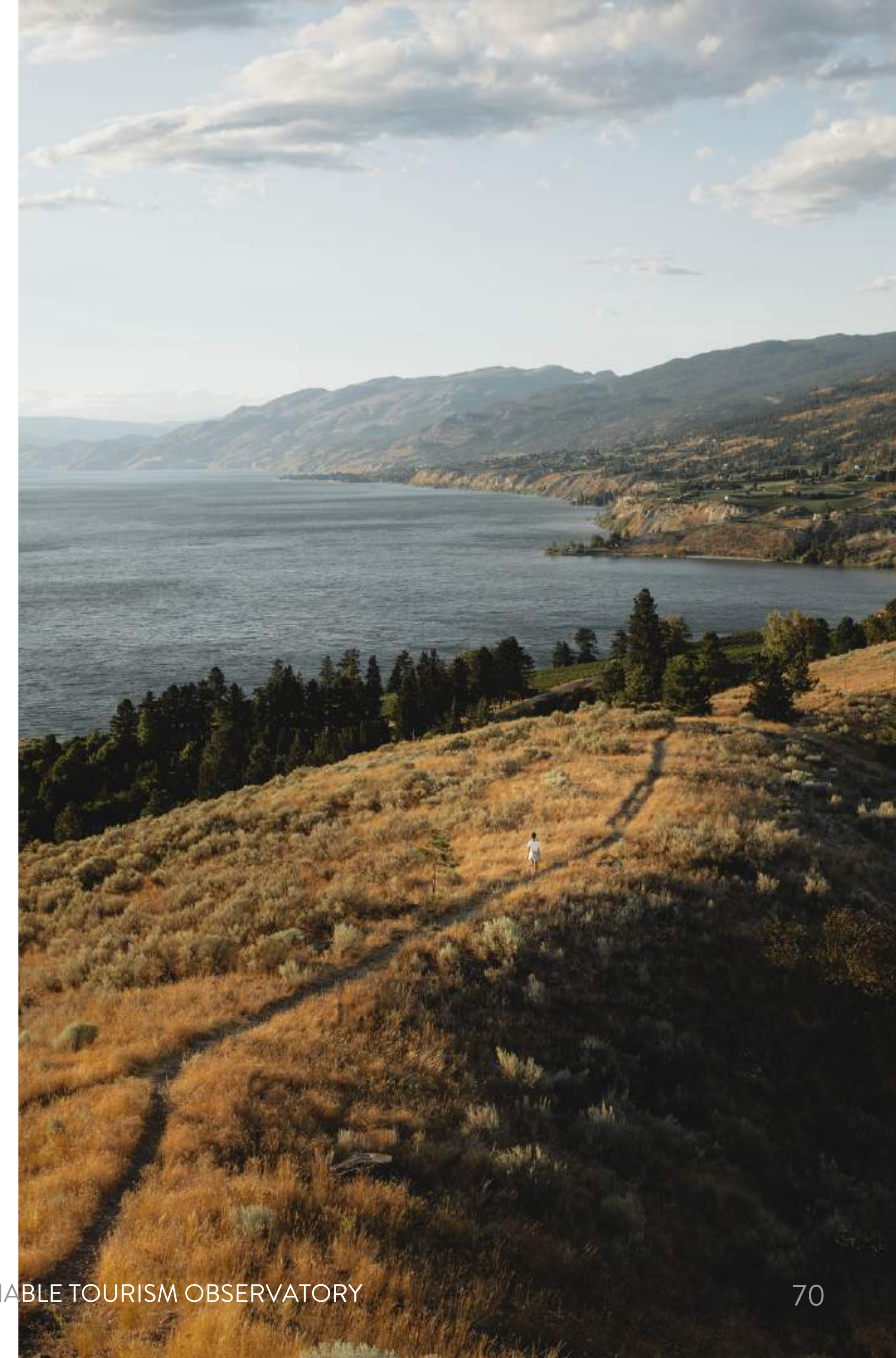
The Thompson Okanagan Region was the first region in Canada to take this approach through Big Data, utilizing cell phone tower technology to measure visitor flow and impacts. The advancements we have seen over the past three years have been rapid, however we are still in the early stages of developing and implementing this technology.

We anticipate seeing major improvements in the years to come not only with the efficacy of the technology but also on how we utilize the data to better provide destination management and impact monitoring.

The Thompson Okanagan needs to continue to advance our monitoring of energy outputs, waste outputs, water usage and consumption habits from a resident and visitor perspective.

The Biosphere Adhesion program has given us the tools and indicators to begin this process, through an online dashboard system that requires local tourism operators to show evidence of the work they are doing.

We also will need to advance partnerships with local organizations to develop funding opportunities for more energy, waste and water audits to help put businesses in the best position to measure and minimize their impacts.



REGIONAL DEVELOPMENT

STRENGTHS, CHALLENGES, OPPORTUNITIES

STRENGTHS	WEAKNESSES	OPPORTUNITIES
• Diverse geo-heritage • Iconic Parks (Wells Gray, Mt Robson) • World class mountain resorts • Strong winter product • Mountain bike destination • Fishing • Indigenous involvement in major infrastructure (Quaaout, Nk'Mip) • Universal Accessibility Infrastructure • Arts & culture assets and heritage • Trails/rail trails • City experiences • Authentic small communities • Tree fruits, orchards, farms • Ranchlands and ranches • Wineries and wine culture • Wine routes, trails, and tours • Breweries and cideries • Lakes and beaches	• Seasonality • Aging communities • Labour supply • Housing supply/short-term rentals • Invasive species threats • Water supply and management issues • ALR regulations • Carrying capacity in some areas • Highway conditions and safety • Deteriorating trails • Poor lake access in some areas • Wi-Fi and cell coverage away from valley bottoms • Public transit and transportation • Logging road decommissioning • Backcountry and trail use conflicts • Visual impacts of forestry • Lack of tourism data to aid planning • Local understanding of value of tourism • Access to destination development funding	• Regional collaboration • Trails, amenities and experiences • Rail trail experiences • New resorts (e.g. Valemount) • Resource road strategy • Downtown revitalization • Shuttling and rental services • Indigenous partnerships • Workforce recruitment • Shoulder and off-season experiences • Health and wellness destinations • Agri-tourism • Sustainability/green programs • Interpretation of unique ecosystems • Housing strategies • Event development (arts, food, sport) • Tapping into the shared economy • Inter-community transportation • Circle routes and tours • Electrical vehicle infrastructure

CONSUMER TRENDS

Within the last decade, there have been significant shifts in consumer preferences that have affected travel choices. Overall, the impact of the various economic, demographic and attitudinal trends is that the tourism market is becoming more segmented, and product demand is becoming more diverse. A summary of the most relevant shifts is outlined below and the implications we may see in our region with these consumer shifts.

TABLE 2-2 CONSUMER TRENDS

CONSUMER TRENDS	DESCRIPTION	IMPLICATIONS
Shifting Demographics/ Millennials	By 2030, the world's population is expected to increase 20% from today's 6.9 billion to 8.3 billion. Many developed countries have now progressively aging populations. Rural-to-urban migration continues to be a significant pattern within many countries. Millennials, also known as Generation Y, are the demographic cohort born between the early 1980s and the early 2000s. Millennials, one of the largest generations in history, are emerging as important to the tourism industry due to their sheer size and contribution to international visits.	Aging travellers are a large and important market with money to spend, and their interest in nature aligns well with BC's brand promise. Tourism planners need to account for the preferences and needs of older travellers who may have a 'younger' outlook but may need nearby medical care. Also, seasonal travel patterns may shift as older travellers have the freedom to travel outside of traditional peak periods. Increases in multi-generational families and solo travellers will require more flexible options for transportation, accommodation, and services. Destinations need to plan for millennials' unique travel preferences, including their preference for: • Experiences that align with social equality, personal growth, authenticity, innovation and environmental consciousness, and • Automatic and essential use of technology.

Shifting Values and Attitudes	Values relating to health, environmental sustainability, and ethics are more prevalent and creating higher demand for certain products.	BC is well endowed with natural beauty and pristine wilderness, which is a draw for international and domestic travellers. Finding a balance between encouraging visitation to BC's natural assets and conserving them will be critical.
Mobile Technology	The use of mobile and other technology has exploded, with most travellers now having near-constant access to web enabled devices. Searches on mobile devices now account for over half of all search requests and 27% of worldwide travel bookings in the first quarter of 2016 – up from just 9% in the same period of 2014.	For destinations, this means an opportunity to reach travellers both before and during their trip and draw them off the traditional tourist path. Businesses and destinations need to adapt to the continued innovation and increase in the use of mobile devices by ensuring connectivity and online information sources. All web properties must be designed for a mobile first consumer.
Advocacy/ Social Media	Recommendations & stories from other travellers is the most influential source of information for travel destinations, with positive word of mouth driving travellers to take action. Advocates are believed to represent up to 25% of the consumer base with the potential to influence the remaining 75%.	Traveller advocacy begins with an experience. Focusing on developing positive and remarkable visitor experiences, products and services will have a greater impact than marketing tactics alone. Local destinations, tourism businesses and communities all gain from leveraging traveller advocacy.
Transportation Innovation and Technology[2]	New transportation technologies are emerging, including connected and autonomous vehicles, alternative fuels, keyless fleet management and improved traffic analytics and wayfinding. Connected technology focuses on wireless communication: vehicle-to-vehicle, vehicle-to-pedestrian and vehicle-to-infrastructure.	Transportation concepts, policies and legislation is rapidly evolving. New technology for on-road communications will dramatically change how vehicles operate, provide information and capabilities for better, real-time traffic management and provide enhanced traveller information.

[2] Source: http://www.govtech.com/transportation/How-Transportation-Technologies-Will-Change-Everything-.html

Travel Information/ Booking Sources	Different consumers are at different stages of travel decision-making and require different information. Awareness and inspiration occur mostly through traditional media and word of mouth; trip-planning through online web-sites and traveller review sites. Social networks are still an occasional planning tool, but are growing in importance. Travel is one of the largest sources of online revenue. Major platforms such as Google, Facebook, Amazon and OTAs are investing in this space and providing highly integrated, detailed content at every stage of a traveller's path to purchase (pre-trip, in-trip and post-trip	Visitor services must extend beyond bricks-and-mortar locations to take advantage of the ability to connect with visitors via new digital information and servicing opportunities. Destinations and tourism businesses must have access to transformative technologies and platforms in order to enable a winning tourism industry. Societal trends and specifics around individual trips are always changing so the landscape of trip planning and visitor services will continue to evolve.
High Quality, Authentic Experiences	The last decade has witnessed growing demand for vacations that offer authentic opportunities to experience the culture, natural attributes and unique activities of the local destination as well as enrich the traveller's life. This is particularly true for the emerging millennial market. There has been a growth in the awareness and availability of aboriginal tourism experiences throughout BC, with efforts led by Indigenous Tourism Association British Columbia (ITBC), and more recently increased activity by the Indigenous Tourism Association of Canada (ITAC).	Destinations should understand and track components of remarkable experiences in BC: unless the tourism product meets the needs and expectations of visitors, the destination cannot realize its full potential. One way to do so is to measure Net Promoter Score. Two critical drivers for NPS include the natural environment and the supporting tourism infrastructure. Ensuring attributes of the natural environment are maintained and protected will support continued interest in BC as a travel destination.

Sharing Economy	Travel disruptors such as sharing economy organizations like Airbnb and Uber are changing the travel landscape. Travel disruptors have led to more traveller choice for accommodation and transportation trip components.	As travellers experience destinations from a local's perspective, more residents can get involved with and benefit from tourism. These alternatives present an opportunity for destinations that lack traditional infrastructure like large hotels and transportation systems. However, it has also created competition for affordable accommodation for tourism industry workers and local residents, competition for existing tourism businesses, challenges for government regulators, new distribution channels for traditional tourism businesses and DMOs to understand and leverage.
Customer Service / Personalization	Technology has shifted power from institutions to the individual consumer and at the same time, consumers are more cost-conscious. Businesses have a new focus on providing personalized customer service at a lower cost, e.g. online self-service, online chat, and facilitation of service from online communities. Increasingly, customers are shopping across multiple locations – in-store/person and devices – desktops, smartphones and tablets.	Customers increasingly expect continuity and best-practice service between customer service channels. This expectation has been extended to the tourism industry. Consumers will expect this capability throughout their travel experience, from the smallest to largest businesses and destinations.

Value, Staycations and Time Poverty	Travellers continue to place greater emphasis on achieving greater value for money when making decisions and purchasing. The continued low value of the Canadian dollar has led to many Canadians avoiding travelling to the U.S., and choosing to stay at home or travel within Canada. In some markets and some demographic segments, it appears that populations are feeling greater pressures on leisure time, leading to more frequent shorter trips. Time pressures have also lead to BLeisure trips where consumers combine business and vacation in one trip.	Despite increases in wealth, people do not necessarily feel wealthier and continue to seek budget travel options. BC is not perceived as an inexpensive, or 'value' destination which accentuates the importance of delivering top quality experiences facilitated by outstanding visitor services. The "time poor" consumer generally wants to maximize their 'value for time' with quick purchases, fast check-ins, easy transportation logistics, and option activities during trips. Consumers are also more likely to combine business trips with vacation elements.
Perceived Safety	As a result of recent events and media attention some destinations are perceived as unsafe. In Asian markets for example, Europe is increasingly considered a risky destination compared to Canada and the US.	While Canada is not immune to terrorism, it is currently perceived as a safe destination among international travellers. Being perceived as safe may give British Columbia an advantage over competitive destinations. However, reminding potential travelers of this fact has been found to be ineffective and potentially detrimental.

DESTINATION MANAGEMENT TRENDS

As a Destination Management Organization, TOTA is highly impacted by shifts in management trends. It has been our mandate since the development of our regional strategy to shift from a Destination Marketing Organization to a Destination Management Organization that allocates approx 60% of our funding towards development initiatives. Below we have outlined several management trends that are impacting the long-term development of tourism and the implications it may have to our region.

TABLE 2-3 DESTINATION MANAGEMENT TRENDS

MANAGEMENT TREND	DESCRIPTION	IMPLICATION
Shifts in Role of DMO	DMOs continue to evolve their role in response to changing consumer behavior and competitive pressures.	Destination Marketing Association International (DMAI) documented three main groups of action by DMOs in response to evolving trends. They include: 1. Dealing with the New Marketplace: shifting from broadcast communication to engagement with travellers. 2. Building and Protecting the Destination Brand: more emphasis on the quality experiences and destination advocacy, management and development. 3. Evolving the DMO Business Model: working together with public and private sector partners to build new business models for DMO.

Tourism Marketing Trends	DMOs have evolved their marketing strategies and initiatives to meet shifting consumer preferences. There is a new focus on digital, mobile, social advocacy, personalization, outstanding customer service, authentic experiences, partnerships and alignment with other agencies. Virtual and augmented reality applications are being tried by leading tourism destinations as trip inspiration and visitor information services tools. Big data offers the opportunity to improve the customer experience by enabling the intelligence needed to serve exactly what a consumer is looking for at exactly the right moment.	Destinations should ensure development activities align with regional, provincial and national branding and marketing initiatives. Also, destination development activities should focus on remarkable, authentic experiences that surpass visitor expectations to encourage repeat visitors and positive word-of-mouth. The promise of big data is enticing, yet digital marketing organizations across industries are struggling to operationalize, often due to a lack of required skills and difficulty in collaborating across organizational functions.
Visitor Information Services Trend	An increasing number of travellers plan their trips and get visitor information online. Smartphones have accelerated this trend, with instant information available on-the-go, thus causing a decline in the number of visitors at physical visitor centres.	Destinations need to consider a multi-channel approach to providing visitor services and trip planning. The traditional bricks-and-mortar approach of welcoming visitors at visitor centres no longer has the broad economic impact that it once did.

	Consumers are turning away from traditional advertising (ad blocking adoption is growing annually by 40%). They expect relevancy and personalization in their communications with brands. According to a recent study by Zephyr/IPG, when content or ads are timely and personalized, it has a tremendous impact on purchase intent (63%) and recommendation intent. Platforms like Google and Facebook are working to cut out intermediaries, to link consumers directly with operators through functions like Google's hotel and flight search. Facebook now offers direct booking with travel businesses via their messaging application.	approach of welcoming visitors at visitor centres no longer has the broad economic impact that it once did. Technology is an enabler helping to guide consumers down the path to purchase, immediately presenting relevant content right when it is needed. It is important to consider the evolving role of a DMO within this context, and the need to excel at delivering the right content to the right person at the right time and place, to ensure they move along the path to purchase and make a booking to visit BC. As tourism businesses in BC, there is a need to elevate e-commerce capabilities to align with the way potential visitors find relevant content and book a trip
Competition	Global competition is fierce. Mature destinations are embracing the value of tourism while emerging destinations increase their competitiveness and target new markets. Also, locally, there is a growth in the number of BC destinations looking to tourism to increase their local economy.	BC's destination brand must solidify the value proposition and promote compelling reasons to visit BC now, by effectively differentiating the experience from other locations. To maintain and grow market share, BC tourism businesses will need to be accessible and accommodating to these markets, and messaging must be relevant to this audience. Communities and regions must have robust destination development plans, and yet be flexible enough to adapt to a quickly changing environment.

PARTNERS IN THE MONITORING PROCESS

The Thompson Okanagan Tourism Association leverages, regional, provincial, federal and private partnerships to provide a comprehensive account of tourism activities, trends and indicators, supplemented by real time data through big data analysis. Relevant partnerships include:

FEDERAL GOVERNMENT

DESCRIPTION/MANDATE	KEY INITIATIVES
Government of Canada More than 15 Government of Canada departments and agencies work together to support Canada's tourism industry.	• Promotional investment in the US Market. • Improving border access to Canada. Improving VISA services, e.g., reinstating VISA with Mexico. • Improving National Parks. • Financial support to tourism businesses, communities in partnership with other levels of government and with Indigenous communities. • Investing in tourism and cultural infrastructure, e.g., the Building Canada Plan and Canada's Economic Action Plan both invest in infrastructure that benefits tourism, such as convention centres, exhibition halls, arts centres, and sports, recreational, cultural and heritage assets. • Supporting the development of Indigenous cultural tourism experiences, in particular near national parks. • Support and tools for cultural and heritage tourism.
Destination Canada is a federal Crown Corporation that is Canada's national tourism marketing organization.	• Manage the Canada Brand. • Strategic marketing in 11 International markets: Australia, Brazil, China, France, Germany, India, Japan, Mexico, South Korea, the UK and the US.

	• Market research and analysis. • EQ Program management. • Promotes product and industry development. • Increase focus and investment in the US Market. • Focus on big data to improve marketing effectiveness. • Focus on partnerships to extend marketing reach. • Assist small – medium sized businesses in being ready and able to promote their products and travel experiences to the international markets. A focus on supporting entrepreneurship. • Focus on youth travel. • Developing marketing platforms for partners to help close the sale. • Measurements, research and insight.
Western Economic Diversification (WD)	• WD invests in a wide range of programs and projects that focuses on the economic development of Western Canada. • Initiatives: Western Diversification Program is the main program through which WD invests in projects related to innovation, business development and entrepreneurship, community economic development and policy, advocacy and coordination. • Financial support for ITBC and Indigenous tourism development.
Parks Canada	• Protect and present nationally significant examples of Canada's natural and cultural heritage. Initiatives: Infrastructure Investment, Indigenous Affairs, and Environmental Stewardship.

Transport Canada	• Responsible for developing regulations, policies and services of transportation in Canada. • The Blue Sky Policy: Canada's International Air Policy, to guide the negotiation of air transportation agreements (ATA). It encourages the development of new and expanded international air services to benefit passengers, shippers and the tourism and business sectors. • Transportation 2030 - A Strategic Plan for the Future of Transportation in Canada[6]
Western Economic Diversification (WD)	• WD invests in a wide range of programs and projects that focuses on the economic development of Western Canada. • Initiatives: Western Diversification Program is the main program through which WD invests in projects related to innovation, business development and entrepreneurship, community economic development and policy, advocacy and coordination. • Financial support for ITBC and Indigenous tourism development.
Tourism Industry Association of Canada (TIAC)	• Umbrella or over-arching group advocating federally on behalf of the tourism industry. • Advocacy, lobbying and creating awareness about federal tourism issues.

PROVINCIAL GOVERNMENT – DESTINATION MANAGEMENT FOCUS IN BC

DESCRIPTION/MANDATE	KEY INITIATIVES

Ministry of Tourism, Arts and Culture (TAC)	• Areas of responsibility: Arts, Culture, Sport, Multiculturalism and Tourism
	• Oversight of Provincial Destination Marketing Organization, Destination British Columbia (DBC). DBC leads tourism marketing and development efforts.
	• Support for Indigenous Tourism Association of BC, providing development and marketing support for Indigenous tourism.
	• Oversight of Crown Corporations: Destination BC, BC Pavilion Corp (in charge of Vancouver Convention Centre) and Creative BC (which manages film producer tax credits and support programs)
	• Key tourism initiatives:
	    • MRDT program, co-managed with the Ministry of Finance and Destination BC – up to 3% tax on sale of short-term accommodation to provide funding for local tourism marketing, programs and projects
	    • Tourism Events Program, co-managed with Destination BC – an application-based program to support world-class events that can enhance the volume of visitors to British Columbia and increase global recognition for the province
	    • Resort Municipality Initiative – funding provided to eligible resort-based communities
	    • Wildfire response work with DBC and Regional DMOs to mitigate the impacts of 2017 season and plan for future emergency seasons. Economic Recovery Working Group to assess impacts and determine government response.

	• Tourism Policies – works across government to identify and mitigate policy barriers across government • Creative Sector – provides expertise and business support to strengthen BC's motion picture, interactive digital, music and publishing sectors • BC Arts Council – supports the development of artists and events. • Support for First People's Culture Council, which works to preserve Indigenous culture and language. • Sports – supports development of athletes, and events to showcase athletic achievement • Multiculturalism – supports measures to increase inclusiveness, including special events

Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNR)	• Areas of Responsibility: Crown Land Policies, Heritage and Archaeology, Recreation Sites and Trails BC, Adventure Tourism Policy, Mountain Resorts, BC Wildfire Services
	• FrontCounter BC– single window service for clients of provincial natural resource ministries and agencies
	• BC Rural Dividend Fund – to assist rural communities, First Nations and organizations diversify their economies and build and retain their workforce
	• Recreation Sites and Trails Initiatives: Authorizing Mountain Biking on Crown Land, Trails Strategy for British Columbia
	• Heritage Branch:
	    • Stewardship of cultural heritage resources on crown land.
	    • Stewardship of Historic Places operated as tourist attractions.
	    • Provincial Historic Places Recognition Program.
	• Forest Stewardship Plans, with public consultation and considerations for recreation and other uses

	• Cumulative Effects Framework – assessing and managing the effect of all natural resource activities on values that are important to the people of British Columbia • Manages archaeological (ancient human, e.g. pre-contact Indigenous) resources
Ministry of Transportation and Infrastructure (TRAN)	• Responsible for transportation network and major infrastructure projects • Designs, constructs and maintains highway system (with contractors) • Manages roadside signage • Developing cycling network and route signs • Community works – tourism infrastructure now eligible • British Columbia Air Access Program (BCAAP): provides capital funding to assist B.C. airports with improvements to their infrastructure • Oversight of BC Ferries
Ministry of Environment and Climate Change Strategy (ENV)	• Stewardship, operation and capital investments in BC Parks • Working to enhance visitor services in parks • Processes applications and activities for filming and other commercial activities • Monitoring impacts to wildlife from human use of parks and trails
Ministry of Indigenous Relations & Reconciliation (IRR)	• Co-develops agreements that support First Nation self-governing and broader economic development • First People's Cultural Council • First Nation Leadership Gathering – in 2016, the First Nations gathered, indicated their interest to participate in the Destination Development Planning process

Ministry of Jobs, Trade and Technology (JTT)	• Indigenous Business & Investment Council to help Indigenous participation in the economy. • Economic Development tools and resources. • Small Business BC. • Small Business Support - resources to assist small business ventures, including Mobile Business Licenses that enable businesses to operate across participating jurisdictions and BizPaL that provides easy access to permit and licensing information. • BC Stats for statistical and economic research and analysis. • Technology, Innovation & Research - investments in innovation to fuel economic growth and diversification.
Ministry of Agriculture (AGRI)	• Agricultural Area Plans, including support for farmers and farm organizations, improving access to and use of capital, improving productivity of farmland, consumer education and outreach, improving marketing and protecting the environment • Regulation of tourism use of agricultural lands/facilities • Buy Local program • Creating new markets for BC wine, craft beer and spirits • Strengthening certification and quality assurance programs

OTHER PROVINCIAL ORGANIZATIONS

DESCRIPTION/MANDATE	KEY INITIATIVES
Destination BC (DBC)	• Marketing BC domestically, nationally and internationally as a tourist destination via consumer advertising and campaigns, travel trade, media relations, content generation and social media efforts

	• IndiCooperative marketing programs working with regional tourism marketing and sector marketing organizations • Market research and analysis • Destination Development Planning (destination development), Remarkable Experiences (product development) • Visitor Services Network, travel trade relations, media relations
Tourism Industry Association of BC (TIABC)	• Umbrella or over-arching group advocating on behalf of the tourism industry • Advocacy, lobbying and creating awareness about provincial tourism issues (e.g. air access, cross-border travel, land use issues, transportation networks, service infrastructure, etc.) • Providing tourism related information and research services
Sector Organizations	• Sector organizations support operators of similar-type businesses to improve service quality, enhance products, lobby for supportive policies and conduct marketing activities, including BC Boating Tourism Association, AHOY BC, Mountain Bike Tourism Association, BC Camping and RVing Coalition, GolfBC, BC Hotels Association, Wilderness Tourism Association, Guide-Outfitters Association of BC and others.
Indigenous Tourism Association of BC (ITBC)	• Initiatives: training and business development, marketing and promotion, Aboriginal travel services (travel agency), regional strategies, "Authentic Aboriginal" cultural authenticity program • Focus on improving level of service quality of Indigenous tourism products • Training programs: 12 workshops – training and capacity building program to develop tourism businesses, improve market readiness and assists with job/careers

	• Actively promoting stakeholders through marketing efforts such as social media, blogs, sharing culture/stories
Spinal Cord Injury BC	• Spinal Cord Injury BC (SCI BC) is a not-for-profit organization dedicated to helping people with spinal cord injuries, and with related disabilities, adjust, adapt and thrive. Currently, we serve over 1,500 British Columbians with SCI, and their families and friends, by providing answers, information and unique community experiences • In 2016, in collaboration with local governments and stakeholders SCI BC's Access BC project audited more than 450 outdoor spaces in BC, including municipal, provincial and federal parks, recreation sites, and visitors' centres. The new Access BC website features in-depth accessibility specifications for each audited area, as well as virtual tours and videos, suggested driving routes and maps, accessible tourism tips, and more.
go2HR	• Supports the tourism industry in attracting, training and retaining a reliable and skilled workforce • SuperHost Training Services – delivers world-class customer service workshops, e-Learning and customized courses for the tourism and hospitality industries, and provides HR counsel
Rec Sites and Trails BC	• Recreation Sites and Trails BC exists to provide safe, quality recreation opportunities for the public by developing, maintaining and managing a network of sites and trails

REGIONAL ORGANIZATIONS

There are hundreds of non-profit, NGO and community organizations involved in tourism development. They provide a spectrum of services to visitors and industry and have a critical role in the visitor experience. In some cases they are directly involved in facility and attraction management. Their role in the supply side of the equation is highly significant as they are critical partners for private sector operators and businesses. The following regional organizations are important partners in destination development in the Thompson Okanagan tourism region. Sector organizations already identified in Section 2.4.5 are not repeated below.

DESCRIPTION/MANDATE	KEY INITIATIVES
Local Municipalities, Regional Districts, Indigenous communities and local Destination Management Organizations	• TOTA works closely with local municipalities, regional districts and indigenous communities. We attend and sponsor the annual Southern Interior Local Government Association's (SILGA) Conference. The SILGA conference provides TOTA the opportunity to discuss the importance of tourism and provide updates on our initiatives. • TOTA also closely work with local DMO's through various initiatives closely aligning our marketing and development goals.

Southern Interior Development Initiative Trust (SIDIT)	• Southern Interior Development Initiative Trust with a $50 million one-time allocation paid into a regional account. The objective of the Southern Interior Development Initiative Trust is to help grow and diversify the economy of the Southern Interior of British Columbia through economic development initiatives that meet the following strategic priorities:
	  • economic sustainability of small communities
	  • job creation, preservation or enhancement

	• economic diversification • leveraging funding • research and development leading to commercialization • strategic initiatives
Telus Insights	• Visitor Origin counts utilize TELUS Insights cell phone data that is mapped to Environics Analytics market segmentation profiling data. Combining these two sources allows us to produce custom outputs within 2 weeks after each month to understand what is happening in the region and by the District Areas that make up the region. • Key Outputs: Visitor Counts from Postal Code Areas mapped to Consumer Profiles including demographics, psychographics, geographics, social values custom for the tourism industry. • This data enables targeted marketing unique to each campaign objective with the latest technology to track results and economic impact.
Community Futures Development Corporations	• Seven offices: Boundary, Nicola Valley, North Okanagan, Okanagan Similkameen, Shuswap, Sun Country, Thompson Country. • Assist existing and new small businesses with training, loans, counseling, resources and self-employment program.
Central Okanagan Economic Development Commission (COEDC)	• Coordinated attraction services among economic development offices in Vernon, Kelowna, West Kelowna, Westbank First Nation, Penticton, Okanagan Falls, Osoyoos and TOTA. • Operates investokanagan.ca website.
University of British Columbia - Okanagan	• The University offers undergraduate and graduate courses in Arts and Business, among others, but not tourism specific courses.

	• Also, engages Aboriginal people in mutually supportive and productive relationships, and works to integrate understandings of Indigenous cultures and histories into its curriculum and operations.
Okanagan College	• Their programs in Culinary Arts, Tourism and Hospitality (2-year diploma or 4-year degree in Business Administration) and Viticulture and Wine Studies reflect the Okanagan Valley's natural environment.
Thompson Rivers University	• Established in 2005, with degree-granting powers. • Main campus is in Kamloops, regional centres in Clearwater, Barriers and Ashcroft. • Faculty of Adventure, Culinary Arts and Tourism Management.
Innovate BC	• Supports and funds the BC Acceleration Network regional technology hubs in Kelowna (Accelerate Okanagan) and Kamloops (Kamloops Innovation). • A Crown Agency that encourages the development and application of advanced or innovative technologies to meet the needs of industry in BC.
Destination Think	• Destination Think are destination advocacy specialists, who alongside agency partners to uncover and promote remarkable, sustainable experiences. They apply modern strategy and implementation services that are backed by global expertise in destination marketing. • Destination Think provides the Tourism Sentiment Index
Okanagan Basin Water Board (OBWB)	• The Okanagan Basin Water Board (OBWB) was initiated in 1968 (legislated in 1970) as a valley-wide partnership to identify and resolve critical water issues in the Okanagan watershed. The OBWB implements the following valley wide actions.

	• Basin-wide programs for watermilfoil control, wastewater infrastructure funding, and water research and management – benefiting all Okanagan residents. • Advocating and representing local needs to senior government planners and policy makers – protecting Okanagan interests. • Providing science-based information on Okanagan water to local government decision makers and water managers – for sustainable long-term planning. • Communicating and coordinating between government, non-government, universities, businesses and the public – increasing the effectiveness of water initiatives. • Building funding opportunities by providing leverage grants, securing external dollars and identifying cost-sharing partners – expanding local capacity.
Greenstep Solutions	• GreenStep is a multi-faceted sustainability services company. Through a team of passionate experts, they deliver creative, flexible solutions to meet a wide range of sustainability objectives and challenges. Their services are customized based on a client's size, sector, goals and budget.
Okanagan Collaborative Conservation Program (OCCP)	• The Okanagan Collaborative Conservation Program (OCCP) is a partnership of organizations and government with shared goals, which include maintaining regional biodiversity, protecting Species at Risk, maintaining ecological connectivity throughout the Okanagan Basin, and balancing regional growth with conservation. • Partners in the OCCP include local, regional, provincial and federal levels of government (Department of Fisheries and Oceans (DFO), BC Ministry of Environment (BC MOE), regional districts, and municipalities), land trusts, stewardship and outreach organizations.

	• The OCCP is a collaboration of conservation-oriented organizations working together, sharing information and carrying out research to fill knowledge gaps, and set priorities on conservation issues in the Okanagan basin of British Columbia, Canada. Its purpose is to facilitate, communicate and educate, not lobby or advocate. • OCCP partners have each signed a Statement of Cooperation, outlining their shared concern for local biodiversity and commitment to work together toward conservation objectives.
YLW - Airport Authority	• Kelowna International Airport (YLW) is your link to the world, serving over 2 million passengers annually and offering more than 70 daily non-stop commercial flights with nine airlines. As the 10th busiest airport in Canada, YLW's total economic impact is 4,545 jobs and $789 million in total economic output to the province of British Columbia.
Fortis BC	• Fortis BC is providing innovative energy solutions for customers and communities—partnering with local governments, regional districts and other public sector organizations—to help them reach their climate action goals.

ABBREVIATIONS

- Iart – Indigenous Artisan Program
- OCCP – Okanagan Collaborative Conservation Program
- OBWB – Okanagan Basin Water Board
- COEDC – Central Okanagan Economic Development Commission

DATA SOURCES AND MEASUREMENT FOR TOURISM SECTOR PERFORMANCE

CANADA TOURISM PERFORMANCE

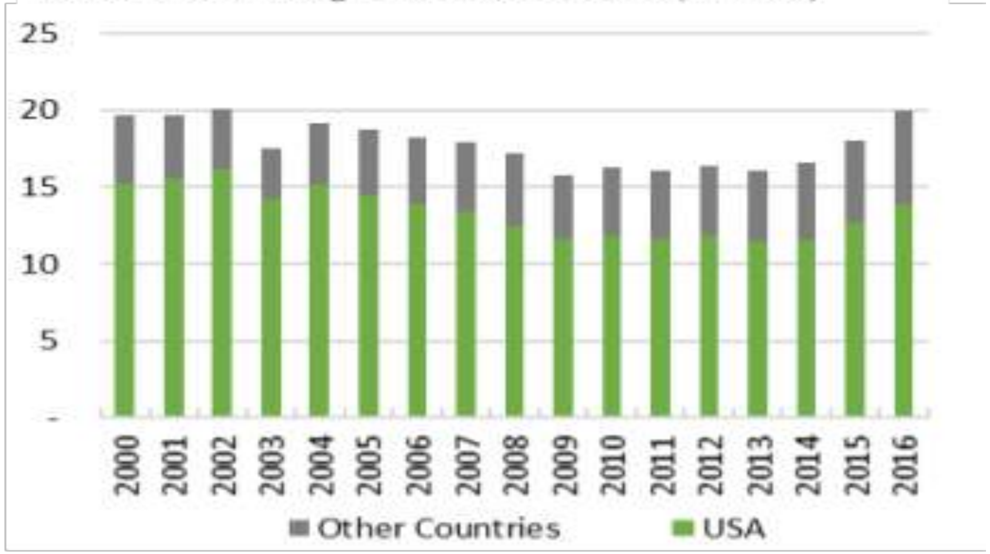
Tourism is Canada's top service export and is the top employer of young Canadians. Over the past decade, there has been steady growth in the economic performance of the Canadian tourism industry. In 2017, tourism accounted for:

- A new all-time high of close to 20.85 million international overnight visitors[4];
- 735,300 jobs, up almost 2% from 2016;
- About 200,000 tourism businesses[5]; and
- $20.8 billion in international tourism expenditures, up 11% from 2015.

In 2017, almost 14.3 million or close to 69% of international visitors were from the United States.

[3] National Tourism Indicators 2016 Highlights. Destination Canada. https://www.destinationcanada.com/en/intelligence#tourismincanada
[4] Destination Canada. Tourism Snapshot. Volume 13, Issue 12 (December 2017).
[5] Destination Canada estimate. 2016 Annual Report. Destination Canada.

Figure STYLEREF 1 \s 1 SEQ Figure * ARABIC \s 1 4
International Overnight Visitors to Canada (Millions)



Source: Statistics Canada, Table 427-0004

Other key international markets[6] include the United Kingdom (3.8% share), China (3.3% share), France (2.7% share), Germany (1.9% share) and Australia (1.8% share). Markets of emerging/transitional interest are Mexico, Japan, South Korea, Brazil and India. In total, Canada's top 11 key markets account for 89% of international overnight visitors (Table 1-3). Mexico (47.4%), Brazil (22.0%), India (17.8%) and South Korea (17.0%) saw exceptional growth in 2017.

In the face of these recent increases in international visitor arrivals, Canada has not kept pace with its competitors. Canada's market share of global international tourism arrivals has declined from 2.9% in 2000 to 1.6% in 2016. However, 2016 marks the second consecutive year where there was a reversal in this trend. In 2016, Canada's growth in international arrivals growth rate (11%) outpaced the global growth rate (4%).

[6] As designated by Destination Canada.

BC TOURISM PERFORMANCE

The area has almost always depended on tourism, a continually growing industry fueled by the region's agreeable climate, thriving wine and fruit production, and virtually limitless opportunities for all manors of outdoor activities, including boating and watersports, hiking and mountain biking, rock climbing, camping, and fishing. The majority of tourists flock to the valley from the metropolitan regions of Vancouver and Calgary, and Edmonton, all of which are within a day's drive. The amount of international tourists is steadily on the rise, not coincidentally, in proportion to the increasingly international renown of the area's many wineries.

Thompson Okanagan region in BC is no exception, and is facing the concern of rapidly growing tourism with so many responsibilities to take care of. The Thompson Okanagan, one of six tourism regions in the province, represents 20% of provincial overnight visitation and 15% of related spending.

THOMPSON OKANAGAN

TELUS INSIGHTS VISITATION DATA

THOMPSON OKANAGAN REGIONAL VISITATION 2018

9.6 MILLION MINIMUM 1 NIGHT STAYS IN REGION

84% DOMESTIC
8.1 MILLION

BC	AB	SK	ON
56%	27%	5%	5%

16% INTERNATIONAL
1.5 MILLION

USA	65%
AUS	7%
GER	5%
CHN	4%

Includes Repeat Visitation by the same individual.
Excludes residents of the Thompson Okanagan Region

459K DAY TRIPS
STOPPED MIN. 90 MINS

65% | 298K

35% | 161K

Source: TELUS Insights

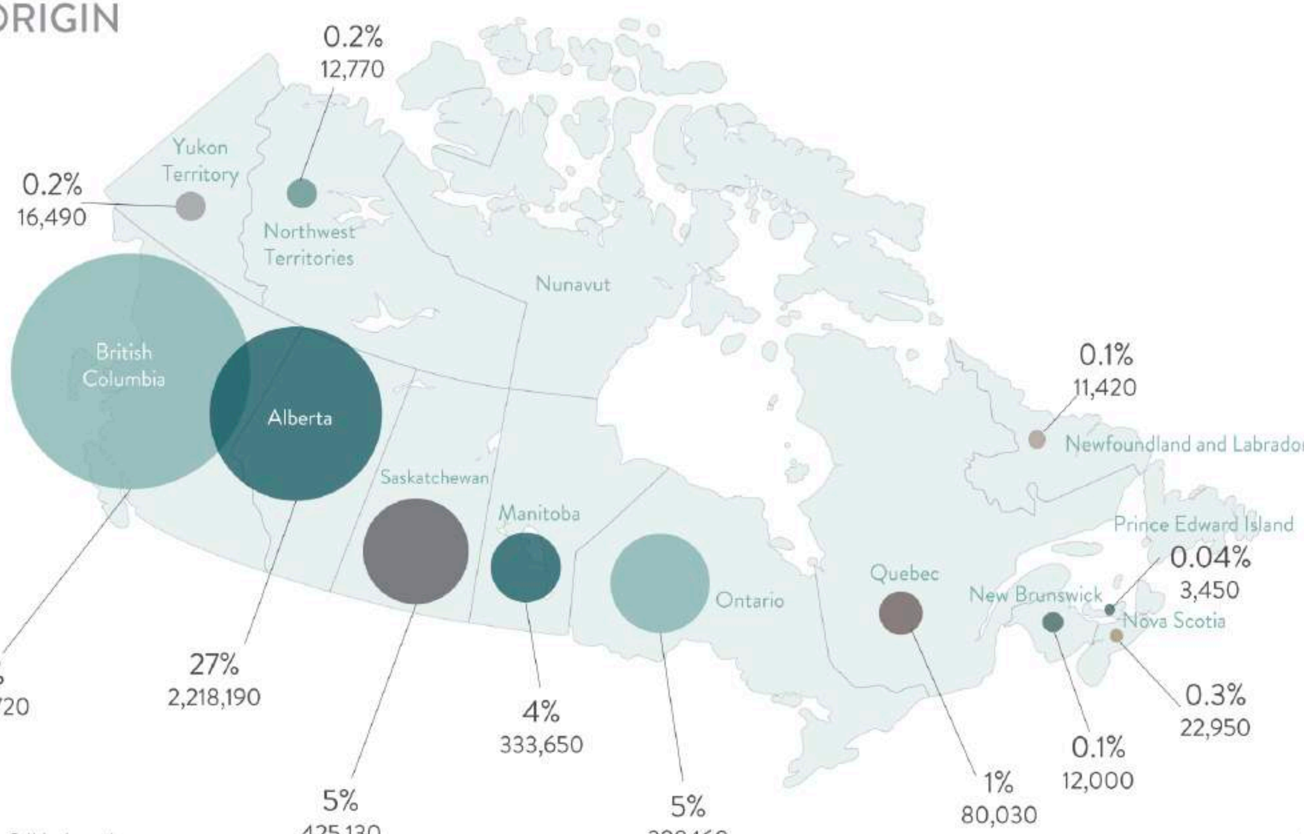
THOMPSON OKANAGAN DOMESTIC TOTAL OVERNIGHT STAYS 2018

VISITOR ORIGIN

8,103,330

Total number of Overnight Stays by Minimum One–Night Stay

Note: Totals are based on a minimum of One-Night stay in Region and include Repeat Visitation

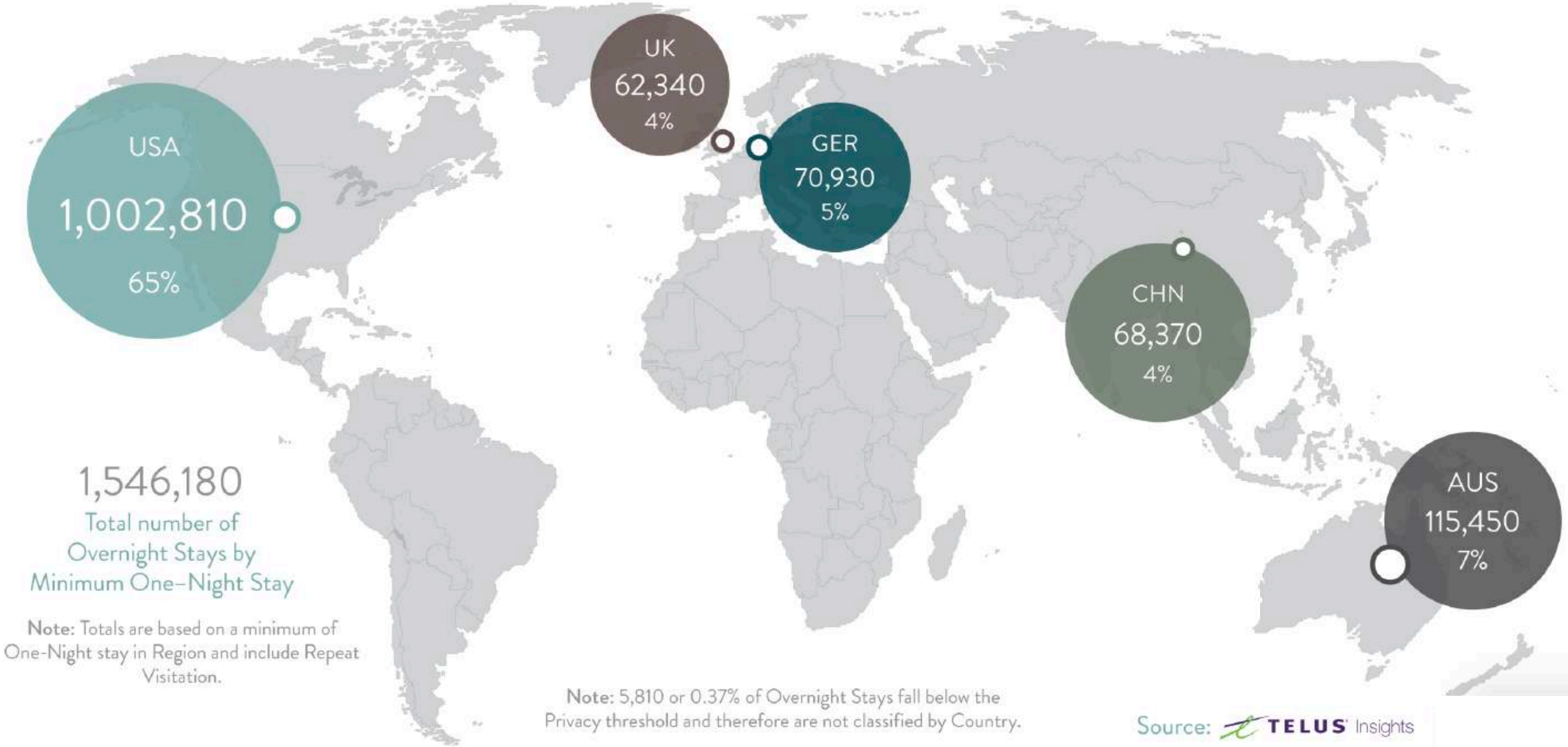


Note: 2,370 or 0.03% of Overnight Stays fall below the Privacy threshold and therefore are not classified by Province.

Source: TELUS Insights

TOP 5 INTERNATIONAL TOTAL OVERNIGHT STAYS 2018

VISITOR ORIGIN



THOMPSON OKANAGAN OVERNIGHT STAYS 2018

DOMESTIC LENGTH OF STAY

*WITH THE EXCEPTION OF JULY, AUGUST AND DECEMBER WHERE 4-7 NIGHT STAYS RANK SECOND, AND 2 NIGHT STAYS RANK THIRD

SINGLE NIGHT REPEAT VISITATION DOMINATES ACROSS ALL DOMESTIC MARKETS

PEAKING IN JULY WITH 215K REPEAT VISITS FROM CANADIAN TRAVELLERS

INTERNATIONAL LENGTH OF STAY

REPEAT VISITATION

Single night repeat visitation dominates across all international markets.

PEAKING IN AUGUST WITH 23K REPEAT VISITS FROM INTERNATIONAL TRAVELERS

Source: TELUS Insights

TOURISM INDUSTRY REVENUE AND EMPLOYMENT

PROVINCIAL ECONOMIC INDICATORS

The BC economy is diverse and evolving. Built on the foundations of the resource sector, the economy now primarily relies on the service industry (including tourism)[7]:

The Thompson Okanagan received 3,721,000 overnight visits in 2014 and generated over $1.4 billion in related spending. Domestic overnight travellers accounted for 85% of visitation and 83% of related spending. International travellers accounted for 15% and 17%, respectively.

On average, travellers to the Thompson Okanagan region stayed 3.6 nights and spent $105 per night. BC travellers stayed 3.0 nights and spent $90 per night during their trip. Other Canadian travellers stayed 4.9 nights and spent $123 per night.

[7]Value of Tourism 2015. A Snapshot of Tourism in BC 2016. Destination British Columbia. http://www.destinationbc.ca/getattachment/Research/Industry-Performance/Value-of-Tourism/Value-of-Tourism-in-British-Columbia-%E2%80%93-A-Snaps-(1)/Value-of-Tourism-2015-Snapshot.pdf.aspx

The most recent provincial tourism economic impact statistics are available for 2016.

- In 2016, the economy grew by 3.5%[8], which was the highest rate among provinces in Canada , outpacing the national average for the third consecutive year.
- The tourism industry contributed $7.9 billion of values added to the BC economy, as measured through GDP (in 2007 constant dollars). This represents 5.6% growth over 2015, and 30.3% growth since 2006. In 2016, tourism contributed more to GDP than any other primary resource industry (mining: $4.1 billion, forestry & logging: $2.0 billion, and agriculture & fish: $1.5 billion), with the exception of the oil & gas extraction industry ($8.2 billion)[9].
- In 2016, the tourism industry generated $17.0 billion in revenue, a 7.9% increase over 2015, and 39.3% increase from 2006.
- Tourism-related provincial tax revenue was more than $1.1 billion in 2016, an increase of 4.5% over 2015, and an increase of 32.1% since 2006.
- In 2017, the room revenue in communities that collect the Municipal and Regional District Tax (MRDT) reached a total of $2.5 billion.
- In 2016, 19,170 tourism-related businesses were in operation in BC, an increase of 1.2% over 2015.
- In 2016, 133,100 people were employed in tourism-related businesses, a 3.6% increase over 2015, and a 16.0% increase since 2006.
- The tourism industry paid $4.7 billion in wages and salaries in 2016, up 3.2% from the previous year and up almost 30% since 2006.

More recent tourism performance indicators demonstrated 2017 was another good year of growth for the BC tourism industry. There was an increase of 3.3% in total overnight international visitor arrivals due to strong growth from Australia (20.4%), Germany (15.4%), Mexico (12.9%), and China (7.1%). BC provincial hotel occupancy rates (up 2.1 points), average daily room rates (up 6.5%), food service and drinking place receipts (up 7.7%) and passenger volume to YVR (up 8.3%) all demonstrated the strength of the tourism industry in 2017.

[8] BC Stats Economic Account Data updated November 2017, GDP, constant dollars, provincial comparisons. http://www2.gov.bc.ca/gov/content/data/statistics/economy/bc-economic-accounts-gdp

[9] Destination BC, March 2018, Value of Tourism in 2016: A Snapshot – https://www.destinationbc.ca/getattachment/Research/Industry-Performance/Value-of-Tourism/Value-of-Tourism-in-British-Columbia-A-Snapsho-(2)/Value-of-Tourism-2016-Snapshot_FINAL.pdf.aspx

KEY MARKETS AND REVENUE

BC residents make up the largest share of overnight visitation (61%) and spending (44%) in the Thompson Okanagan region. Alberta residents make up the second largest share of overnight visitation (19%) and spending (28%). (Destinationbc.ca, 2017)

TOP FIVE MARKETS OF ORIGIN (2014)	SHARE IN THOMPSON OKANAGAN VISITATION	SHARE IN THOMPSON OKANAGAN (SPENDING)
1.British Columbia	61%	44%
2. Alberta	19%	28%
3. United Kingdom	2%	3%
4. Australia	2%	4%
5. Ontario	2%	3%

THE TOP 5 MARKET FOR THOMPSON OKANAGAN

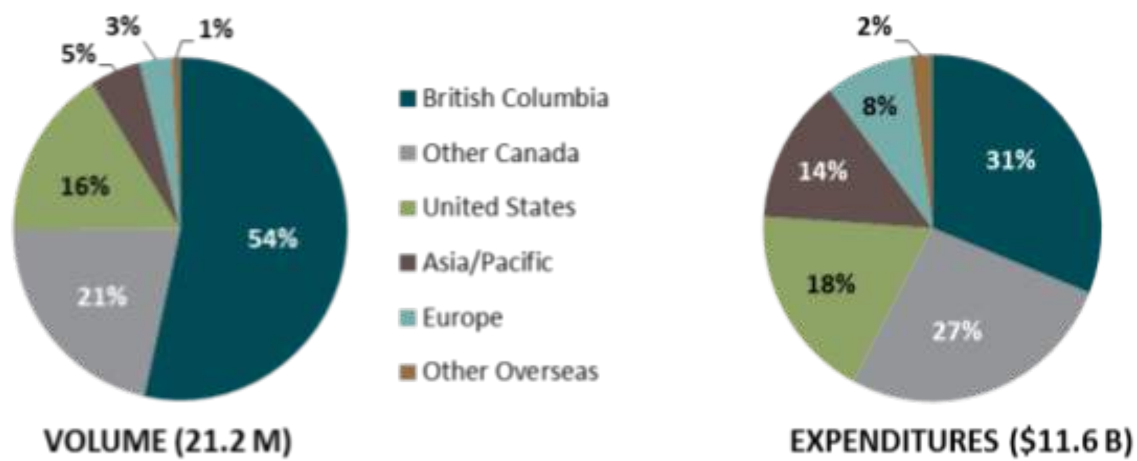
In 2016, there was an estimated 21.2 million overnight visitors in BC, with those visitors spending about $11.6 billion. Over half of the visitors (54%) were BC residents. Visitors from other parts of Canada accounted for 21% of all visits, another 16% were from the United States, while overseas international visitors accounted for the remaining 9% of visitor volume. However, these overseas international visitors accounted for 24% of visitor expenditures, while Canadian and BC residents accounted for 58% of expenditures (Figure 1-5).

In 2016, Canadian residents took 15.9 million person-trips within their country where they spent at least one night in BC. These domestic trips generated just over $6.7 billion in expenditures. Travel by Canadian residents increased 12% between 2014 and 2016, while expenditures have increased by 23%.

Visitation from Ontario and Alberta have increased by 67% and 17%, respectively between 2014 and 2016. As expected, Ontario and Alberta resident expenditures have both increased (113% and 24%, respectively) over the same period. BC resident expenditures have grown by 12%.

In 2016, over 5.3 million international travellers visited Canada and spent at least one night in BC. These travellers spent $4.9 billion during their trips. Overall international visitation increased 22% between 2014 and 2016, while overall expenditures increased 30%.

Figure STYLEREF 1 \s 1 SEQ Figure * ARABIC \s 1 5 Overall Visitor Volume & Expenditures by Market Origin (2016)



Source: BC Tourism Performance: Overall Visitation to BC. March 2017. Destination BC.
Values may be subject to revisions as updated data becomes available. Domestic estimates based on partial year (3/4) of results from the Travel Survey of Residents of Canada.

ABOUT BC'S INTERNATIONAL TOURIST MARKET

- The United States is BC's largest international market, accounting for 65% of international visitor volume and 43% of expenditures. Visitation from the US increased 20% between 2014 and 2016, while expenditures increased 29% during the same period. BC's two key US markets – Washington and California – both experienced similar increases in visitation (Washington, 29%; California, 34%) and expenditures (Washington, 25%; California, 34%). Mexican visitation grew 46% and expenditures grew 70% between 2014 and 2016.

- BC's two key European markets, the United Kingdom and Germany accounted for 42% and 17% of European visitor volume and 45% and 20% of European expenditures. Again, these markets have both experienced strong growth since 2014 – UK visitation increased 22% and German visitation increased 11%, while expenditures increased 25% and 30%, respectively.

- BC has five key markets in the Asia/Pacific region that include Australia, China, India, Japan and South Korea. South Korean (+38%), Japanese (+29%), Chinese (+29%) and Australian (+27%) visitation increased substantially between 2014 and 2016. Visitation from India increased at a more modest 6% over the same period. Overall expenditures grew 28% for the Asia/Pacific region in total, similar to growth from Europe (29%) and just behind growth from North America (32%).

INTERNATIONAL MARKET PROFILE

The following profiles are provided by Destination BC.[10]

AUSTRALIA

- In 2015, Australians made 180,000 overnight trips to B.C. and spent $383.8 million, making Australia B.C.'s third largest overseas market and fourth largest international market.
- Almost half (48%) of Australian visitors are over age 55 while one-third (33%) are under the age of 35. More than two-thirds (68%) of Australians are here for leisure although one in five (20%) are visiting friends and relatives. The average length of stay for Australian visitors is 12.8 nights while average spending per person is $1,659. Two-thirds of Australians visit between May and September although January is also popular, accounting for 13% of visits.
- The top 10 activities for Australian visitors include: Sightseeing, Shopping, Visiting Parks, Museum/Art Gallery, Zoo/Aquarium, Historic Sites, Visiting Friends and Relatives, Outdoor Activities, Night Club, Downhill Skilling.

UK

- In 2015, visitors from the UK made 229,000 overnight trips to B.C. and spent $350 million, making the UK B.C.'s largest overseas market and second largest international market.
- Older adults aged 65+ represent the largest proportion (25%) of UK visitors followed by adults between the ages of 20-24 (22%) and adults between the ages of 55-64 (21%). More than half (56%) of UK visitors are in B.C. for leisure, while 32% are visiting friends and relatives. The average length of stay for UK visitors is 12.5 nights while average spending per person is $1,330. Almost one-quarter (23%) of UK visits occur in August while the next most popular months are August (16%) and April (11%).
- The top 10 activities for UK visitors include: Sightseeing, Shopping, Visiting Parks, Visiting Friends and Relatives, Night Clubs, Museum/Art Gallery, Zoo/Aquarium, Outdoor Activities, Historic Sites, Downhill Skiing.

[10]Destination BC, Research by Market: Alberta (2016), Ontario (2016), Washington (2016), California (2016), Germany (2015), UK (2015), Australia (2016). Destination BC does not provide profiles for all markets.

GERMANY

- In 2015, visitors from Germany made 102,000 overnight trips to B.C. and spent $147.4 million, making Germany B.C.'s fifth largest overseas market and sixth largest international market.
- Young adults between the ages of 20 and 34 represent the largest proportion (38%) of German visitors while the number of German visitors representing the other age ranges is fairly evenly distributed . Two-thirds (66%) of German visitors are in B.C. for leisure, while 17% are visiting friends and relatives. The average length of stay for German visitors is 14.9 nights while average spending per person is $1,631. Six in ten (60%) of German visits occur in July and August while May is the next most popular month, accounting for 12% of visits.
- The top 10 activities for German visitors include: Sightseeing, Shopping, Visiting Parks, Outdoor Activities, Historic Sites, Visiting Friends and Relatives, Zoo/Aquarium, Museum/Art Gallery, Night Clubs, Boating.

CHINA

- In 2015, visitors from China made 214,000 overnight trips to B.C. and spent $319.3 million, making China B.C.'s second largest overseas market and third largest international market.
- Young adults between the ages of 20 and 34 represent the largest proportion (27%) of Chinese visitors followed by adults between the ages of 45 and 54 (20%). Almost four in ten (39%) Chinese visitors are in B.C. to visit friends and relatives, while 27% are here for leisure and 20% are here are here for business. The average length of stay for Chinese visitors is 3.25 nights (by far the shortest average length of stay of any of the seven priority long-haul markets) while average spending per person is $1,199. Just over one-quarter (26%) of Chinese visits occur in July while October is the second most popular month, accounting for 16% of visits.
- The top 10 activities for Chinese visitors include: Sightseeing, Shopping, Visiting Friends and Relatives, Visiting Parks, Zoo/Aquarium, Historic Sites, Museum/Art Gallery, Outdoor Activities, Casinos, Festivals/Fairs.

MEXICO

- In 2015, visitors from Mexico made 79,000 overnight trips to B.C. and spent $101.8 million, making Mexico B.C.'s seventh largest overseas market and eighth largest international market.
- Young adults between the ages of 20 and 34 represent the largest proportion (42%) of Mexican visitors followed by adults between the ages of 45 and 54 (20%). Only 5% of Mexican visitors are aged 65 or older. Just over one-third (25%) of Mexican visitors are in B.C. for leisure, while 29% list 'other' as their reason for visiting. The average length of stay for Mexican visitors is 14.4 nights while average spending per person is $1,124. Almost half (49%) of Mexican visits occur in July and August while January is the next most popular month, accounting for 11% of visits.
- The top 10 activities for Mexican visitors include: Shopping, Sightseeing, Visiting Parks, Zoo/ Aquarium, Visiting Friends and Relatives, Museum/Art Gallery, Outdoor Activities, Night Clubs, Amusement Parks, Historic Sites.

INDIA

- In 2013, almost 50,000 visitors from India entered Canada via B.C. making India B.C.'s tenth largest international market as measured by direct customs entries.
- In 2012, adults between the ages of 35 and 54 represented the largest proportion (53%) of Indian visitors, while visitors over age 65 and visitors between the ages of 20 and 34 both represented 16% of total visitors from India. Four in ten (40%) of Indian visitors are in Canada/BC to visit friends and relatives while 37% are traveling for leisure. The average length of stay in B.C. for Indian visitors is 10 nights while average spending per party is $1,500. More than half of Indian visits occur in June and July while October is the next most popular month.
- The top 10 activities for Indian visitors include: Visiting Friends and Relatives, Visiting Parks, Historic Sites, Museum/Art Gallery, Bar or NightClub, Theme or Amusement Park, Zoo/Aquarium, Sports or Outdoor Activity, Skiing or Snowmobiling.

SOUTH KOREA

- In 2013, almost 81,000 visitors from South Korea entered Canada via B.C. making South Korea B.C.'s seventh largest international market as measured by direct customs entries.
- In 2012, young adults between the ages of 20 and 34 represented the largest proportion (40%) of South Korean visitors, while the percentage of visitors between the ages of 55 and 64 was the age segment experiencing the largest rate of growth. Over one-third (35%) of South Korean visitors were in Canada/BC for leisure and another one quarter wee visiting friends and relatives. The average length of stay in B.C. for leisure visitors in 2012 was 23 nights while average spending per party was $1,900. More than 70% of South Korean visits occurred between May and October with July receiving the highest proportion of visits (18%).
- The top 10 activities for South Korean visitors include: Visiting Friends and Relatives, Visiting Parks, Historic Sites, Museum/Art Gallery, Bar or NightClub, Theme or Amusement Park, Zoo/Aquarium, Sports or Outdoor Activity, Skiing or Snowmobiling.

ALBERTA

- In 2015, Alberta residents accounted for 12% of BC's total overnight visitation. Accounting for 16% of all domestic visitation to BC, Alberta residents continued to be BC's second- largest domestic market.
- BC captured 22% of all domestic overnight travel by Alberta residents. This represents an estimated 2.4 million Alberta residents travelling to BC in 2015. They spent approximately $1.4 billion tourism-related dollars in BC.
- Alberta visitors are the most likely to be repeat visitors; 57% have been here two or more times in the last five years, 38% in the past two years.
- Seventy-two percent are Gentle Explorers, Authentic Experiencers and Free Spirits thus providing a close match to BC and Thompson Okanagan target EQ segments.
- Fifty-five percent of Alberta visitors come to BC in the June-September period. Close to a third are visiting friends and relatives. They spend $572 per person per trip, which averages 4.4 nights. Favourite activities include hiking/backpacking, beach, visiting parks, visiting friends and relatives and boating.

ONTARIO

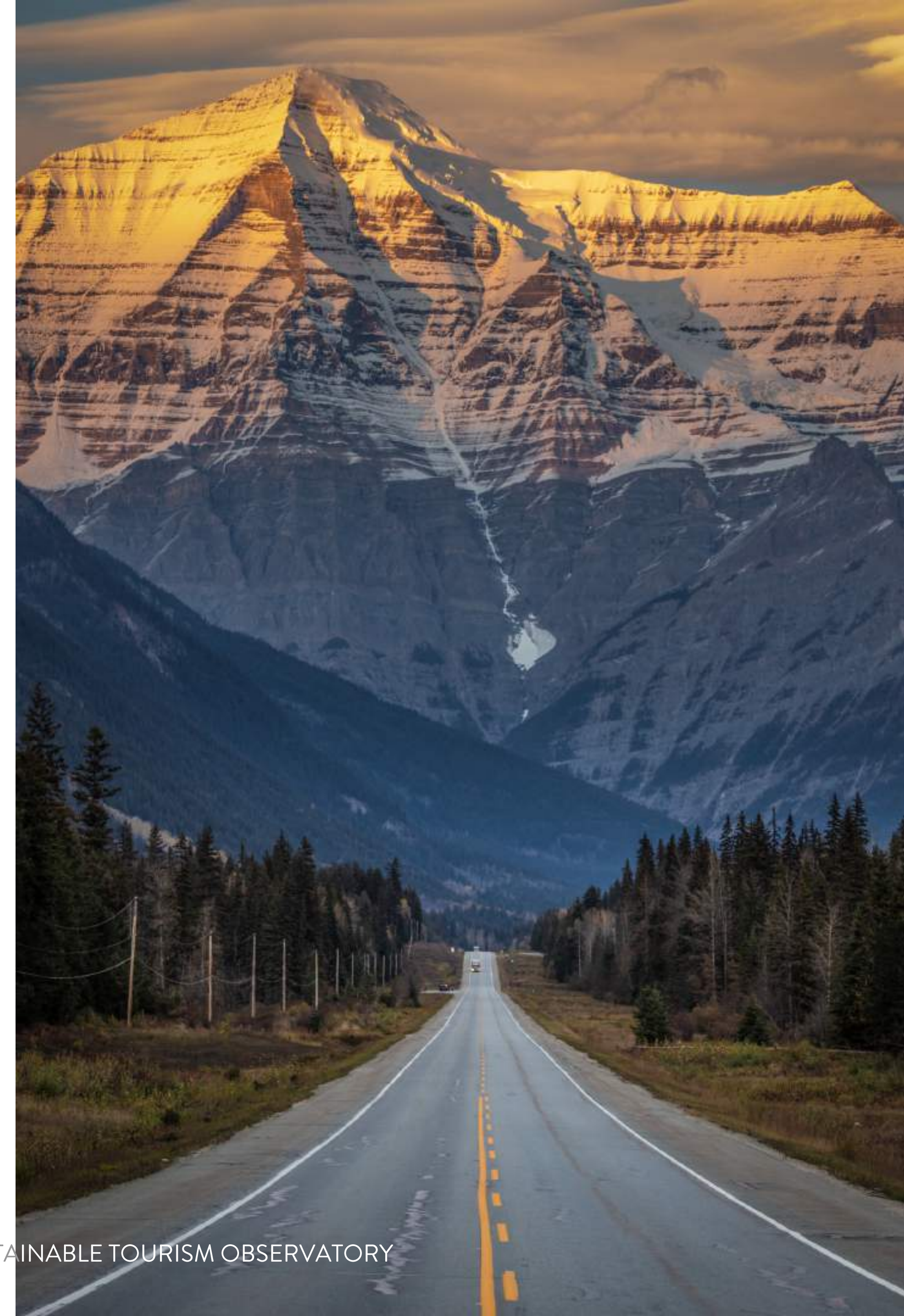
- In 2015, travellers from Ontario accounted for 3% of BC's total overnight visitation. This represents an estimated 642,000 travellers from Ontario who visited BC in 2015. Approximately $624.4 million was generated in tourist receipts.
- Travellers from Ontario accounted for 4% of all domestic visitations to BC. BC captured around 2% of all domestic overnight visitation by travellers from Ontario.
- Repeat visitation is low among Ontario visitors; only six percent have been to BC twice or more in the past two years.
- Seventy-five percent are Gentle Explorers, Authentic Experiencers and Free Spirits thus providing a close match to BC and Thompson Okanagan target EQ segments.
- Ontario visitors show a slight preference for visiting during the summer but otherwise are evenly distributed throughout the year. This may be due to the fact that close to half are visiting friends and relatives. They spend $972 per person per trip, which averages seven nights. Favourite activities include visiting parks, hiking/backpacking, visiting friends and relatives, beach and visiting museums and art galleries.

WASHINGTON STATE

- The US was BC's largest international market in 2015, accounting for 66% of BC's international overnight visitation. Washington travellers represented 45% of all US visitation to BC. This proportion increased from 41% in 2014.
- Washington was BC's third-largest market of BC's total overnight visitation in 2015, accounting for 7% of the market share.
- An estimated 1.4 million travellers from Washington visited BC in 2015, generating approximately $502.4 million in tourist receipts.
- Washington residents tend to be repeat visitors to BC as 39% have been here two or more times in the last five years, 22% in the past two years.
- Three quarters are Gentle Explorers, Authentic Experiencers and Free Spirits thus providing a close match to BC and Thompson Okanagan target EQ segments.
- Washington visitors have a dispersed seasonal visitation pattern, with well over half visiting in the Oct-May period. A quarter are visiting friends and relatives. They spend $360 per person per trip, which averages three nights.

CALIFORNIA

- The US was BC's largest international market in 2015, accounting for 66% of BC's international overnight visitation. California was BC's second-largest market from the US, representing 14% of BC's US overnight visitation.
- Approximately 2% of all overnight visitation to BC was from travellers from California. An estimated 430,000 travellers from California visited BC in 2015, generating approximately $341.4 million in tourism-related dollars.
- Sixty percent are Gentle Explorers, Authentic Experiencers and Free Spirits thus providing a good match to BC and Thompson Okanagan target EQ segments.
- California visitors are inclined to visit during the peak May-September period (60%). A quarter are visiting friends and relatives. They spend $695 per person per trip, which averages 5.7 nights. Favourite activities include sightseeing, shopping, visiting friends and relatives, visiting parks and visiting historic sites.



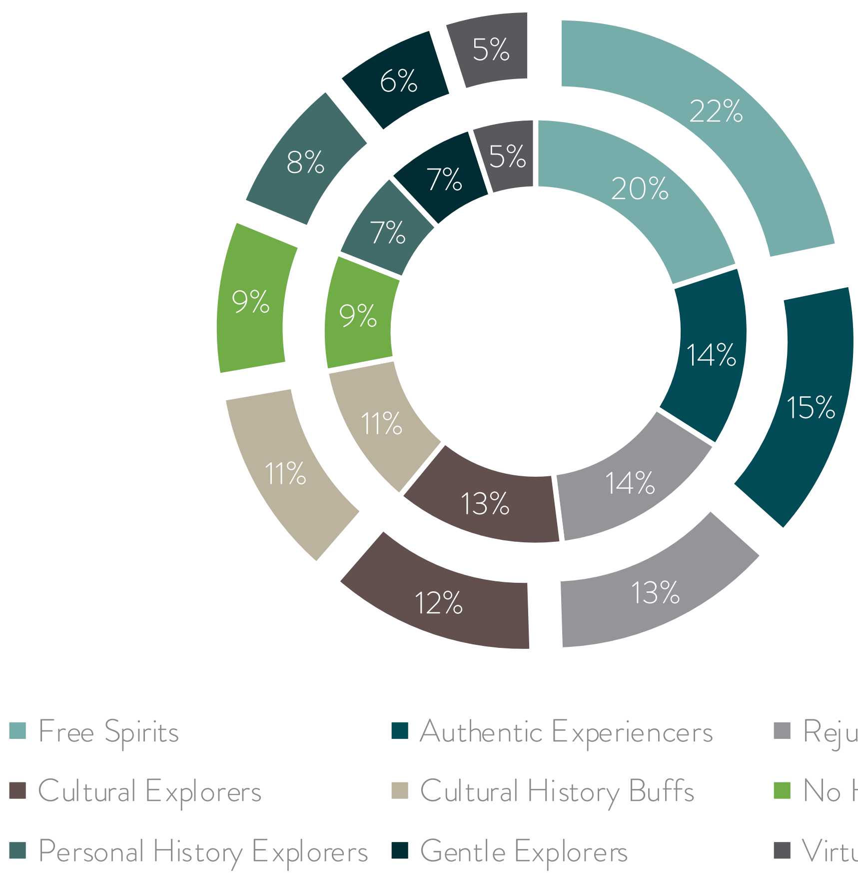
EXPLORER QUOTIENT

MARKET SEGMENTATION

The following EQ market profiles have been prepared by the Thompson Okanagan Tourism Association.

The **BC market** consists of 1,886,217 households with a population of 3,852,278. The market composition of the top EQ types by household volume are Free Spirits (20%), Authentic Experiencers (14%), Rejuvenators (14%) and Cultural Explorers (13%).

EQ BREAKDOWN - BC



Outer Circle – Province by Household Count
Inner Circle – Province by Population 18+

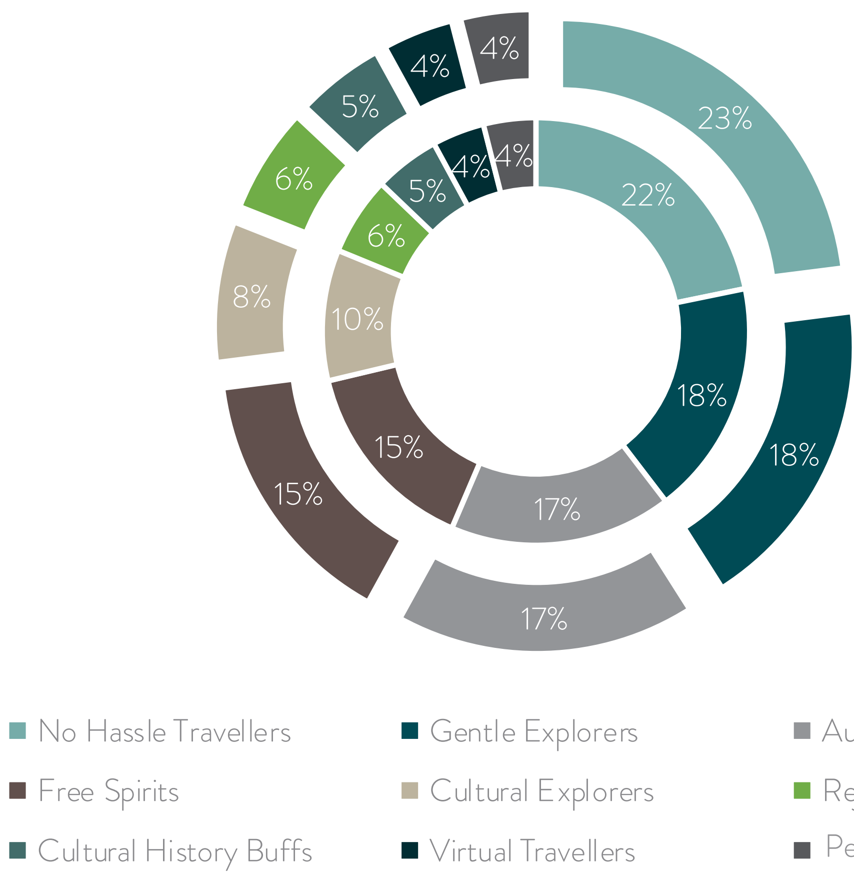
EQ Rank	EQ Type by Household %	EQ Type by Population 18+
Free Spirits	20%	22%
Authentic Experiencers	14%	15%
Rejuvenators	14%	13%
Cultural Explorers	13%	12%
Cultural History Buffs	11%	11%
No Hassle Travellers	9%	9%
Personal History Explorers	7%	8%
Gentle Explorers	7%	6%
Virtual Travellers	5%	5%

BC MARKET

- The age group 45-64 is dominated by Authentic Experiencers (43%), Free Spirits (42%) and Cultural Explorers (36%).
- The BC resident market is projected to grow at the following rates to 2026; Authentic Experiencers by 11%, (Boomers currently make up 37% of this segment), Cultural Explorers growth by 10% and Free Spirits 13%.
- BC residents travel multiple times per year providing ample opportunity to entice them to the area or a stopover en route to other destinations (e.g. Jasper).
- BC Key Segments: Authentic Experiencers include two primary segments: Families 25-44 (27% of the segment) and Baby Boomers 45-64 (43% of the segment) with an above provincial average household income of $124,123.
- Cultural Explorers include two primary segments: Families 25-44 (41% of the segment) and Baby Boomers 45-64 (36% of the segment) with a provincial average household income of $98,381.
- The British Columbia drive market is motivated to travel primarily by sightseeing (76%), opportunities for relaxation (60%), and the availability of nature/scenery/parks (56%). Most self-guided touring visitors choose routes based on scenic value. Some followed official Circle Routes, while the majority incorporated parts of a route in their trip. When touring within British Columbia, the top tourism regions to visit included Greater Vancouver (47%), Thompson Okanagan (46%), and Vancouver Island (41%). Self-guided touring visitors spent on average eight nights in British Columbia, stopping overnight, on average, at four different locations. The average distance travelled was 1,700 kilometres, with those in RVs travelling substantially further (2,200 kilometres). More than half of the drive market used their own vehicle to travel, while 21% used a rental car, and 13% travelled by RV.

The **Alberta market** consists of 1,627,993 households with a population of 3,852,278. The market composition of the top EQ types by household volume is No Hassle Travellers (22%) Gentle Explorers (18%), Authentic Experiencers (17%), Free Spirits (15% of households), and Cultural Explorers (10% of households).

EQ BREAKDOWN - ALBERTA



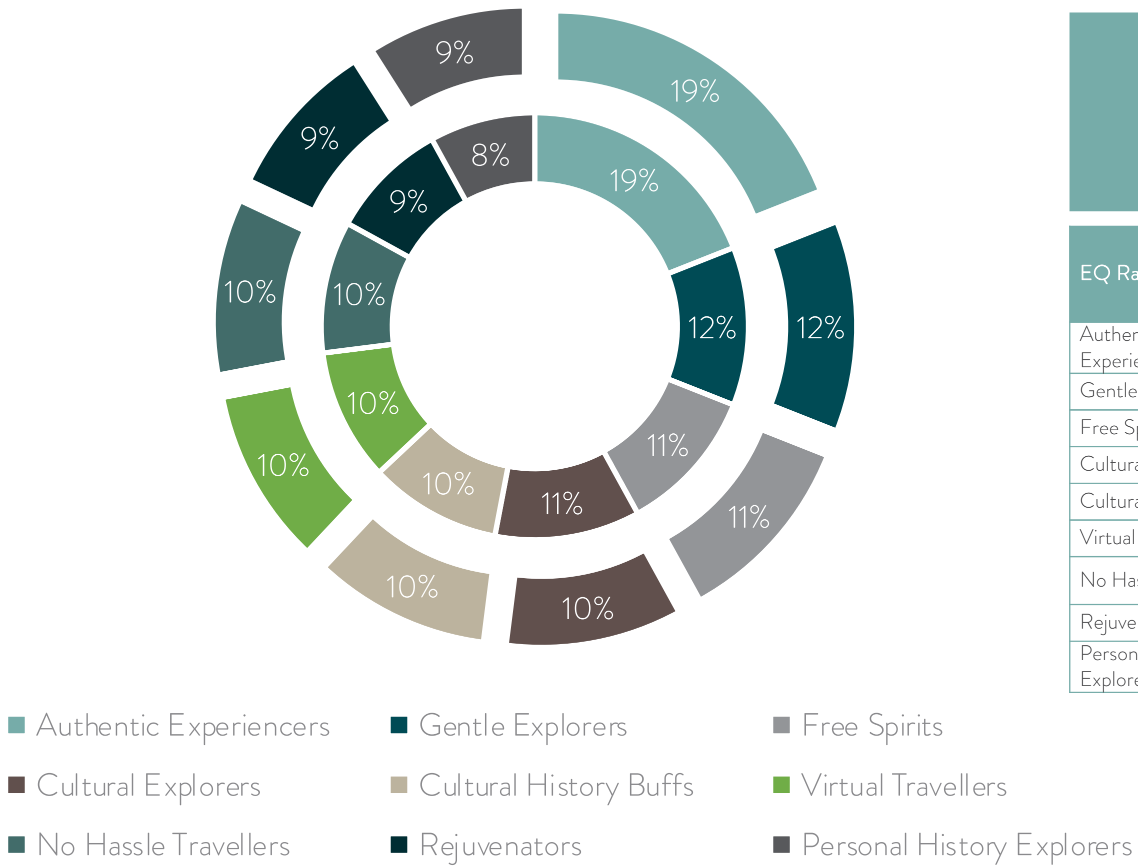
Outer Circle – Province by Household Count
Inner Circle – Province by Population 18+

EQ Rank	EQ Type by Household %	EQ Type by Population 18+
No Hassle Travelers	22%	23%
Gentle Explorers	18%	18%
Authentic Experiencers	17%	17%
Free Spirits	15%	15%
Cultural Explorers	10%	8%
Rejuvenators	6%	6%
Cultural History Buffs	5%	5%
Virtual Travellers	4%	4%
Personal History Explorers	4%	4%

ALBERTA MARKET

- The Alberta Boomers (ages 45-64) are dominant as Authentic Experiencers (45%), Free Spirits (37%) and Cultural Explorers.
- The Alberta resident market is projected to grow at the following rates to 2026: Authentic Experiencers by 19% (Boomers currently make up 40% of this segment), Cultural Explorers growth by 19% and Free Spirits 15%.
- Alberta Key Segments: Authentic Experiencers include two primary segments: Families 25-44 (33% of the segment) and Baby Boomers 45-64 (45% of the segment). Cultural Explorers include two primary segments: Families 25-44 (48% of the segment) and Baby Boomers 45-64 (30% of the segment) with a provincial average household income of $109,406. They have a deep appreciation of nature and while they may lead successful and accomplished lives, there is a part within them that craves a connection to the wild. In the wild, they are reminded of what is real and what really matters, and the true nature of beauty and freedom.
- The general buying habits of the target markets by EQ types include: 30% of the market research products and services online; 25% access travel content online; more than 50% use maps and directional services online; and 50% still use travel guides and books for trip planning.
- Trip inspiration includes media at 70% and traditional media averaging 45%. Forty-eight percent participate in an online social media channel.

EQ BREAKDOWN - WASHINGTON



Outer Circle – Province by Household Count
Inner Circle – Province by Population 18+

EQ Rank	EQ Type by Household %	EQ Type by Population 18+
Authentic Experiencers	20%	22%
Gentle Explorers	14%	15%
Free Spirits	14%	13%
Cultural Explorers	13%	12%
Cultural History Buffs	11%	11%
Virtual Travellers	9%	9%
No Hassle Travellers	7%	8%
Rejuvenators	7%	6%
Personal History Explorers	5%	5%

Authentic Experiencers

- Average household income of $115,488.
- Authentic Experiencers include two primary segments: Families 25-44 (23.7% or 325,588) of the population and Baby Boomers 45-64 (29.7% or 414,188) of the population.
- Authentic Experiencers in Washington State make up 518,541 households or 18.4% of the total Washington households (2,813,040) OR 1,392,798 (19.4%) of the total Washington population (7,184,593).
- Authentic Experiencers are the top market in Washington State by both household and population count.
- In the year 2021 Authentic Experiencers will make up 553,475 households in Washington State (2,813,040) – an increase of 6.7% from the year 2016.
- In the year 2021 Authentic Experiencers will make up 1,486,841 population in Washington State (7,600,227) – an increase of 6.3% from the year 2016.

Cultural Explorers

- Cultural Explorers are the third largest group by population in Washington State and the fourth largest by household count.
- Cultural Explorers in Washington State make up 305,639 households or 10.9% of the total Washington households (2,813,040) or 753,441 (10.5%) of the total Washington population (7,184,593)
- Cultural Explorers are predominantly between the ages of 25-44 and represent 31.6% (237,724) of the population.
- Average household Income of $76,199.
- In the year 2021 Cultural Explorers will make up 305,639 households in Washington State (2,813,040) – an increase of 7% from the year 2016.
- In the year 2021 Cultural Explorers will make up 804,317 population in Washington State (7,600,227) – an increase of 6.7% from the year 2016.

TABLE 1-5 BC AND OTHER CANADIAN RESIDENT TRAVELLER CHARACTERISTICS TO REGION

		VCM	VI	TOTA	KR	NBC	CCC
BC Residents	Average Nights Per Trip	2.4	2.7	3.0	2.4	3.8	3.5
	Average Trip Spend per Night	$107	$95	$90	$86	$83	$77
	Average Trip Spend per Visitor	$255	$260	$271	$207	$319	$272
	Share of all Visitors***	48%	62%	61%	29%	65%	73%
	Share of all Expenditures	23%	40%	44%	19%	47%	61%
	Primary Accommodation*						
	Friends & Family	48%	47%	50%	43%	44%	36%
	Hotel/Motel	21%	19%	17%	19%	10%	12%
	Other Commercial Fixed Roof**	8%	11%	6%	6%	16%	5%
	Camping/RV Parks	11%	11%	18%	17%	19%	17%
	Seasonality						
	January to March	21%	17%	14%	20%	20%	15%
	April to June	19%	22%	24%	20%	20%	22%
	July to September	36%	38%	45%	36%	36%	54%
	October to December	24%	24%	18%	24%	24%	9%

		VCM	VI	TOTA	KR	NBC	CCC
Other Canadian Residents	Average Nights Per Trip	5.1	6.9	4.9	3.4	5.0	2.8
	Average Trip Spend per Night	$146	$108	$123	$100	$104	$86
	Average Trip Spend per Visitor	$748	$739	$605	$336	$517	$238
	Share of all Visitors***	14%	11%	24%	52%	15%	12%
	Share of all Expenditures	20%	20%	39%	55%	18%	9%
	Primary Accommodation*						
	Friends & Family	56%	60%	37%	29%	50%	27%
	Hotel/Motel	35%	19%	22%	20%	15%	13%
	Other Commercial Fixed Roof**	6%	13%	8%	14%	5%	8%
	Camping/RV Parks	2%	7%	21%	15%	15%	13%
	Seasonality						
	January to March	18%	12%	8%	24%	24%	27%
	April to June	29%	31%	18%	21%	21%	14%
	July to September	33%	43%	61%	47%	47%	53%
	October to December	20%	14%	12%	8%	8%	5%

Source: Statistics Canada. Spring 2017. * Please note the sum will not equal 100% for each market as other accommodation is not included in the table. ** Other commercial fixed roof could include B&Bs, wilderness lodges, or commercial vacation rentals. *** This is the share of BC residents of all visitors to BC. For example, 48% of all visitors to the VCM are BC residents.****Small sample sizes exist for the Cariboo Chilcotin Coast (CCC), please use extreme caution when interpreting.

TOURISM PERFORMANCE

ACCOMMODATION

Table 4-1 shows room revenues for the Thompson Okanagan and constituent areas that collect the Municipal and Regional District Tax (MRDT). Total room revenues would exceed these figures once non-participating properties, B&B, vacation properties and other non-taxable property revenues are included. The planning area's revenues rose 44% during the six-year period ending in 2017, due to an increased number of properties but also overall higher average revenues per facility.

TABLE 4-1 ROOM REVENUES FOR THOMPSON OKANAGAN, 2012-2017 $MILLIONS

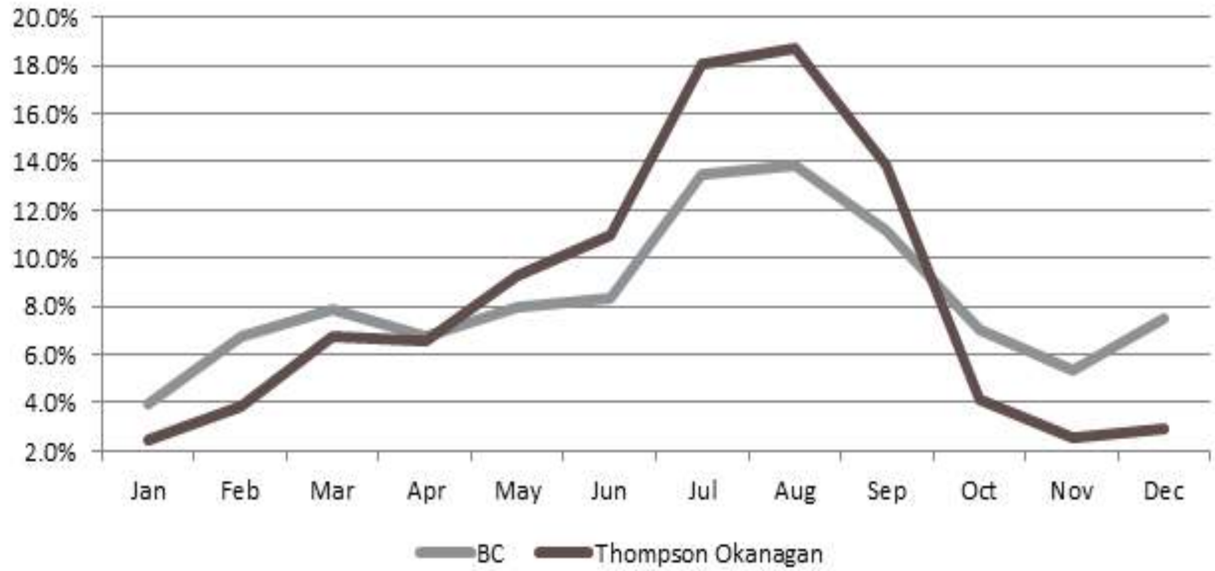
Area	2012	2013	2014	2015	2016	2017
Kamloops	44,966	48,526	50,401	51,033	56,043	57,704
Kelowna	70,406	74,988	82,558	90,935	97,932	98,054
Big White	-	-	*	*	*	*
Osoyoos	14,965	15,777	17,083	18,602	21,721	21,370
Penticton	22,509	23,350	24,611	27,426	29,522	29,439
Sun Peaks**	4,525	5,398	5,285	5,716	7,158	6,782
Valemount**	2,552	5,585	6,858	7,607	8,384	9,547
Vernon	20,706	22,708	26,489	29,929	35,081	35,476
Thompson/Nicola**	3,151	3,233	3,875	6,858	7,630	8,569
Thompson Okanagan	185,371	199,566	217,160	238,105	263,471	266,941

Source: BC Stats and Ministry of Finance. April 23, 2018. Room Revenues by Municipal Jurisdiction Calculated from Municipal and Regional District Tax (MRDT)

Room revenues are highly seasonal in the planning area, with 62% earned during the four-month June to September period (Figure 4-1). BC as a whole is somewhat more diversified but still clearly depending on the summer trade.

ROOM REVENUES BY MONTH FOR THOMPSON OKANAGAN ACCOMMODATION PROPERTIES, 2017

Source: BC Stats and Ministry of Finance. April 23, 2018. Room Revenues by Municipal Jurisdiction Calculated from MRDT



OCCUPANCY AND ADR FOR THOMPSON OKANAGAN, 2012-2017

Source: Destination BC. 2017. Provincial Tourism Indicators Year in Review.

	2012	2013	2014	2015	2016	2017
Occupancy Rate						
Kamloops	57.7%	61.5%	55.0%	54.0%	56.7%	62.0%
Kelowna	52.3%	56.6%	58.0%	60.9%	64.2%	66.0%
Penticton	46.1%	51.8%	48.5%	53.1%	55.4%	57.8%
Average Daily Room Rate						
Kamloops	$102	$106	$106	$106	$108	$112
Kelowna	$128	$139	$137	$140	$143	$150
Penticton	$122	$129	$125	$127	$134	$141

TRANSPORTATION

Transportation indicators have been generally robust over the last six years ending in 2017 (Table 4-3). Kelowna Airport passenger volumes are up 31%, and while Kamloops is also up overall since 2012, its volumes tend to fluctuate. The most recent peak year was 2015. Highway traffic volumes are mixed, but basically holding steady. The only appreciable growth is Okanagan Connector volumes south of Westbank (West Kelowna).

TRANSPORTATION INDICATORS FOR THOMPSON OKANAGAN, 2012-2017

	2012	2013	2014	2015	2016	2017
Airports, passengers						
Kelowna	1,441,132	1,489,093	1,602,912	1,594,467	1,730,930	1,893,466
Kamloops	275,424	290,394	312,895	324,803	322,429	317,434
Highway traffic volumes, AADT						
Route 5, just south of Tete Jeune Cache I/C	-	-	2,723	2,731	2,609	-
Route 1/97, just west of Rte 5 at Afton I/C, west of Kamloops	6,237	5,991	5,789	6,171	6,396	-
Route 97A, 1.3 km south of Mara Lake Provincial Park Entrance	-	3,659	3,294	3,383	4,128	-
Route 97, 2.7 km south of Route 6, south of Vernon	21,799	19,132	19,421	18,638	21,455	-
Route 97, 0.6 km north of main Kelowna Airport access road, north of Kelowna	29,715	-	29,371	-	31,030	-
Route 97, at Glenrosa I/C, 1.5 km south of Westbank	20,594	21,039	21,429	21,973	23,058	-
Route 97, 0.5 km north of Canada / USA Border, south of Osoyoos	1,733	-	-	1,475	1,423	-

Source: Destination BC. 2017. Provincial Tourism Indicators Year in Review

VISITOR CENTRES

Visitor centre statistics do not represent overall visitor markets in the regions or the province, but they do provide a benchmark for key data, such as party size and market origin.

The number of visiting parties at centres in the planning area has declined 4.8% over the last six years, versus 19% for the entire BC network.

It is recognized that information technology is playing a key role in how consumers obtain visitor information before and during their trips. This has decreased the reliance on face-to-face interactions with travel counsellors and forced destinations to rethink how best to deliver visitor services.

TABLE 4-4 TRAVEL PARTIES TO VISITOR CENTRE THOMPSON OKANAGAN AND BC, 2012-2017

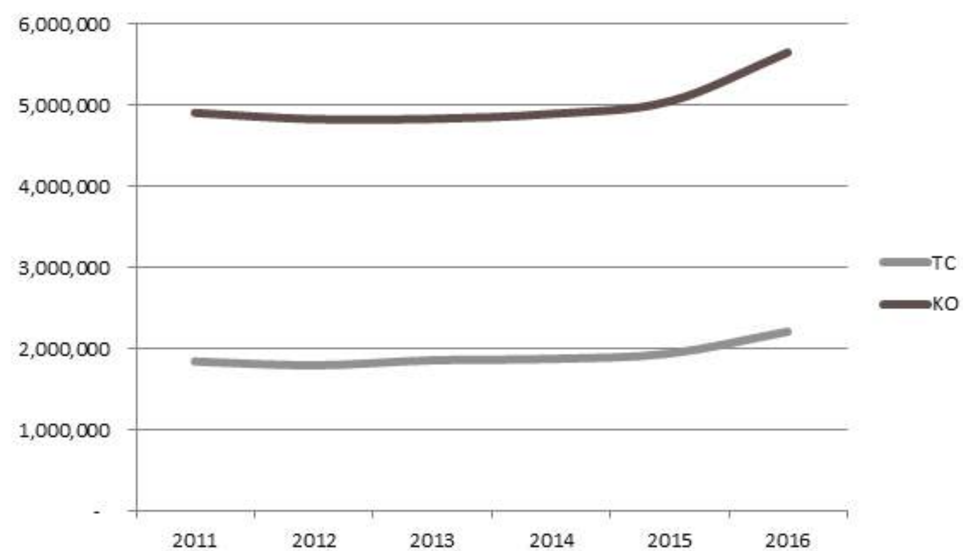
Geography	2012	2013	2014	2015	2016	2017
Thompson Okanagan	312,785	271,775	298,993	314,015	330,878	297,614
British Columbia	1,444,810	1,361,190	1,373,995	1,272,014	1,256,732	1,194,790

Source: Destination BC. 2017. Provincial Tourism Indicators Year in Review

There are 46 provincial parks in the Thompson Cariboo parks planning area, many of which do not track attendance because of the absence of campgrounds or other visitor amenities. A number of the remote and marine parks fall into this category.

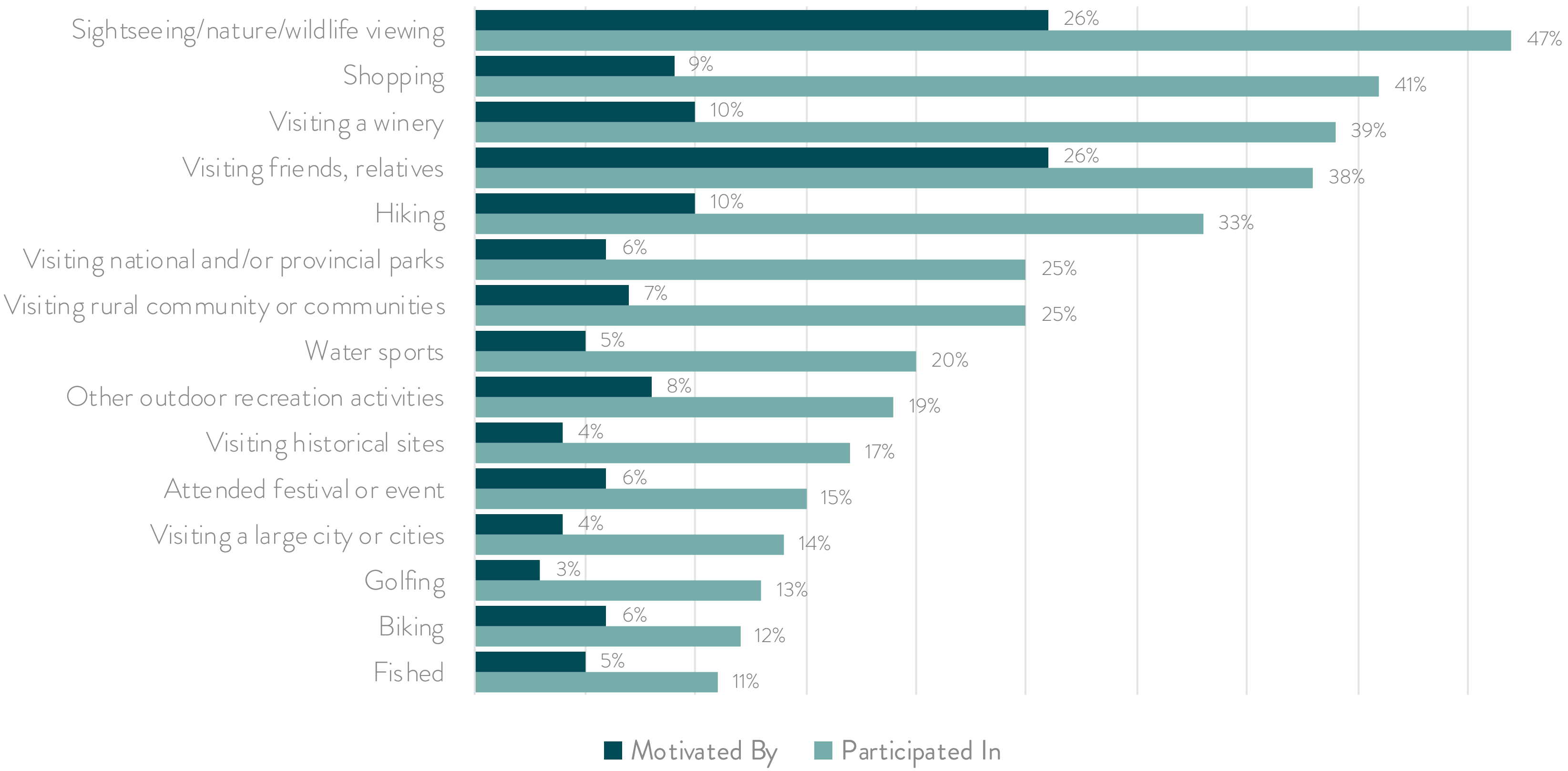
Figure 4-2 shows the growth in attendance between 2011/12 and 2015/16 for both the Thompson-Cariboo and Kootenay Okanagan park regions. In 2015/16 attendance was close to eight million, a growth of 16% over 2011/12. Growth has been equally strong in day use and camping attendance. Major parks, by attendance, are Wells Gray, Tunkwa, Steelhead, Skihist, Shuswap Lake, Roderick Haig-Brown, Paul Lake, Lac Le Jeune and Herald.

BC PARKS ATTENDANCE AND GROWTH, 2011-2016



IN-MARKET PROFILES

In 2011-2012, Destination BC produced an in-market study of the Thompson Okanagan region conducted among BC, Alberta and Washington residents.[1] Half of the respondents who are familiar with the Thompson Okanagan have a very favourable overall impression of the region. The research on trip motivation versus participation is noteworthy. Visitors to Thompson Okanagan destinations participated in a far greater range of activities while on their trip than they were originally motivated by. Sightseeing, visiting friends and relatives, and visiting wineries and hiking were the most common trip motivators. Those activities with the largest gap in motivation versus participation offer the greatest opportunities to differentiate from competing destinations.



TOTA REGIONAL OBSERVATORY AREA