



## *2023 Strategic Plan Overview*

*For Stakeholders*

*Year 4 of 2020-2024 Five Year Business Plan*

*Prepared by*

*Jikke Gyorki, Executive Officer, Tourism Fernie Society*

*As approved at November 2022 Board Meeting*

# Tourism Fernie Vision, Mission & Guiding Principles

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## VISION STATEMENT

Fernie is a vibrant and sustainable tourism destination built on respect, collaboration and authenticity.

## MISSION STATEMENT

Sustainably increase visitation & revenue for stakeholders through tourism marketing and management.

## TOURISM FERNIE GUIDING PRINCIPLES

- **Industry led / government supported** – we are led by members of Fernie’s tourism industry who solicit government support for tourism as an economic engine for Fernie
- **Market & data focused** – we prioritize market needs and trends, along with data and market research in the belief this will be best for our stakeholders and Fernie’s long term sustainability
- **Sustainable** –we respect the community’s social, economic and environmental values
- **Fair and transparent** – we have fair processes that are open to scrutiny and we explain the rationale for our decisions to interested stakeholders
- **Inclusive** – we seek input and work together with members, stakeholders, and other organizations
- **Innovative** – we aim to consistently create solutions that are ahead of the marketplace and the competition
- **Accountable** – we are fiscally responsible, measure results, adjust to changing market conditions, and account to stakeholders

## GOVERNANCE, MANAGEMENT AND ADMINISTRATION

Tourism Fernie is an industry-led, membership-based non-profit society and is the Eligible Entity for the local 3% Municipal & District Tax (MRDT), a provincially legislated tax collected by accommodations from overnight visitors (leisure and corporate). Tourism Fernie has formally existed since 2007 and is responsible for the management, administration, and governance of the entire MRDT funds and the overall strategic plan and budget. Tourism Fernie is a Community Destination Marketing/Management Organization (CDMO).

Tourism Fernie is governed by a Board of Directors representing industry stakeholders. Each Board Member sits for two-year terms with the ability to be re-elected for up to 4 terms:

- 5 MRDT Accommodators with 4 or more units
- 4 Directors at Large (Members not under above category)

As a governance board, directors meet monthly with the Executive Officer to review, discuss and/or make decisions related to finances, board governance, strategic/project plans and status, annual events such as the AGM, local industry status and needs, Tourism Master Plan and more. Tourism Fernie staff are tasked with developing and executing the annual strategic plan and budget as approved by the board. Both the Chair and the Executive Officer are the official spokesperson for the organization.

### Current Board of Directors (as of October 2022, renewed each AGM)

Andrew Hayden, Chair	Fernie Distillers	Voting
Mark Ormandy, Vice Chair	Fernie Alpine Resort/Slopeside Lodge	Voting
Reto Barrington, Treasurer	Fernie RV Resort	Voting
Andy Wilhelm, Secretary	Lizard Creek Lodge	Voting
Chris Mullin	Fernie Central Reservations	Voting
Sydney Salvador	The Chopstick Truck	Voting
Sadie Howse	Raging Elk Adventure Lodging	Voting
Kurt Saari	Nevados	Voting (replaced vacated seat by Earths Own)
VACANT	(was Steven Szelei – Parastone)	

### LIAISONS to the Board:

TBD	City of Fernie, Councillor/Mayor	Non-Voting
Executive Director	Fernie Chamber of Commerce	Non-Voting

### Tourism Fernie Staff

Jikke Gyorki, Executive Officer	Christine Grimble, Media/Travel Trade/Projects Manager
Brona Kekenakova, Marketing Manager	Vince Mo, Social Media Coordinator & Photographer
Rebecca Hall, Admin & Marketing Coordinator	

## 2023 Goals & Strategies

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### **Increase MRDT and local ADR by 10%**

- Execute effective and inspiring marketing campaigns for all four seasons with a focus on high-yield markets, content creation initiatives and innovation.
- Increase the acquisition and use of data to enhance marketing effectiveness.
- Increase member relations and communications to enhance/grow product offerings, packaging, incentives and rates.

### **Continue to support and execute destination management and development priorities/initiatives that support tourism sector growth and sustainability.**

- Lead, partner, evolve and execute the Tourism Master Plan and its actions.
- Build stronger and more effective member and stakeholder relations and partnerships.
- Continue communications within the community about tourism and the importance of tourism.

### **Develop & Initiate the 5-Year MRDT Renewal**

- Develop process/plan for the upcoming MRDT renewal.
- Review current 5 Year Plan (2020-2024) and develop recommendations for next 5-year plan.
- Consult with industry on the process and needs/focus areas for next 5-year plan.

### **Measurables/Outcomes:**

- Growth in MRDT
- Positive results of 3% stakeholder survey (conduct survey in March/pre-AGM)
- Development of quality strategic plans, budgets and financial reports, annual reports
- Further evolution and implementation of Tourism Master Plan action items
- Increased stakeholder relations and partnerships
- Marketing initiative metrics and results
- Destination management initiatives results

## 2023 Budget

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<b>REVENUES</b>	
3% MRDT - Tax Paid by Guests, Collected by Accommodators	930,000
Membership Fees & Interest	31,000
Member & Desn BC Co-op Marketing Programs	82,500
Transportation (#Ferniestoke Shuttle advertising revenues)	30,000
Grants for Sustainable Tourism & Elk River Project, Winter Trails, Events Strategy, Other	475,000
TC Energy & Discretionary Grants	181,400
<i>Reserve</i>	<u>See below</u>
<b>TOTAL REVENUES</b>	<b>1,729,900</b>
<b>EXPENSES</b>	
Administration	84,533
MRDT Admin Fees / Provincial Tourism Event Program (TEP) allocation back to the Province	85,000
Industry & Destn Mgnt/Devel Initiatives	771,414
Marketing Initiatives	840,250
<b>TOTAL EXPENSES</b>	<b>1,781,197</b>
<b>Planned Over Spending (from reserve)</b>	<b>(51,297)</b>

# Tactical Plan

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## HUMAN RESOURCES

Tourism Fernie’s HR budget is split into three categories as required by the province – Admin/Marketing/Destn. HR budget includes all staff wages/salaries, benefits and MERCs\*. It also includes time on projects that drive revenues outside of MRDT.

Tourism Fernie employs five positions to ensure the delivery of day-to-day operations and the implementation of the strategic plan. As strategies and priorities adjust, staffing or job descriptions may also adjust. This budget does not include any hired staff for the RDEK Sustainable Tourism Project’s AmbassadorWILD Program, that is under the Project budget.

Tourism Fernie’s 2023 HR budget is 16% of the total annual budget, of the 16%: marketing takes up 65%, destination 23%, admin 12%. Tourism Fernie Staff:

Executive Officer (40 Hrs/wk) - Jikke Gyorki

- 20% marketing, 56% destn mgnt/devel (~ half Projects, half Traditional), 24% admin

Manager - Marketing (40 Hrs/wk) – Brona Kekenakova

- 97% marketing, 1% destn mgnt, 2% admin

Manager – Media/Trade/Projects/Destn Long-Haul Initiatives (32 Hrs/wk) - Christine Grimble

- 80% marketing, 15% destn mgnt, 5% Admin

Coordinator – Admin & Marketing (21 Hrs/wk) - Rebecca Hall

- 84% marketing, 1% destn mgnt, 15% admin

Coordinator - Social Media & Photography (30 Hrs/wk) - Vince Mo

- 95% marketing, 2% destn mgnt, 3% admin

*Mandatory Employer Related Costs (MERCs) and all benefits are included: Employment Insurance (EI), Canadian Pension Plan (CPP), Worker’s Compensation (WCB) and payroll costs.*

## ADMINISTRATION

Tourism Fernie’s administration budget is focused on primarily on office and fixed costs as well as the portions of MRDT back to the province.

Operations/AGM/Governance	\$ 52,000
Admin HR	\$ 32,534
MRDT fees back to Province	\$ 13,000
TEP allocation back to Province	<u>\$ 72,000</u>
	\$169,534

MRDT Fees - Monthly deduction from total MRDT collected to cover Ministry of Finance administration fees

Tourism Event Program (TEP) Fees: Mandated contribution to the Destination BC provincial events fund as a 3% MRDT community. All communities have the opportunity to submit applications to the fund based on provincial criteria. TEP is calculated as 20% of 1% of MRDT revenue. Communities are encouraged to apply for TEP funds for large events. [Read more about TEP.](#)

These fees are automatically deducted from the MRDT collections by the Ministry of Finance before the net amount, monthly, is deposited into TF account. If MRDT deposits increase or decrease vs budget, so does TEP.

## DESTINATION MANAGEMENT / DEVELOPMENT

Tourism Fernie's destination management budget is focused on initiatives driven by the [Tourism Master Plan](#) and those not related to marketing. The plan and budget include special projects covered by grant funding such as Elk River Access Project, Silver Springs Project, Heiko's Project, Coal Creek Drainage, Winter Trails Collaborative, and others. This year will include the development of a Tourism-Focused Events & Animation Strategy. Transportation subsidies, tourism sector communications/learning/data and more are also included. HR budget supports time on the above as well as annual industry support initiatives (labour, housing, City committees, sector initiatives). TC Energy funds intend to partially support winter transportation needs while majority has yet to be determined by board and staff consultations, but intend to include a new summer shuttle program.

### 2023 Destination Budget:

Industry Support/Advocacy/Communications/Data/AGM	\$ 80,000
Transportation – Local & Airport	\$ 62,000
RDEK Sustainable Tourism Project/Trails/Events/Other	\$455,000
Special Initiative – TC Energy Funds	\$110,000
Destn HR	<u>\$ 64,414</u>
	\$771,414

## MARKETING

Tourism Fernie's Marketing budget is primarily funded by the MRDT and is focused on advertising, promotion, content creation, media and travel trade initiatives that drive and support visitation to the community and overnight stays.

Initiatives will target audiences that are expected to provide the best return on investment. Based on industry research, trends and stakeholder input target markets are focused primarily on high-yield markets, defined as higher-income/spenders, and longer stay travelers with an emphasis on times of the year when there are accommodation vacancies.

Primary Traveller Profiles (based on [Destination Canada EQ](#)):

- Free Spirit Travellers
- Authentic Experiencer Travellers
- Rejuvenators/No Hassle Travellers
- Gentle Explorer Travellers

Primary Geographic Markets:

- Canadian: AB, BC, ON, SK, MB, QU
- USA: WA, MT, ID, CA, plus destination ski markets
- Overseas: UK, AUS/NZ, GER

Tourism Fernie supports quality media and travel trade initiatives in above and in other markets in partnership with key members and stakeholders such as RCR/ILL/KRT/DBC/DC.

In consultation with local accommodators the following 13 target audiences were identified as important and/or high value, not necessarily in order:

- Long Haul/International, including travel trade (US, Aus, UK) – mostly destination ski focused
- Alberta / Drive market (prairies, NWUS)
- Long stay markets
- Zoomers – 45+ age group (includes Active Baby Boomers)
- Family & Couple Vacations
- Girl's Trips / Guy's Trips / LGBTQ
- Outdoor Adventure Seekers (all seasons: ski, bike, hike, fish, sled, soft nature)

- Sightseeing – Mountain Towns/Culture/Heritage, Historic Downtown, Resorts & the Canadian Rockies
- Wellness & Spa
- Destination Weddings
- Culture – Art Walk, Heritage Walk, Learning Experiences, New walking tours
- Craft F&B – Beer, Spirits, Chocolate, Coffee, Market and more
- Tourism Events, Animation & Festivals
- Group, Sport & Corporate Events/Competitions

Fernie is primarily a regional drive market which is very beneficial to our industry and recovery as this market that will still be able to travel and more quickly. Past surveys have indicated that our non-winter visitors are from:

- 14% BC
- 58% AB
- 13% Other Canada (SK, MB & ON primarily)
- 8% USA
- 7% International Overseas

During a typical winter ski season there is an increase in USA and International visitors, however regional/Canadian traffic still dominates at 70%. The long-haul market is expected to make a full recovery in 2023 from COVID-19 effects.

<b>Leisure Visitor Origins (pre-covid)</b> <small>(Tourism Fernie Surveys)</small>
<b>Summer Season:</b>
12% BC
40% AB
11% SK/MB
8% ON & Other CAN
22% USA/MEX
7% UK/AUS/EUR
<b>Winter Season:</b>
8% BC
40% AB
9% SK/MB
10% ON & Other
6% USA
22% UK/AUS/NZ
5% EUR

<b>Lodging Revenue (pre-covid)</b> <small>- in order of lowest to highest months</small>
November
May
April
October
June
September
July
August
December
January
March
February

**2023 Marketing Budget:**

Advertising/Promotions/Social/Website	\$356,000
Content/Collateral/Photos/Video	\$115,000
Member & Destn BC Co-op Marketing	\$105,500
Media/Travel Trade	\$ 40,000
#Fernihoke Shuttle Advertising Program	\$ 40,000
Marketing HR	<u>\$183,750</u>
	\$840,250