



FIVE YEAR BUSINESS PLAN 2020 - 2024

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A STRATEGIC INSIGHT TO GROWING TOURISM FOR OSOYOOS

To Support the Mission and Vision of Destination Osoyoos on behalf of its Stakeholders

Forward

The Destination Osoyoos Business Plan has been developed through a combination of review of the previous five-year business plan which was developed in 2017 for our 2018 MRDT renewal, identification of industry trends, delivery of destination development workshops, and industry stakeholder consultation and engagement sessions. These activities took place between the fall of 2016 and the end of 2019. In addition, we have updated this document to reflect 2019 financial performance.

- Delivery of Packaging Workshops to Osoyoos stakeholders; individual tourism businesses representing products, services, and tour operations.
- Meetings and discussions at the annual Thompson Okanagan Tourism Association (TOTA) AGM.
- Input from the Thompson Okanagan Tourism Association.
- Presentations to Town of Osoyoos Mayor and Council
- Input from the Destination Osoyoos Board of Directors.
- Osoyoos stakeholder engagement sessions
- Input from Destination BC
- Input from Osoyoos Indian Band

In total, more than 150 people participated in one or more of the above. This plan, including the goals, objectives, strategies, and key actions are based on input from these sessions as well as from the situation analysis and current operating environment enclosed within.

This plan is intended to be a working document for Destination Osoyoos and its stakeholders while providing guidance to the organization as it serves as the “Service Provider” on behalf of the Town of Osoyoos.

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Executive Summary

The Destination Osoyoos Business Plan serves as the embodiment of the overall vision, mission, and economic goals while serving as a roadmap for the years ahead. While the plan presents goals and strategies to 2023, greater detail and focus will be outlined in annual strategic plans. The business plan remains flexible and fluid enough to enable marketing strategies to adjust to industry trends and demands as well as any unexpected challenges and opportunities while still ensuring the organizational structure embodies a balance of cost effectiveness, accountability and professionalism.

Tourism continues to be a growth strategy for our community and our region. Destination Osoyoos has established the organization to be a relevant and important entity that has contributed significantly to the community growth and increased revenues experienced by its stakeholders. Local employment is significantly seasonal and continues to exceed the labor force supply. Regionally we are sitting at 6% unemployment which is considered full employment. The local demographic further exacerbates the issue of an insufficient labor force as the average age in Osoyoos is between 50 and 70 years of age. We are known as a resort community as well as a retirement community, with a significant number of investment property homes. In addition to our MRDT our funding comes from Fee for Service contracts with the Town of Osoyoos, the RDOS, and the Spirit Ridge Owners Association. All agreements compliment the Destination Osoyoos key mandate to deliver tourism marketing and product development for the community.

Destination Osoyoos' reputation as a progressive organization was heightened in 2015 when we were recognized by Destination BC with the BC DMO Professional Award. Additional provincial professional awards included EDABC's *Best Overall Marketing Campaign for Communities under 20,000* for its *Wintering in Osoyoos Snowbird Campaign* in 2015 and in 2016 recognition for its sector collaboration with the Okanagan College in the development of the *Passport to Employment Hospitality and Retail Training Program*.

In recent years, Destination Osoyoos has built on its brand promise with a keen focus on developing all-inclusive accommodation packages that feature a variety of tourism options throughout the year, the meetings and conference and incentive market, festivals and events that celebrate the unique qualities of our community and region as well as delivering on very successful marketing campaigns aimed at the leisure winter traveler. Marketing and promotion will continue to be the key elements in our measured success, however, product development initiatives, collaborative approaches to marketing and an exceptional visitor services model have been identified as areas of concentration needed to generate increased demand. This will include building strategic partnerships at the local, regional, provincial, and national levels as working together remains vital in the development of tourism for our region.

Balancing the opportunities with available resources and ensuring consideration continue to be given to the challenges such as seasonality, labor shortages and capacity of the accommodation market will continue to be priorities in the next several years.

A one percent increase in the Municipal and Regional District Tax (MRDT) revenue to 3% will provide Destination Osoyoos with approximately \$175,000 additional annual funds. The enhanced funds will enable the ability to focus on building upon current activities and events, development of stakeholder assets and training programs allowing for the development of new exceptional experiences while building greater awareness of our destination in key markets that will ultimately realize increased visitation to our community.

Vision

Destination Osoyoos leads the community of Osoyoos in delivering Canada's Warmest Welcome as a vibrant four-season community of choice.

Mission

To generate results for its partners, stakeholders, and the community by growing visitation, supporting business development, encourage economic diversity, provide tourism marketing leadership and delivering excellence in Visitor Services.

In pursuit of the Vision and Mission, Destination Osoyoos strives to adhere to the following guiding principles:

- Our vision and mission will be pursued in a manner that respects the area's natural and cultural heritage and is in keeping with our constituted purpose and bylaws
- We will pursue tourism and destination development growth that enhances the economic health of Osoyoos and contributes to community amenities and services
- Our involvement in community, business, and tourism sector planning, development, operational management, and marketing will be based on strategic and collaborative alignment with respect to our partners, stakeholders, the community, and the region.
- We will seek to be consumer/market research focused and responsive to visitor and investor expectations
- We will be supportive of and accountable to our partners, stakeholders, and community in measuring the results of our investments, communicating regularly and adjusting with agility to changing market conditions
- Our activities will be efficient and leveraged to secure maximum return on resources invested; and
- Our processes will be open and transparent, and we will operate in a manner that is fair and inclusive.

Strategic Context

At the regional level, the Thompson Okanagan region has been building on their ten-year [regional tourism strategy](#) - *Embracing Our Potential* and has provided a strategic framework for community tourism plans to better align marketing efforts.

The Thompson Okanagan regional strategy identifies five experience-based themes that are priorities and actions and they are core to positioning the Thompson Okanagan as *a region of iconic and authentic quality experiences*. They are:

- Identifying the iconic
- Enriching local flavours
- Revealing the story
- Expanding personal horizons
- Building authenticity

Locally, with the implementation of the previous Destination Osoyoos 5-year Business Plan, there has been significant growth in the tourism industry. A diverse blend of year-round festivals and events and successful marketing programs such as the Snowbirds campaign have ensured a mix of all-season activities for the consumer and a strong fall/winter season economy. Also, to note, changes to regional and provincial marketing programs as well as a rapid evolution of the visitor economy has resulted in the organization needing to review the current strategic direction and analyze the aspects of change. We will explore opportunities for new alliances that would encourage collective approaches to marketing and to develop newly defined expectations for the organization from both a marketing and visitor servicing perspective.

Our strategy for the next five-year plan is to support and maintain the substantial progress that has been made in current programs while exploring new and innovative ways to promote Osoyoos, ensuring a distinctive place on a competitive playing field. This includes:

- Research, develop and implement a new operational model for Destination Osoyoos including identification of community, administrative and visitor servicing needs and demands.
- Building on the strong indigenous history and culture of the area. By working with the First Nations product and collaborating with other key partners, there is a unique opportunity to incorporate an authentic First Nations presence in the visitor experience.
- Building on Festivals and Events that support shoulder season initiatives. Identify existing Festivals and Events in both Osoyoos and the region that may provide opportunities to overlap or collaborate while enhancing the success of current local Festivals and Events.
- Promotion of the local trail system that provides opportunities for experience development in both cycling and hiking.
- Growing opportunities with soft adventure and sport activities, strengthening reputation as an all-season destination.
- Working with neighboring communities and regional campaigns such as Route 97 to attract the RV and camping markets, during spring and fall initiatives.
- Continued marketing to meeting and incentive markets (MICE), positioning the appeal of Osoyoos as a “meetings ready” destination to meeting planners.

- Working collaboratively with neighboring communities to identify opportunities to access available Destination BC open pool marketing funds.
- Strengthening relations with neighboring communities, the region and the province to amplify messaging and capitalize on existing programs and to create new programs.
- Increased stakeholder and community engagement with the goal to better understand the needs, motivations and challenges of Osoyoos visitors and potential visitors as well as to better align stakeholders to destination marketing strategies and destination development
- Increased engagement with the accommodation sector with the goal to better understand their business climate while ensuring marketing strategies realigned with traveler trends and demands.
- Create packaging with all applicable products and events within a reasonable distance to increase overnight stays.
- Continue to develop the ski sector with the new re development of Mount Baldy.
- Increase Co-op marketing initiatives with stakeholders.

Economic Conditions

Defined as one of the world's fastest growing industries, the tourism industry has recorded six consecutive years of above-average growth and it is anticipated to continue well into the future.

With over 200,000 businesses in Canada employing 1.7 million Canadians, the tourism industry is a major economic driver worth \$91.6 billion and is Canada's largest service export, generating an estimated \$20 billion in export revenues annually. – TIAC, Tourism Week 2018 - The future of tourism-Canada's economic pillar, May 28, 2018

Tourism is one of the provinces top performing industries, generating \$20.5 billion in revenue in 2018, a 4.9% increase over 2017 and a 53.3% increase since 2008. In 2018, tourism in British Columbia contributed more to GDP than any other primary resource industry including Forestry & Logging, Agriculture & Fishing, Oil & Gas, and Mining.

International travelers account for approximately 25% of visitor volume in the province and present a more lucrative, higher yield for our limited accommodations, products and services, generating approximately 40% of expenditures.

Despite the diverse target markets, in recent years, BC's tourism industry has become increasingly reliant on BC residents to grow consumer demand. In 2016, 52% of BC's visitors were BC residents. This accounted for 36% of revenue that was generated in the province. The secondary market for BC is from other parts of Canada, with Alberta as the leading province and accounted for an additional 24% of BC's tourism revenues in 2015.

The Thompson Okanagan, one of six tourism regions in the province, represents 20% of provincial overnight visitation and 15% of overall spending. British Columbia residents make up the largest share of overnight visitation (61%) and spending (44%) in the Thompson Okanagan. 84% of all overnight visitation to the region can be attributed to Alberta and British Columbia residents, and 73% of related spending. Most people travelled in the Thompson Okanagan during the peak summer months. Over one-quarter of travelers visited during the spring months from April to June, particularly Other international residents (34%) and US residents (28%). British Columbia residents were more likely to travel to the region during the winter months than other markets of origin.¹

Travel Trends relative to Destination Osoyoos

EMERGING MARKETS

Destination Osoyoos will monitor the expanding consumer-based intelligence in new and emerging markets as well as continue examination of Destination BC's Global Tourism Watch. Combined with monitoring awareness and travel intentions of core markets, discussions with media and travel trade and supporting TOTA where applicable and advised, ensuring alignment of the right product with the right market, including collateral material and distribution channels will guide in the growth of these markets.

FOOD AND WINE INFLUENCING TRAVELER'S CHOICES

Research shows that the culinary industry, primarily wine and food, is increasingly playing a role in influencing visitors travel choices. This is one of the most creative trends in the industry and today's travelers are looking for hands-on experiences where they can visit local farms, orchards, and wineries, interact with chefs and go on food tours or tastings that highlight local or ethnic specialties.

Osoyoos and the outlying area offers a diverse, unique and desirable culinary experience and Destination Osoyoos will continue to utilize a professional Public Relations firm and host media in market to maximize exposure of this market as well as continue to find effective ways to identify opportunities such as packaging, festivals and events as well as source channels and demographics that will yield the most positive returns.

MILLENNIAL TRAVELERS

The millennial traveler continues to be a high valued target for DMO's for many reasons with the obvious being that they are also the youngest traveler and provide the highest potential for repeat visitation. Osoyoos, like many communities, provides a collection of experiences which are in high demand for this demographic.

Millennial travelers seek experiences where they can learn, interact and feel inspired. Destination Osoyoos attracts this important demographic by promoting the annual festivals, arts & culture and outdoor offerings available year-round.

Destination Osoyoos has been ensuring that messaging is cohesive across the platforms that millennials frequent, and that content is engaging and interactive. It is also crucial to ensure that our stakeholders are utilizing these platforms to target this demographic using unified messaging for Osoyoos, allowing us to stand alone on the wealth of social media and peer reviewed travel sites, such as Trip Advisor and Google My Business. By engaging key social media influencers, Destination Osoyoos can highlight Osoyoos as the place to visit, expanding our reach and engagement.

THE SHARING ECONOMY

The shift from ownership to access is transforming many industries, and tourism is one of the most affected. The rise of "collaborative consumption" with the popularity of asset-sharing websites like Airbnb, VRBO, and Uber has made it easier for visitors to connect with local hosts and guides. The expectation of today's visitor is that they will "experience" a destination versus simply "visit" the destination. As visitors are given more choices in the way they travel, the relationship between the sharing economy and the tourism industry will become increasingly intertwined.

INCREASED USE OF TECHNOLOGY

Destination Osoyoos recognizes the importance of the technology in travel. Destination Osoyoos endeavors to maintain a current, comprehensive and relevant website that travelers will want to use when planning their visit to the South Okanagan. The annual strategy has been adjusted to meet the demand of this new consumer and includes more digital marketing and utilization of all social media platforms to engage our customers. Destination Osoyoos understands that new technologies will continue to emerge and change the marketing landscape and have a dedicated team who will ensure the marketing initiatives and online visitor servicing outreach is aligned with the methods travelers are

utilizing both for booking and for ongoing communications before, during and after a vacation. Utilizing key social media tools, analytics, and responsive digital technology, Destination Osoyoos continues to promote Osoyoos as a must-visit destination while providing social media visitor service outreach to engage and assist travelers pre, mid, and post trip.

LEISURE & BUSINESS

In recent years, there has been a trend for business to offer resort locations for incentive rewards and/or corporate events. Destination Osoyoos recognizes that every business traveler has the potential to be converted into a leisure visitor as their initial reason for coming to Osoyoos may be for business. Osoyoos boasts first class/exclusive travel experiences that would be enticing to Corporate Planners. DO is creating an 'inventory' of incentive-worthy products (ex: waterfront resorts; golf courses; winery tours, Area 27 and festivals) and sample itineraries for each season to share with this important sector. We will continue to work with our hotel partners and provide tools and services to ensure all visitors are aware of the amenities available for them to enjoy. Golf, beaches and soft adventure are ranked among the top three leisure activities associated with business travelers today.

SHORTER TRIPS, CLOSER TO HOME

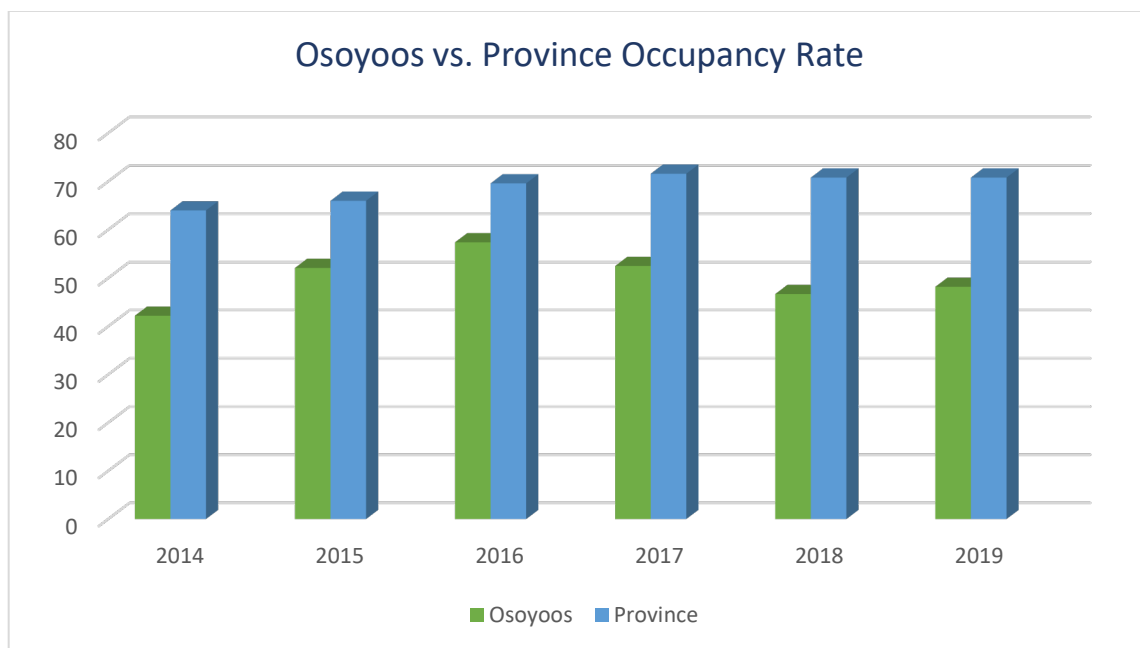
This trend has been noticeable for several years, as with the rising cost of fuel and lower Canadian dollar, people are taking shorter trips closer to home. During the shoulder season, Destination Osoyoos benefits greatly from promoting 'road trips' to the regional market (Kelowna-Kamloops + Fraser Valley). Destination Osoyoos uses shoulder season activities and events to attract 'road-trippers' by creating a variety of advertising campaigns that appeal to this sector.

Market Performance

Local accommodation providers are boasting robust and at times historical outcomes. In the past decade, there has been recorded growth from the accommodation sector. Based on the 5-year Historical STR report for Osoyoos (2011-2016) on average there has been an increase of 12.8% in occupancy rates, an increase of approximately 3% in the average daily rate, and significant annual increases in MRDT, most notably in 2015 and 2016. In 2017, our community was challenged by natural disasters, accounting for a drop in occupancy that year. Despite the severe winter conditions, flooding, and forest fires, occupancy for 2017 showed to be above years 2014-2015. In 2018, the Average DR was 174.33 and the occupancy was 46.7%, and in 2019 the year finished at ADR of 177.61, with the occupancy being 48.2. We continue to see growth more so in ADR (+\$3.28) than occupancy (+1.5%)

Occupancy Rates: 2014 – 2019

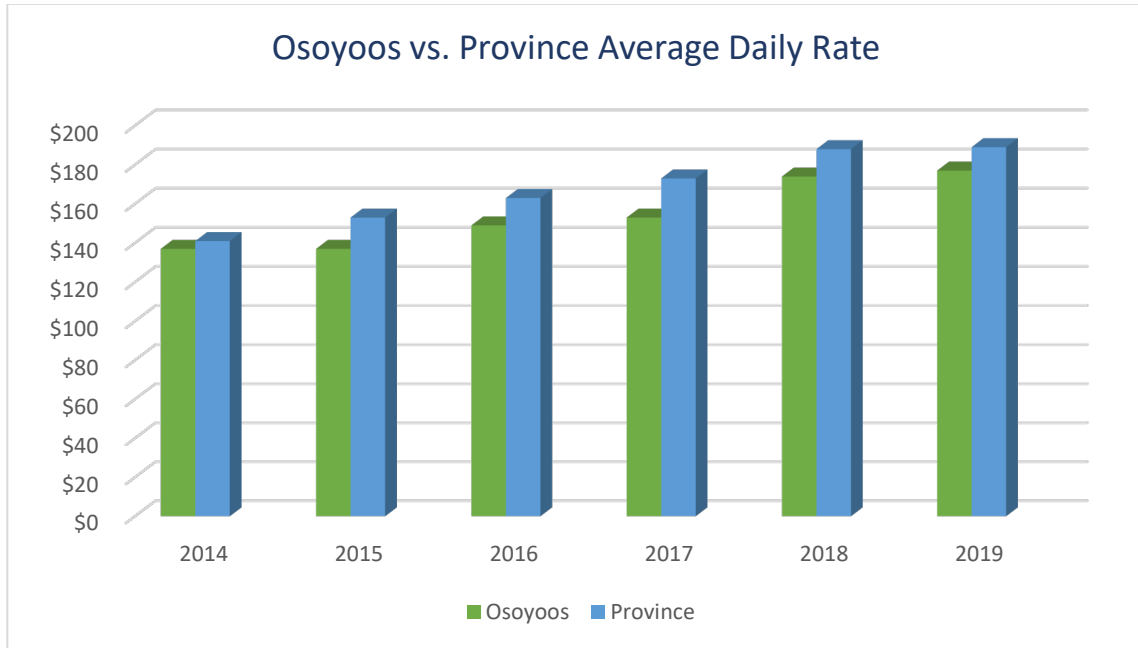
On average, for the past 6 years the accommodation sector in Osoyoos has shown significant growth that is consistent with the growth from comparable regional communities such as Penticton, Kamloops, Golden and Revelstoke. While occupancy rates are below the provincial average, they have grown exponentially in the past several years and at a higher rate than the provincial occupancy.



YEAR	OSOYOOS OCCUPANCY RATE	PROVINCIAL OCCUPANCY RATE
2014	42.2	64
2015	52.1	66
2016	57.4	69.6
2017	52.5	71.6
2018	46.7	70.8
2019	48.2	70.8

Average Daily Rate: 2014 – 2019

Osoyoos experienced a stable and relatively consistent ADR in the previous 6-year period which shows substantial economic growth in the accommodation and tourism sector, and therefore, strong MRDT revenues for the same year. The community’s ADR was slightly above neighboring competitors, however since 2014 the ADR was below the provincial average.

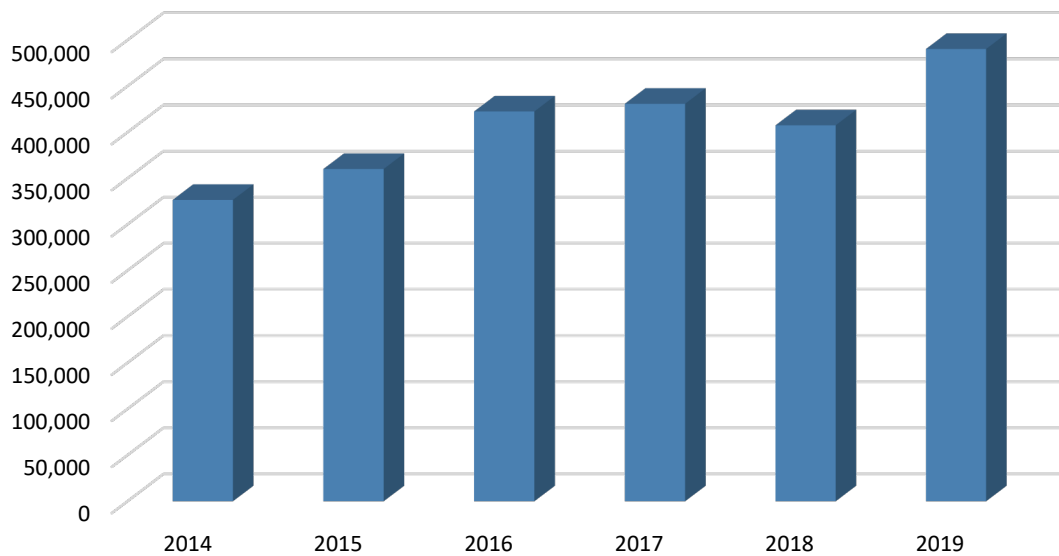


YEAR	OSOYOOS AVERAGE DAILY RATE	PROVINCIAL AVERAGE DAILY RATE
2014	\$137	\$141
2015	\$137	\$153
2016	\$149	\$163
2017	\$153	\$173
2018	\$174	\$188
2019	\$177	\$189

Osoyoos MRDT Funds: 2014 - 2019

Continued monitoring of the receipt of MRDT funds can provide Destination Osoyoos with valuable indicators that help determine periods of growth and/or decline and how it compares to regional and provincial indicators as well as determine if our MRDT activities are well aligned with our investment efforts. Consistent growth in ADR over the past six years indicates strong growth in tourism for the Osoyoos community and stakeholders.

Annual MRDT Funds



HOTEL TAX (MRDT) REVENUE

	2014	2015	2016	2017	2018	2019
Osoyoos 2% MRDT	\$326,661	\$360,164	\$422,601	\$430,933	\$407,563	\$490,363*
Change vs. previous year	+7.8%	+10.2%	+17.3%	+1.9%	-5.4%	+13.8%

**began collecting 3% in September 2019*

Strengths, Weaknesses, Opportunities & Threats

Osoyoos is ideally situated to continue to benefit from tourism in the years to come. By examining the internal strengths and weaknesses, as well as identifying external opportunities and threats, the summarized learnings provide the ability to collectively be more strategic and efficient in the development, implementation and evaluation of marketing, destination development and visitor services programs.

DIVERSE PRODUCT OFFERINGS

Osoyoos is a community offering a rich blend of urban services and amenities and diverse mix of experiential product. The following unique aspects of the community further differentiate Osoyoos from competing communities:

- Diverse mix of festivals and events throughout the year
- Rich aboriginal cultural tourism products
- Robust selection of Agri-tourism products such as award-winning wineries, orchards/fruit stands, cideries, distilleries and farm gate outlets.
- Gateway to all season outdoor soft adventure experiences; golf, hiking, biking, skiing and water sports
- Diverse mix of accommodation options ranging from campgrounds, family run motels to full-service luxury resorts

STRONG PARTNERSHIPS

Destination Osoyoos has worked diligently to follow DMO best practices that position the organization for long-term success. Confidence in the tourism industry and the Destination Osoyoos organization has ensured long term partnerships and investment from several key stakeholders such as the Town of Osoyoos, Regional District of Okanagan-Similkameen, the Osoyoos Indian Band, and Regional, Provincial and National Tourism offices.

EFFICIENTLY MANAGED DMO

The organizational structure of Destination Osoyoos has been established to maintain a balance between the required resources to move the organization forward and the infrastructure needed to ensure a sustainable future. Destination Osoyoos employs 4 year-round, full time staff, 1 contracted marketing staff member, 3 part-time seasonal staff and several special projects contractors to run the organization in an effective manner. The ability to draw on volunteers, seasonal and contract staff allows Destination Osoyoos to manage administrative expenses while ensuring organizational goals and objectives are met.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Climate warm dry summers, mild winters • Year-round outdoor experiences • Strong indigenous history and culture • Distinctive year-round festivals and events • Diverse product offerings • Robust variety of Agri Tourism product • Accessibility to key markets • Urban facilities and services • Uncongested • Distinctive geographical features and landscapes • Hikes and trails system • Long recognized as family destination • Wide variety of Accommodation options • Affordable resort destination 	<ul style="list-style-type: none"> • Minimal transportation options • Limited collaborative marketing; access to regional Open Pool funding program • Air accessibility • Housing for seasonal workers • Seasonal destination • Inconsistent delivery of product/hours • Stakeholder engagement • Lack of experienced / qualified labour • Susceptible to forest fires and flooding
Opportunities	Threats
<ul style="list-style-type: none"> • Assist in building new festivals and events during shoulder season • Development of year-round, all inclusive packages • Collaboration with First Nations, wine industry, accommodation partners & event planners • Further development of niche product offerings (Area 27; Dark Sky) • Build on TOTA Route 97 campaign • Untapped Travel Trade, MCIT markets • Growth of agricultural charm (cideries, distilleries, wineries, farm to fork) • Strong US \$ + resurgence of marketing in the US by Provincial & Federal DMOs • Well positioned in Snowbird market • Positioning Osoyoos as top-rated Incentive destination • Leverage the Chinese-owned winery + ski resort for Int'l business • 'Road Trip' destination for all weekends • New ownership of area hotels/motels • New management at Travel Penticton offers opportunity for collaborative marketing on a regional level 	<ul style="list-style-type: none"> • Lack of stakeholder engagement • Business retention • Lack of local, regional and provincial coordination with First Nations products • Tourism industry labour issues and retention demands • Tighter visa regulations, border controls and increased duties for foreign travelers • Rising fuel prices and travel costs • Increased competition • Major competition for prime festival/event dates • Negative perception of Winter highways • Natural disasters; flood, fire & smoke

EXTERNAL OPPORTUNITIES

Global Economic Factors

Problematic trade discussions with the US is creating confusion with inbound travelers and more and more Canadians are not crossing the border out of protest. Low oil prices continue to drive down the Canadian dollar – another incentive for Canadians to opt for “staycations”. Additionally, the trend of people traveling closer to home but taking more and shorter trips is expected, and US and international visitors will continue to experience greater value in the purchase of tourism products and services.

Re-investing in American Markets

After years of spending cuts, Destination Canada and Destination BC are now reinvesting in the US market with the Connecting America Campaign. With the US economy continuing to recover and a strategy to lure visitors from Washington State, Osoyoos can expect a modest growth rate in visitors from the US in 2019 and beyond.

Strategic Alliances

Strategic alliances with the Thompson Okanagan Tourism Association (TOTA), Travel Penticton, Similkameen Independent Wineries Association; Oliver Osoyoos Wineries Association, Osoyoos Motel Hotel Association; and local businesses that represent key sectors will enable extended reach to other parts of BC, Washington State and Alberta as well as to secondary markets that may not otherwise be achievable by marketing independently.

EXTERNAL THREATS

Steep Global Competition for Canada and BC

Canada has been losing market share in the global tourism rankings for several years. To become top of mind for travelers and consumers, our iconic Canadian experiences must re-invent themselves and create a sense of urgency in the minds of consumers. There are new and emerging destinations and as a result, it remains vital to market our experiences and stand apart and inspire the consumer in what remains as a globally competitive marketplace.

Capacity at Gateway Cities

With Vancouver, Calgary, Toronto and Montreal enjoying record breaking tourism numbers and a country-wide shortage of hospitality workers, Osoyoos is now being impacted by capacity issues at gateway cities. When Vancouver and Calgary are at capacity, the “gateway” to Osoyoos can be a challenge for long haul visitors. Travel Trade (buses and FIT) has been replaced in the gateway cities with a higher yield leisure customer that may or may not be circulating through the Province.

Regional Competition for Osoyoos

Osoyoos has long been recognized by Snowbirds as a winter destination for those seeking a mild winter climate. As with many destinations in BC, the summer months continue to perform at full capacity, and destinations province-wide are now developing strategies to capitalize on the shoulder season. Destination Osoyoos will continue to identify opportunities that set the community apart by focusing on packaging its tourism experiences and aligning them with the right market at the right time and developing incentive programs to entice longer stays, early bookings and repeat visits.

Overall Goals, Objectives and Targets

A strategic objective for Destination Osoyoos is to work in partnership whenever possible with a wide range of community stakeholders and tourism businesses to develop experiences and marketing programs that are focused on increasing visitation and overnight stays within the communities.

DO will facilitate the development of stakeholder partnerships with the intention of building shoulder periods and expanding the seasonality of the resort community pursuing regional “road trippers” over weekends and special events during need periods.

The overall goal for the five-year period is to create a thriving year-round tourism economy for Osoyoos and area. This will be highlighted by increasing overnight visitation to Osoyoos, this goal is based on a historical average increase of approximately 7% annually. This will be measured primarily by statistical data from STR reports that include occupancy, supply and demand, MRDT revenue, as well as gate sales from local attractions, festivals and events and consultation with Osoyoos accommodation providers. To achieve this goal, specific objectives and targets have been outlined below for each of our business areas.

Strategies and Key Actions

Goal 1 |

TO INCREASE VISITATION, OVERNIGHT STAYS AND ECONOMIC IMPACT TO OSOYOOS

A reputation for showcasing the rich culinary scene, successful annual festivals and events, a vibrant cultural base and soft adventure playground contribute to the increased revenues in Osoyoos. Recognizing that Osoyoos is considered a great ‘getaway’ to those who live within the Okanagan provides an opportunity to offer “last minute specials” during need periods and market the community in the winter as road conditions play less of a factor. Osoyoos will continue to identify and monitor opportunities that will position the community with a differential advantage over neighboring and competitive communities and regions.

STRATEGIES

1. To regularly meet with the accommodation sector on to identify need periods and further develop marketing strategies and opportunities that will contribute to overnight stays
2. To promote the positive image of Osoyoos through engagement and continuing to build a compelling brand in core and niche markets
3. To create multi-media campaigns promoting appropriate packages as ‘road trips’
4. To work with Aboriginal tourism products and services for marketing and encourage the development of cultural events

5. Evaluate and identify emerging new products and strengthen their contribution through targeted program activities.
6. Build upon current services, partnerships and promotional programs in the Meetings, Incentives, Conferences and Events sector that builds Osoyoos capacity to host successful
7. Strengthen digital channels by building reach and increasing return on content creation while supporting local stakeholders in developing a social media plan that aligns with Destination Osoyoos

MEASUREABLE PERFORMANCE

Key Performance indicators (KPI) will include:

- MRDT revenues
- Defined Occupancy Rate metrics
- Visitation to key activities, festivals and events measured by surveys, online ticket booking, room sales call arounds
- Dashboard metrics and digital platforms
- Stakeholder satisfaction, through annual survey
- Growth in Social Media following
- Increase in Snowbird population + expanded length of stay, measured through STR reports
- STR reports

Goal 2 |

TO FOSTER THE SUPPLY OF TOURISM PRODUCTS AND EXPERIENCES IN COLLABORATION WITH PARTNERS AND COMMUNITY

The overall objective of this goal is to identify and prioritize opportunities and initiatives to improve the understanding and importance of tourism for Osoyoos and to better position the tourism sector for growth.

STRATEGIES

1. Ensure dedicated attention to visitor services in support of destination events promotion and destination development
2. Identify partnership opportunities with neighbouring communities, regions, and provincial influencers and where possible, leverage tourism funding programs for efficiencies and impact
3. Industry Development Co-ordinator to:
 - a. Facilitate community building and identify opportunities to aid in strengthening tourism product and services
 - b. Implement additional stakeholder communication tools including the delivery of annual community consultation sessions to further understand and meet the expectations and needs of stakeholders.
 - c. Assist event groups
4. Fee for Services
5. Work with Destination BC and TOTA in the delivery of research and workshops to further develop and enhance the visitor experience to and within Osoyoos
 - a). Destination Development Workshops and
 - b). Remarkable Experiences Program

MEASUREABLE PERFORMANCE

Key Performance Indicators (KPI) will include

- Quality and quantity of online reviews
- Stakeholder participation at community consultation and development sessions
- Number of grant applications + approval of each
- Stakeholder satisfaction verified via regular annual Stakeholder Survey
- Amount of secured leveraged marketing funds for cooperative marketing initiatives

Goal 3 |

CREATE A TOURISM MASTER PLAN IN COLLABORATION WITH THE TOWN OF OSOYOOS, DBC, TOTA, RDOS, OIB, AND ALL OTHER DESTINATION OSOYOOS STAKEHOLDERS

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Establishing best practices can provide Destination Osoyoos with a defined structure, processes and tools that will ensure the organization is operating effectively and makes effective use of the revenues available while remaining responsible and transparent to all stakeholders. Consideration must be given to other destinations and DMO's to develop effective strategies and ensure destination competitiveness.

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STRATEGIES

1. Research best practices
2. Through a community and stakeholder visioning session define what the future look like for our community and industry sectors
3. Ensure ongoing commitment and active participation with other provincial tourism industry alliances
4. Monitor external and internal influencers and institute changes to organizational structure to reflect changes in how tourism grows in Osoyoos
5. Develop organizational direction in an environment that is inclusive and responsive
6. Ensure current annual MRDT provincial guidelines are met
7. Develop communication methods and deliver key Value of Tourism messaging to stakeholders, businesses and residents of Osoyoos
8. Communicate best practices with local stakeholders and serve as resource and connection to information
9. Collaborate and advocate with national, provincial, regional and community level tourism organizations
10. Review opportunities to enhance seasonal Staff housing

MEASUREABLE PERFORMANCE

Key Performance Indicators include

- Completion of plan December 2020
- Implementation of plan by March 2021
- Stakeholder engagement (response to newsletters, etc.)
- to become a provincially recognized, high performing, accountable organization that strategically aligns itself with the goals and objects of our national, provincial and regional partners
 - Define the metrics to be used in the above point

Brand Positioning



The Destination Osoyoos brand has evolved, and through repeated exposure and strong association with the regional and provincial brand, has successfully differentiated Osoyoos from competing communities. Adopting *Canada's Warmest Welcome* as its tagline, the Osoyoos consumer brand is positioned as an all-season desert destination that is a showcase of Indigenous culture, award-winning wineries, a vibrant culinary scene, sophisticated resorts, family-friendly motels and a mecca for year-round outdoor experiences. With its warm and mild climate, the urban and eco-desert elements make Osoyoos a great choice for those seeking a weekend getaway, recreation, rest or relaxation, while also positioning Osoyoos as a desirable and affordable community for meetings and Corporate incentives.

Building a personal relationship between our visitors and Osoyoos is a critical element of our tourism brand and is accomplished by staying relevant and engaged through our online and social platforms.

Destination Osoyoos will continue to take a proactive approach to social media marketing and align our Social Media Strategy with local, regional and provincial partners to ensure maximum exposure for our branding and online presence.

Destination Osoyoos strives to encourage local stakeholders to position and align their products and services within the community tourism brand rather than stand alone in their marketing initiatives. There is an advantage to brand positioning as it is readily identified regionally and provincially, which in return works effectively with Destination BC's provincial brand.

Target Markets

Osoyoos continues to experience measurable growth in visitation from both regional and out of province markets. The primary contributor of revenue to the local tourism economy results from spending by visitors.

The following key target markets are identified as having the greatest potential to build upon Osoyoos strengths. They include the types of visitors that are priorities for Osoyoos, primary and secondary target markets, geographic target markets, as well as demographic and activity-based target groups. These markets are also priority markets for the South Okanagan and therefore, provides additional opportunities to leverage resources and develop collaborative approaches to marketing whenever possible.

Primary Markets

Okanagan/Similkameen Valleys (Near-in Markets within a 2.5 hr. drive)

Vancouver/Fraser Valley

Other BC

Alberta

Washington State

- Residents of the Okanagan and Similkameen Valleys, including couples and families.
- Other BC markets, including residents of Metro Vancouver seeking weekend getaways and regional markets that include couples and families.
- Visitors travelling to Osoyoos for meetings, conferences and/or festivals and special events. This group would largely influence the short term, and overnight stays.
- Alberta residents seeking activity-based experiences that include outdoor, soft adventure, festivals & events.
- Visitors to the Okanagan Valley from the Washington State and Cascadia region, predominately couples that are traveling for leisure purposes.

Secondary or Niche Markets

- Snowbirds with a focus on expanding season to arrive earlier and stay longer.

Primary Market Sectors

- Couples & Families
- Weekend Warriors
- Culinary Enthusiasts
- Golf Enthusiasts
- Festival Enthusiasts
- Visiting Friends & Family
- Bachelor/Bachelorette Parties
- Destination Weddings
- Seniors/Snowbirds
- Meetings & Incentive Travel

- Travel Trade – Domestic & International

IMPLICATIONS TO TOURISM IN BRITISH COLUMBIA:

From an age demographic perspective, Boomers are a large and important market with money to spend, and their interest in nature aligns well with BC's brand promise. Millennials are an important and growing group with different tastes and expectations, an appetite for travel, but possess only limited disposable income at this life stage. Given the size of each group, targeting each generation may not be feasible. Segmenting by passion-based interests or by psychographics such as Explorer Quotient is more effective than by demographics alone.¹

EXPLORER QUOTIENT

Destination Canada's Explorer Quotient research framework has been adopted by Destination BC and the Thompson Okanagan Tourism Association and provides Destination Osoyoos with a foundation for establishing target EQ types, based on the region's attributes and other factors, such as alignment with Destination BC. EQ research is specific to each of Destination Canada's target geographic markets. It adds a psychographic element to targeting, but also folds in demographics and experience appeal by EQ Type. With Destination Osoyoos demographic and geographic targets in mind, the following EQ Types were chosen as primary Destination Osoyoos targets for the Canadian market:

Cultural Explorer

- These travel types are constant travelers and love to be immersed in local culture, people and settings. This may also include cultural history buffs who travel to further research their hobbies and interests.

Authentic Explorer

- This travel type is something of an improve artist and likes to explore. They are seeking authentic, tangible engagement with destinations and are high on historical and cultural travel.

The secondary EQ Type target for the Canadian market is:

Free Spirit

- This is a highly social, open-minded, experimental and adventurous traveler who loves high-end hedonistic experiences. They make up 12% of the Canadian market; 45% Men/55% Female

¹ Destination BC Environmental Scan – August 2016

Management, Governance & Administration

Organizational Structure

The Destination Osoyoos Development Society officially opened its doors as a not-for-profit Society in 1996. Governed by a local volunteer Board of Directors, the organization works closely and collaboratively with the Town of Osoyoos, the Regional District Okanagan-Similkameen, the Thompson Okanagan Tourism Association, Destination BC, tourism stakeholders and other key organizations to support the economic, physical, social and cultural well-being of Osoyoos.

As the service provider for the Town of Osoyoos, Destination Osoyoos adheres to the following service agreement.

- Provides annual presentation of the marketing plan and budget to the DO Board, community stakeholders, Destination BC, and the Town of Osoyoos at a public Council meeting
- Submission of annual report with audited financial statements to all partners
- 9 voting and two non-voting seats on the Destination Osoyoos Board of Directors

Destination Osoyoos embraces all tourism industry products and services in the community and considers all participants as stakeholders to the local tourism industry. By adhering to a stakeholder model, the organization can accomplish; a). the ability to fully represent all the tourism product and services available in the Osoyoos region to the consumer, and b). ensure the opportunity to participate in cooperative partnered programs with Destination BC and TOTA as well as any eligible sector organizations from within the region. These stakeholders are non-voting members of Destination Osoyoos. Members who hold voting rights pay a nominal annual membership fee to the organization.

Membership in the Society, whether voting or non-voting, may be open to any person, tourism Society, recreation-oriented body, business firm, and any other groups or firms within the Osoyoos and Rural Area 'A' provided they possess a valid Business Licence within the municipality that it operates and has a regulatory government body overseeing the specifics of the delivery of services and products of said business.

Governance Structure

Destination Osoyoos Development Society is governed by an up to thirteen-member Board of Directors and the DMO management reports to a Board that is both appointed and elected by industry stakeholders. This policy board consists of 11 voting members and supported by 2 non-voting representatives. The Board Voting Directors include 3 elected from the community as Directors at Large; 3 appointed by the Osoyoos Hotel/Motel Association; 2 appointed by the Board; 1 appointed by the Town of Osoyoos; 1 appointed by RDOS; 1 appointed by Osoyoos Indian Band and 1 appointed by the Spirit Ridge Owner Association. The 2 non-voting Directors are made up of 1 representative from the Town of Osoyoos, and 1 representative of Spirit Ridge Owner Association.

As a not-for-profit Society, Destination Osoyoos Development Society is strictly guided by the Societies Act and enforced Constitution and By-laws which may not be altered or added to except by special resolution. This is supported by Governance policies that reinforce the purpose of the Board, on behalf of Destination Osoyoos. These policies set strategic direction to achieve the Society's mission within legal and ethical boundaries. Terms of Reference, Conflict of Interest Guidelines and Confidentiality Policies, Annual Disclosure Statements, Code of Conduct, Roles and Responsibilities and evaluation tools for the Board, management and staff provide support of the organizations philosophy.

The Board of Directors represents the community and is given the legal corporate authority and responsibility for the achievement of the organization's mission, for its stability and for provision of systematic linkage with other organizations engaged in the pursuit of similar objectives, and the community at large. The Board is responsible for ensuring that it has adequate information to monitor major areas of corporate performance.

Current Board Structure (2020)

Daniel Bibby, Chair	Spirit Ridge Owner Assoc. Appointee	Voting
Rob Rausch, Vice Chair	Board Appointee	Voting
Joanne Muirhead, Past Chair	RDOS Area A Appointee	Voting
Doug Robb, Treasurer	Director at Large; Elected	Voting
Don Brogan	OHMA Appointee	Voting
Paul Scanlon	OHMA Appointee	Voting
Peter Bueschkens	OMHA Appointee	Voting
Sara Crockett	Director at Large; Elected	Voting
Vacant	Director at Large; Elected	Voting
Vacant	Board Appointee	Voting
Vacant	Osoyoos Indian Band Appointee	Voting
Myers Bennett	Town of Osoyoos	Non-Voting
Jana Yackel	Spirit Ridge Owner Assoc. Appointee	Non-Voting

HR Management

Destination Osoyoos supports and employs staff positions to ensure the delivery of day to day operations and the implementation of the overall destination marketing and business plan. The organization strives to maintain a balance between administrative costs and marketing dollars that are put directly into the marketplace, and as such, maintains a lean but extremely competent and dedicated staff. There are currently 4 full time and one long term contracted position within the organization and depending on demands and weight of initiatives, additional contractors may be secured on a project by project basis.

EXECUTIVE DIRECTOR

This position is the Senior Executive who, with the Chair, enables the Board to fulfill its governance function. The Executive Director reports to the Chair of the Board and maintains open communication with the Board by keeping them informed of all significant matters. The Executive Director is also responsible for managing and controlling the operations and employees of the Society on a day-to-day basis in accordance with the plans, policies and parameters that are approved by the Board. This position is accountable to the Destination Osoyoos Development Society and gives direction and leadership towards the implementation and achievement of the Society's strategic plan. The Executive Director possesses a strong background in destination marketing and leadership and collaborates with local, regional and provincial stakeholders to ensure growth and value of the tourism economy in Osoyoos.

VISITOR SERVICES AND OPERATIONS MANAGER

This position works with the Executive Director on internal projects such as finance, budgets, governance and bylaws and employee programming. Additionally, manages the oversight of day to day administrative functions of the organization and with direction from the ED executes all board management and communications. This position is also responsible for purchasing and maintaining the retail program, overseeing the Visitor Services program and administration of the Visitor Centre, as well as working closely with and overseeing the Visitor Services Supervisor on all aspects of operating the Centre.

MARKETING DIRECTOR

The Marketing Director works with the Executive Director, and the Digital Marketing Manager to create and deliver the annual marketing plan and assist with long term strategic planning. This position is also responsible for coordinating marketing initiatives with stakeholders, coordinates all familiarization (FAM) tours and maintains strong partnerships with Destination Canada, Destination BC, Thompson Okanagan Tourism Association, and other government partners.

COMMUNICATIONS AND DIGITAL MARKETING MANAGER

This position works with the Executive Director and the Marketing Manager to assist in all primary aspects of tourism marketing. This position also manages the DO website and social media activities and platforms, is responsible for building and managing databases including all digital content, photos, videos, email and information databases, design and development of all stakeholder and consumer communications.

VISITOR SERVICES SUPERVISOR

This position is responsible for the day to day operations of the Visitor Centre which include staffing, training, maintaining the brochure inventory and racking program and delivering the visitor services program.

Committees and Task Forces

Through the guidance of the Destination Osoyoos Board of Directors, appointments are made for Standing and Special Committees (Ad Hoc) from among the members of the Society or otherwise as may be deemed fit. The composition of the Committees reflects the necessary expertise to achieve the Committee's objectives. The powers and duties of committees are defined by the Board and the Committees Code of Conduct, guided by the organizations Constitution & Bylaws and Board Policy Manual.

Each Committee's function is to bring the experience, expertise and judgment of a group of interested and informed persons to bear on a specific area of the Society's responsibility. Its job is to assist the Board by considering matters referred to it in great depth that not would be possible by the whole Board. Committees isolate the key issues requiring Board consideration, propose alternative actions, present the implications and make recommendations to the Board for decision. The following will continue to be the pillar Committees for Destination Osoyoos.

FINANCE COMMITTEE

Oversees the financial health of the Society including recommending the annual budget, recommending the monthly financial statements, recommending the appointment of auditors and explaining significant budget variances to the Board. Ensures that complete and accurate records are kept of all the organizations finances; report of all financial transactions and of the financial position of the organization; review and present annual audited financial statements.

GOVERNANCE COMMITTEE

Assess and nominate members of the Board of Directors; make recommendations regarding the board's composition, operations and performance; develop corporate governance principles.

MARKETING COMMITTEE

Committed to developing and implementing marketing initiatives and activities to increase awareness of the community and attracting new stakeholders.

Sources of Funding

It is the overall goal of the Destination Osoyoos Development Society to be financially well positioned on an annual basis with the ability to be adaptive, responsive, and have the flexibility to shift with market conditions and trends while aligning the business strategy and annual tactical plan with consumer demands.

The annual budget is presented as insight to what may result as the organization adjusts to change and by identifying opportunities and evolving trends. It is a notional perspective where adjustments and amendments are periodically required. The following reflects funding contributions received in 2018, 2019 and forecasted for in 2020.

PUBLIC REVENUE		2018	2019	2020 Budget
Town of Osoyoos	Fee for Service	\$75,000	\$75,000	\$75,000
Regional District of Osoyoos Similkameen	Regional Tourism Marketing Agreement	\$12,000	\$12,000	\$12,000
Nk 'Mip Resort Association **	Regional Tourism Marketing Agreement	\$15,125	N/A	N/A
Spirit Ridge Owners Association	Fee for Service	\$50,000	\$50,000	\$50,000
MRDT***		\$407,563	\$490,363	\$600,000
Service Canada	Canada Summer Jobs Grant	\$3,387	\$4,322	\$0
Economic Development Funding **	Fee for Service	\$88,000	N/A	N/A
PRIVATE REVENUE				
Advertising Sales		\$14,611	\$14,420	\$14,000
Membership Fees		\$320	\$220	\$0
Festivals and Events		\$31,308	N/A	N/A
Visitor Services - Retail Sales		\$44,965	\$58,397	\$55,000

** this Agreement was not renewed after expiry at end of 2018

*** began collecting 3% September 2019