

Destination Canada Business Events

2021 Research Plan

Executive Summary

Our multi-tiered BE research project provides valuable intelligence on the impacts of COVID-19, the global business events landscape, and our target audience to ensure we understand the market, our sectors, and our decision-maker needs to allow Canadian partners to rise above their competition to host meaningful events in Canada. This research will be provided to Canadian partners through regular and dedicated communications.

OBJECTIVE

Increase the effectiveness of Team Canada's ability to generate business opportunities for our cities.

RESULTS

We use evidence to make business decisions; Canada's tourism organizations value DC.

To meet our objective we will use our research to provide thought leadership and strategic advice to the Canadian business events industry. Focusing on the provision of data, research and market intel that can be used by the DCBE team and Team Canada partners will enable us to guide strategies and generate business opportunities.



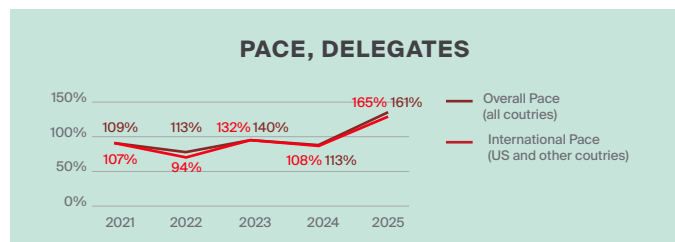
Situational Analysis

The analysis below is based on data as of October 31, 2020 aggregated from internal and confidential information from 22 Canadian urban destination marketing organizations (DMOs).

Prior to the COVID-19 pandemic, 2020 was poised to be a strong year with more than 2,500 business events taking place, representing more than 1.19M delegates and \$921.34M in direct spending. Of those delegates, approximately 29% would have been from international organizations planning to hold business events in Canada.

The COVID-19 pandemic has created uncertainty in the segment as events are cancelled or postponed to future years. As of the end of October 2020, losses incurred for events planned for 2020 by the Canadian business events sector topped \$1.04B in direct spending alone, with the cancellation of 3,150 events representing 1.26M delegates. This includes both business events confirmed for 2020 and tentative events in the bidding stage for 2020.

As we see postponements and rebookings occur, 2021 and 2022 are now both pacing ahead in terms of number of events (based on 2017/2018 baseline). The number of delegates travelling in 2022 is still lower than expected for this time of year and could be due to a trend in booking smaller meetings. The ripple effect of postponed and rebooked events will be felt in the industry for years. This includes tentative business that Canadian destinations were bidding on for future years, which will now be cancelled indefinitely or affected by postponed or rebooked events. Several international conferences are booked up to five years in advance. Given this booking cycle, business development and marketing efforts need to continue.



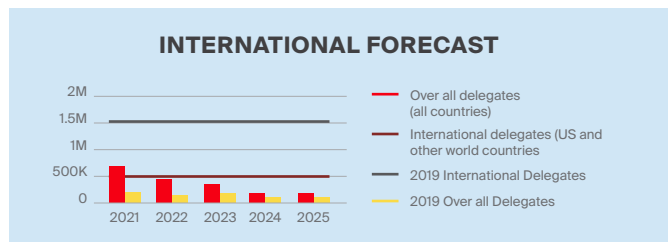
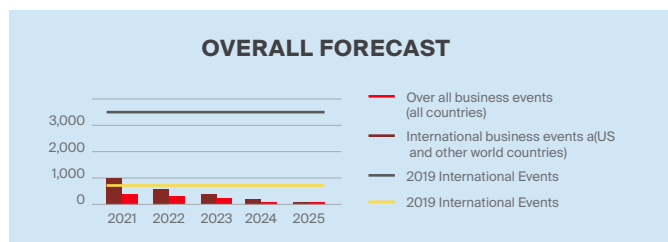
Source: Canada Business Events Pace Report, data as of October 31, 2020

2021 business events: 2021 is currently ahead of pace, meaning there are more events for 2021 booked than what the target is for this time of year as of Oct 31, 2020. The pace over the next year will be fluid until COVID-19 is contained, the border restrictions, and other code red restrictions lift within our provinces. For 2021, 78%

of the business events booked are Canadian/national events with the remaining 32% international. This means if provincial borders open and restrictions lift, we could see 78% of the events retained for 2021. Depending on when borders open to international business events, business events could shift into 2022 – as this business shifts it will continue to create a ripple effect into future years.

2022 business events: While 2022 has made some gains overall, international business events are lagging well below average for most of the year (months of January – May and November, December 2022). National events are overall pacing ahead, however specific months are currently pacing behind in Q1 2022 and in December 2022.

2023 and beyond: Further out into 2023, the number of international events are lagging, and while the number of delegates are above pace, for many months the international market is falling behind pace. With the trend of business event sizes becoming smaller in the near term, more business events would be needed to fill the delegate gap. That said, 2024 international business events are seeing the most benefit and making gains from rebookings and postponements of 2020 – planners are committed to still having their events in Canada.



Source: Canada Business Events Pace Report, data as of October 31, 2020

Economic sector perspective*: Of note, from an industry sector perspective, most of the events booked for 2022 and beyond are in the life sciences sector. Life sciences outperforms all other sectors in booked business for future years. In 2021, top priority sectors with booked business include life sciences and the finance and insurance sector. For 2022, the leading sectors are life sciences, finance and insurance and technology.

**Note: Sector data is representative of 50% of booked events for future years, as not all destinations are reporting industry sector specific information.*

2020 research and analytical approach

Destination Canada has identified and undertaken a number of research projects that will help inform our strategy.



COVID-19 hits	1. Understand Impacts and communicate impacts	2. Understand Recovery: Understand how and when we will recover	3. Understand decision maker needs: how our decision makers, industry & delegates have changed	4. Provide tools to support sales and marketing in the new normal
When COVID-19 hit, Destination Canada assessed the research needs in 4 main areas seen here. Most are complete or in-progress. Click on links below for more details.	Pace Report (monthly) Impacts & Recovery Reports (monthly) Expansion of COVID-19 Economic impact model	Recovery Framework (ongoing) – Dec 10 update	Industry Environmental Scan (Jul-Dec) Changes in Supply chain (Sep-Dec) Planner Pulse Check Decision makers focus groups (May, Oct) Planner Pulse Check BE Decision makers surveys (Aug, Sept, Nov, Dec)	Canada's Economic Sector Profiles (ongoing) Global Sector Roadmap (ongoing) Incentive Market Profile Research (Sep-Dec)

1. Understanding Impacts

Pace Report: is designed for destinations to use in strategic planning and forecasting and for evidence-based discussions with municipal, regional economic development agencies and governments. The Pace Report started in early 2019 with an initial cohort of 17 DMOs contributing business event data to understand the scope of business events in Canada:

- what volume/impact does this segment have,
- which geographic regions the business is coming from,
- which segment (association, corporate, incentive)
- which economic sector(s).

The data collection will continue with 22 destination partners into 2021.

Business Event Impact & Recovery Report: Using the Pace Report and cancellation data reporting from non-pace report partners, we are tracking the impact of COVID-19 to the BE segment to more fully understand the economic value of business events in Canada, and the impact of the pandemic on this key sector. This report provides more detailed insight based on observed changes in business events for 2020 and future years, allowing for more focused recovery efforts (including policy, investments, sales and marketing).



2. Recovery Framework

Canada's restart framework is:

- an evidence based approach to track early recovery signals of the resumption of business events;
- and where Destination Canada collects and analyzes data for insights into recovery signals in support of business development and marketing activities being delivered in markets at the right time.

3. Projects to better understand decision-maker needs in this changing environment:

A) INDUSTRY ENVIRONMENTAL SCAN & SUPPLY CHAIN ANALYSIS:

In Fall 2020, DCBE contracted FLOOR13 to conduct an environmental scan to understand the global business events marketplace trends being discussed and developed (by planners, executive directors and DMOs) to prepare for a post COVID-19 resumption of events. A report will be provided as part of the recovery framework discussion in January 2021.

Through this project FLOOR13 also identified:

- How business events infrastructure capacity will change from both an international and domestic perspective
- Human resources gaps (international and domestic) in the supply chain due to decreased resources – example, fewer DMO staff and/or no in-market reps.

This intelligence will help Destination Canada and Team Canada partners assess the support needed and how we can collaborate to fill those gaps going forward.

B) PLANNER PULSE CHECK REPORTS - FOCUS GROUPS AND SURVEYS

This project helps us all better understand our audience, identifying the key factors that will influence the future of business events post COVID-19, including how the clients' needs and plans may have changed.

4. Research tools

A) CANADA'S ECONOMIC SECTOR PROFILES

The research and data that had informed our economic sector strategy over the past two years was in need of a refresh. Our team has been working with our Canadian tourism and economic development agency partners to update priority sectors and centres of excellence profiles. These will be reflected in new updated marketing tools including business intelligence reports, new knowledge maps, flat sheets, brochures, and in 2021, on our content hub.

B) GLOBAL SECTOR ROADMAP

We are creating global roadmaps: detailed market, key account and sector intelligence portfolios focused on resilient and thriving sectors in existing and emerging markets.

As part of our global roadmaps, our business development managers leveraged sector networks, industry relationships, the various ministries within the Federal Family such as Global Affairs, Invest in Canada, to identify business opportunities for DCBE partners to pursue. Armed with this in-depth knowledge DCBE and partners will be able to get in front of the right decision-makers at the right time.

C) INCENTIVE MARKET PROFILE RESEARCH

Closing the data and knowledge gap on the incentive market, this project aims to provide a visitor profile (present volumes of incentive business in Canada – identifying where are programs being held, where business is originating from, and from what sectors). This was outsourced to a contractor to survey DMCs and other experts working in the market. The project will provide the missing research to better understand the actual potential of the incentive market for Canada in order to inform an incentive strategy. This report will be released in January/February 2021 as research will be completed in December 2020.

Research Priorities 2021

We will continue with projects introduced in 2020, with a focus on market intelligence to support the business events restart framework. Additional 2021 projects include:

A BETTER UNDERSTANDING OUR TARGET AUDIENCE - BUILD PERSONAS

Beyond demographic details, we will seek to understand how decision-makers spend their executive time, how they take in new information, what they read, watch and listen to, and how they consume new information. Armed with this information we will develop personas by sector so we can target our media strategies toward the publications our decision-makers are engaging with.

STUDY CONFERENCE LEGACIES

We will demonstrate legacies beyond the economic impact of events hosted in Canada, including impacts tied to research collaboration, new trade, investments, or business relocations/expansions.

Our 2021 research focus



1. Understand Impacts and communicate impacts	2. Understand Recovery: Understand how and when we will recover	3. Understand decision maker needs: how our decision makers, industry & delegates have changed	4. Provide tools to support sales and marketing in the new normal
<p>Pace Report (monthly)</p> <p>Impacts & Recovery Reports (monthly)</p> <p>Business Events Economic Impact Model</p>	<p>Recovery Framework (ongoing)</p>	<p>Decision maker focus groups (quarterly)</p> <p>BE decision maker focus groups (quarterly)</p>	<p>Canada's Economic Sector Profiles (ongoing)</p> <p>Global Sector Roadmap (ongoing)</p> <p>Better understand our target audience - build personas</p> <p>Conference legacy study</p> <p>Incentive Market Profile Research</p>

