

NO: R128

COUNCIL DATE: June 24, 2019

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## REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **June 20, 2019**

FROM: **General Manager, Investment &  
Intergovernmental Relations**

FILE: **6750-01**

SUBJECT: **Municipal and Regional District Tax Re-establishment**

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## RECOMMENDATION

The Investment & Intergovernmental Relations Department recommends that Council:

1. Endorse the re-establishment of a Municipal and Regional District Tax at the new rate of 3% for a 5-year period from May 1, 2020 to April 30, 2025;
2. Approve Surrey Tourism and Convention Association, which now operates as Discover Surrey, as Surrey's Destination Marketing Organization with a mandate to market and promote the entire City of Surrey through its marketing initiatives and programs;
3. Authorize staff to submit an application to the Lieutenant Governor in Council through the Provincial Ministry of Finance upon receiving sufficient support petitions from local hoteliers to establish a 3% MRDT for the time period as noted above; and
4. Authorize the City Clerk to bring forward the necessary *Municipal and Regional District Tax By-law, 2019, No. 19858* for the required readings and authorize staff to undertake all the necessary related actions.

## INTENT

This report is to obtain Council approval for the introduction of the Municipal and Regional District Tax ("MRDT") at the new 3% rate for a 5-year period from May 1, 2020 to April 30, 2025 and the re-establishment of Discover Surrey as the City of Surrey's ("the City's") official Destination Marketing Organization ("DMO").

## BACKGROUND

Surrey Tourism and Convention Association ("STCA"), which now operates as Discover Surrey, was established in 2001 through the City of Surrey's Tourism Advisory Committee ("TAC") as an independent, non-profit organization that works to raise awareness of tourism opportunities in Surrey. The TAC, a now retired committee, formally requested Council approval to establish the STCA on July 9, 2001, by way of the *Additional Hotel Room Tax By-law, 2001, No. 14441* which allowed for the first approved implementation of a 2% Additional Hotel Room Tax ("AHRT" now known as the MRDT) in Surrey. STCA was officially established and the MRDT came into effect

on March 1, 2002, for a period of five years. The MRDT was subsequently renewed in 2007 and 2012 for additional 5-year terms.

Since its establishment, the STCA, now known as Discover Surrey, has successfully implemented programs and campaigns including: Tourism Talks, TrueCommunity, Tourism Surrey's Culinary Arts Program and the Sport Surrey Program. Discover Surrey's primary source of funding was the 2% MRDT which was collected until 2016 when the tax was repealed by the *Additional Hotel Room Tax Bylaw, 2006, No. 16122 Repeal Bylaw, 2016, No. 19011* on December 19, 2016. The MRDT was repealed due to a lack of support from Surrey-based hoteliers when it did not meet minimum threshold requirements (support for implementation from 51% of the City's hotel owners, representing at least 51% of the total number of hotel rooms in the City). Since the repeal of the MRDT, Discover Surrey has continued to operate by expending its reserve funds, which are now nearing depletion.

### **The Municipal and Regional District Tax Program**

The MRDT is a tax of up to 3% that can be applied to the sales of short-term accommodation providers in participating areas of British Columbia, including hotels, motels, resorts, bed and breakfasts, on-line accommodation providers ("OAPs") and others. Section 240 of the Provincial Sales Tax ("PST") Act is the enabling legislation for the MRDT and provides the authority for a local municipality to receive the MRDT as the designated recipient.

The MRDT is remitted by accommodation providers to the Province of BC ("the Province"). The Province subsequently provides the funds to the designated recipient of the MRDT, in this case the City of Surrey. The City then remits the funds to its official DMO, which, if endorsed by Council, will be Discover Surrey.

As the designated recipient of the MRDT, the City will hold Discover Surrey accountable to ensure funds are appropriately used for tourism marketing and programs and that fiscal prudence is exercised.

On September 1, 2015, the Province launched enhanced MRDT Program Requirements that included allowing the maximum tax rate to increase from 2% to 3% (see Appendix "I"). Increasing the tax rate is optional. In BC, there are currently 56 communities participating in the MRDT program. Twenty-seven collect at the 3% rate and 29 collect at the 2% rate. Discover Surrey, through consultation with local hoteliers and other tourism stakeholders, have indicated a desire to see the MRDT rate increased to 3%.

In 2018, the Province announced that eligible uses of a portion of MRDT revenues could include affordable housing, if so desired by the designated recipient of the funds. To date, there are no designated recipients that have opted to do so. The Province also recently announced that the OAP, Airbnb, would be required to collect PST and MRDT on purchases of accommodation through their platform. It is expected that other OAPs will also be required to collect MRDT in the future. The option of dedicating MRDT funds collected by OAPs was discussed internally and is not currently recommended due to implementation and enforcement costs.

## **DISCUSSION**

In early 2019, Discover Surrey informed the City that they now have the industry support required to re-establish the MRDT. On May 13, 2019, Discover Surrey presented at a Council-In-Committee session, requesting that the City take action to re-establish the MRDT for a 5-year term from May 1, 2020 to April 30, 2025. The steps required to re-establish the MRDT and to designate Discover Surrey as the City's DMO are outlined in Appendix "II". The proposed spending breakdown of a 3% MRDT rate along with historic and projected MRDT annual funds collected are outlined in Appendix "III".

### **Adoption of a 3% MRDT**

Discover Surrey through consultation with local tourism stakeholders have indicated a desire to increase the MRDT rate from 2% to 3%. This increase will allow for the additional funds to be collected for the promotion of tourism in Surrey. Discover Surrey will strike a subcommittee comprised of local hoteliers that will decide how the additional funds will be spent. The local hotel industry is also exploring the possibility of establishing a hotel association over the next few years to replace the subcommittee for the purpose of administering the additional 1% of MRDT funds (0.8% net of administrative fees to the Province). This is permissible under the PST Act and aligns with the City of Richmond's tourism administration model. Adoption of the *Municipal and Regional District Tax By-law, 2019, No. 19858* (the "Bylaw") in Appendix "IV" will confirm with the Province, the City's intention to re-establish the MRDT program in Surrey.

### **Consultation with Tourism Stakeholders in Surrey**

As part of the re-establishment process, the City required Discover Surrey to consult with local tourism stakeholders. To date, two meetings have taken place.

On April 24, 2019, a meeting was held at City Hall where 17 hoteliers and approximately 5 other tourism stakeholders were in attendance. Discover Surrey presented a draft 5-year strategic plan and requested feedback on this strategy. The issue of increasing the MRDT from 2% to 3% was also discussed. A subsequent meeting specifically for the hoteliers was called on May 22, 2019. Six hoteliers were in attendance. During this meeting, local tourism stakeholders discussed potential allocation priorities for the additional 1% of the MRDT. Several informal meetings and conversations have also taken place to solicit feedback and guidance from the hotel industry.

Discover Surrey's 5-year Strategic Plan with proposed strategies is attached in Appendix "V".

### **Annual Performance Management and Reporting Requirements**

As the designated recipient of the MRDT, the City must report annually to the Province on how monies received from the MRDT have been utilized. As the City's designated DMO, Discover Surrey would be required to address Council on an annual basis to present their annual financial and performance report and to seek approval of their annual budget and one-year tactical plan. In addition, a five-year Strategic Business Plan will be presented to Council for approval as part of any future renewal processes.

## **Legal Services**

Legal Services has reviewed this report and has no concerns.

## **SUSTAINABILITY CONSIDERATIONS**

The work of Discover Surrey supports the objectives of the City's Sustainability Charter 2.0. In particular, this work relates to Sustainability Charter 2.0 theme of Economic Prosperity and Livelihoods. Specifically, this project supports the following Desired Outcome ("DO") and Strategic Direction ("SD"):

- Economy DO<sub>12</sub>: The City is a destination for visitors, which generates tourism revenue; and
- Innovation SD<sub>10</sub>: Support the development and growth of key sectors including health technology, clean technology, advanced manufacturing, agri-innovation and the creative economy

## **CONCLUSION**

The Investment & Intergovernmental Relations Department is requesting Council approve the proposed recommendations in this report for the re-establishment of the MRDT at a rate of 3% for a period of five years from May 1, 2020 to April 30, 2025.

Donna Jones  
GM, Investment & Intergovernmental Relations

### Attachments:

Appendix "I": Municipal and Regional District Tax Program Requirements – Summer 2018 –  
Municipal and Regional District Tax Application Form

Appendix "II": MRDT and DMO Re-establishment Process

Appendix "III": Proposed Spending Breakdown of MRDT and Projected MRDT Funds Collected

Appendix "IV": Draft Municipal and Regional District Tax By-law, 2019, No. 19858

Appendix "V": Discover Surrey Strategic Plan 2020 – 2024

Please complete all MRDT application requirements and send to [MRDT@destinationbc.ca](mailto:MRDT@destinationbc.ca) in **one complete package** in PDF format.

## Appendix 1.1 Municipal and Regional District Tax Application Form

**Legal Name of Applicant:** \_\_\_\_\_

**Designated Accommodation Area:** \_\_\_\_\_

**Rate of Tax (up to 3%):** \_\_\_\_\_

**Implementation or Renewal Date:** \_\_\_\_\_

Check when completed	Requirement
<input type="checkbox"/>	<i>Five-year Strategic Business Plan (Appendix 1.2)</i>
<input type="checkbox"/>	<i>Evidence that funds from the tax are incremental to existing sources of tourism funds</i>
<input type="checkbox"/>	<i>Evidence of consultation and support, as applicable, from local governments</i>
<input type="checkbox"/>	<i>Evidence of authority and request to impose the tax (e.g. Bylaw, resolution or letter requesting tax)</i>
<input type="checkbox"/>	<i>Certificate of incorporation, copies of articles of incorporation, constitution, and bylaws (eligible entities only)</i>
<input type="checkbox"/>	<i>Documentation of how the MRDT program, including revenue, will be administered (where applicable)</i>
<input type="checkbox"/>	<i>Evidence of consultation with tourism industry stakeholders</i>
<input type="checkbox"/>	<i>Accommodation Directory Form (Appendix 1.3)</i>
<input type="checkbox"/>	<i>Accommodation Sector in Support of Municipal and Regional District Tax Form (Appendix 1.4)</i>
<input type="checkbox"/>	<i>Confirmation of consultation with Destination British Columbia</i>
<input type="checkbox"/>	<i>Third party Authorization Form (Appendix 1.5, where applicable)</i>
<input type="checkbox"/>	<i>Disclosure of Information Authorization Form (Appendix 1.6)</i>
<input type="checkbox"/>	<i>Tourism Events Program Sponsorship Undertaking (3% applicants only) (Appendix 1.7)</i>
<input type="checkbox"/>	<i>Affordable Housing Plan (Appendix 1.8, where applicable)</i>

By signing this application form, you certify that the information included in the application package is accurate, that all Municipal and Regional District Tax program requirements have been met, and that all required documents have been included in the application package.

Applicant's Authorized Signing Authority Name	Applicant's Authorized Signing Authority Title
Date	Applicant's Authorized Signing Authority Signature

## **Municipal and Regional District Tax (MRDT) and Destination Marketing Organization (DMO) Re-establishment Process**

In order to re-establish the MRDT and to designate Discover Surrey as the City's DMO, the following steps are required:

1. Council endorsement of the re-establishment of a MRDT at the new rate of 3% for a 5-year period between May 1, 2020 to April 30, 2025;
2. *Municipal and Regional District Tax Levy Bylaw, 2019, No. 19858* must undergo three readings at the next Regular meeting of Council;
3. Discover Surrey will petition local tourism stakeholders which requires that at least 51% of the City's hotel owners, representing at least 51% of the total number of hotel rooms in the City, agree to proceed with the implementation of the MRDT;
4. City submission on behalf of Discover Surrey to the Lieutenant Governor in Council through the Provincial Ministry of Finance of the completed 3% MRDT application, including Council's resolution supporting the renewal; and
5. Upon approval by the Provincial Cabinet, the City will be informed by the Ministry of Finance of when the tax will come into effect.

## Proposed Spending Breakdown of Municipal and Regional District Tax Collection (MRDT) and Projected MRDT Funds Collected

### Proposed spending breakdown of the new 3% MRDT rate

Activity Description	Distribution Percentage
Destination marketing, salaries, and administrative costs for Discover Surrey	2.0%
Support business development initiatives for tourism stakeholders, particularly Surrey-based hoteliers	0.8%
Administrative fee collected by Destination British Columbia to be used for tourism promotion in British Columbia	0.2%
Total:	3.0%

Table 1. Proposed spending breakdown of the new 3% MRDT rate.

### MRDT Collection

Between 2012 to 2017, the MRDT generated a total of \$2,968,451.06. The MRDT continued to be collected by the Province of BC until February 2017. The funds received, by year, in the last period are reflected below (Table 2).

#### MRDT funds received per annum by Discover Surrey

2012 - 2013	2013 - 2014	2014 - 2015	2015 - 2016	2016 - 2017
\$481,757.52	\$511,127.72	\$555,733.28	\$660,807.01	\$759,025.53

Table 2. Funds received by Discover Surrey through the MRDT between 2012- 2017.

If the MRDT is re-established at the new 3% rate, the earliest date the MRDT will come into effect is May 2020. Projected annual revenues to be collected between May 1, 2020 and April 30, 2025 are indicated below for a total of \$8,307,277.00 (Table 3). The projections below do not include revenue from potential Online Accommodation Platform (OAP) sources.

#### Projected MRDT funds to be collected per annum by Discover Surrey

2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
\$1,204,667.00	\$1,561,144.00	\$1,736,095.00	\$1,861,196.00	\$1,944,175.00

Table 3. Projected MRDT funds to be collected during the 2020-2025 5- year period.

The increase in revenues collected include new hotel properties currently under construction/ renovation which are expected to come online in 2021 and 2022.

CITY OF SURREY

BYLAW NO. 19858

A By-law to request the imposition of a tax on accommodation under the provisions of the Provincial Sales Tax Act.

.....

**WHEREAS** the City Council of the City of Surrey wishes to raise revenue for the purposes of financing tourist promotion and the furtherance of programs geared to enhance the Tourism Sector within our community;

**AND WHEREAS** under section 240 of the Provincial Sales Tax Act, a municipality may request, by bylaw, that the Lieutenant Governor in Council make a regulation imposing, on behalf of the municipality, an additional tax levy, not exceeding three (3) percent on sales of accommodation within the municipality;

**NOW THEREFORE**, the Council of the City of Surrey, in open meeting assembled, enacts as follows:

1. The Lieutenant Governor in Council is hereby requested to make a regulation under Section 240 of the Provincial Sales Tax Act, declaring that effective May 1, 2020, Section 123(1) of the Act applies in respect of accommodation purchased within the City of Surrey.
2. The tax to be imposed under the provisions of the regulation is requested to be three (3) percent of the purchase price of the accommodation.
3. The funds paid to the City of Surrey under the provisions of the regulation shall be applied to the tourist promotion and programs of Surrey Tourism & Convention Association, which operates as Discover Surrey ("Discover Surrey").
4. Discover Surrey shall submit annually to the City Council for approval, on or before October 1 in each year, a budget and a One-Year Tactical Plan which contains information sufficient in detail to describe all anticipated expenses and revenues for the next year. Both the budget and One-Year Tactical Plan must demonstrate alignment with priorities within its approved Five-Year Strategic Business Plan and have been approved by a majority of the members present at the annual general meeting of Discover Surrey.
5. Discover Surrey shall submit annually to the City Council for approval, on or before April 1 in each year, an Annual Performance Report and Financial Report for the preceding year which have been approved by a majority of the members present at the annual general meeting of Discover Surrey.
6. The directors of Discover Surrey shall permit the General Manager, Finance of the City, or a nominee of the General Manager, Finance, to inspect during normal business hours on reasonable notice, all books of account, receipts, invoices, and other financial position records which the General Manager, Finance deems advisable for the purpose of verifying and obtaining further particulars of the budget and any financial statements of Discover Surrey as they relate to money paid to Discover Surrey by the City pursuant to this Bylaw.



7. Discover Surrey shall give notice of every general meeting not less than fourteen (14) days prior to the date scheduled for the meeting if delivered by hand or transmitted via facsimile or e-mail, twenty-one (21) days by other means to the General Manager, Investment and Intergovernmental Relations.
  
8. This bylaw may be cited for all purposes as the "Municipal and Regional District Tax Bylaw, 2019, No. 19858".

PASSED FIRST READING on the \_\_\_\_\_th day of \_\_\_\_\_, 2019.

PASSED SECOND READING on the \_\_\_\_\_th day of \_\_\_\_\_, 2019.

PASSED THIRD READING on the \_\_\_\_\_th day of \_\_\_\_\_, 2019.

FINAL ADOPTION, signed by the Mayor and Clerk, and sealed with the Corporate Seal on the \_\_\_\_\_th day of \_\_\_\_\_, 2019.

\_\_\_\_\_MAYOR

\_\_\_\_\_CLERK



# Strategic Plan 2020 - 2024

June 2019



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creative inc

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## 2 Executive Summary

This plan presents a vision for Discover Surrey to implement over the next five years, from 2020-2024. It intends to move Discover Surrey as an organization forward, ensuring the right budget and efforts are being applied in a focus manner to the right initiatives to rebuild the organization and support tourism stakeholders and tourism growth. It has also been developed to enable Discover Surrey to move the destination forward and make it more competitive with other destinations in Metro Vancouver.

### Vision

The vision for Discover Surrey and Surrey as a destination is aspirational and has been created for beyond the life of this plan.

The vision for Surrey as a destination: *Surrey is a vibrant and innovative destination where leisure and business travellers choose to go for events, attractions, and entertainment – a reason to come.*

The vision for Discover Surrey: *To be an innovative and inspiring champion for driving tourism benefits, development and growth during the transformation of Surrey.*

### Goals

1. Increase MRDT revenues to Surrey by an average of 5% annually from 2020 to 2024.
2. Improve Surrey’s Net Promoter Score.
3. Increase stakeholder rating of Discover Surrey’s overall performance.

### Strategic Framework

Three strategic areas have been identified to drive the strategic plan and ensure Surrey is aggressively taking advantage of short-term opportunities as well as developing for the long-term future.

<p>Inspire Visitation through Focused Marketing &amp; Strategic Partnerships</p>	<p>Enhance the Destination Appeal</p>	<p>Provide Visionary Leadership</p>
<p>Inspire increased visitation to Surrey through targeted niche marketing efforts. Leverage strategic tourism partners to extend marketing reach and effectiveness.</p>	<p>Advocate for infrastructure and assets needed to improve the destination experience and create product appeal.</p>	<p>Provide innovative and inspiring leadership through local partnerships, stakeholder engagement, and tourism intelligence.</p>

## Strategies

### Inspire Visitation through Focused Marketing & Strategic Partnerships

1. Build the Surrey destination brand.
2. Evolve and enhance destination marketing efforts to generate awareness, interest and conversion for a visit or booking to Surrey.
3. Evolve and enhance sport tourism efforts.
4. Support group travel trade and meetings and conventions sales efforts, working in collaboration with hotel accommodators.
5. Work collaboratively with tourism partners on province-wide and region-wide initiatives.

### Enhance the Destination Appeal

6. Continue to engage with the City of Surrey to participate in planning for, and advocate for, the large-scale infrastructure and attractions that would generate significant visitation to Surrey.
7. Encourage and enable industry to develop new remarkable products and experiences that support the Surrey brand, demand generators and target markets.
8. Champion a focus on developing new and enhanced festivals and events.
9. Work with Destination BC and Metro Vancouver partners to implement the Metro Vancouver Destination Development Strategy.

### Provide Visionary Leadership

10. Continue to work in partnership with the City of Surrey and other Surrey organizations connected to tourism.
11. Increase stakeholder engagement and communications.
12. Work with the industry, City of Surrey and Metro Vancouver tourism partners in the ongoing collection, analysis and sharing of performance metrics, research and intelligence.

## Budget

The budget is based on a realistic, achievable target of increasing the 3% Municipal and Regional District Tax (MRDT) 5% on average between 2020 (10 months) and 2024. Based on these changes, the budget increases to \$1,204,667 by 2020, which is a \$456,925 increase over the 2016 core budget of \$747,742 and enables Surrey to be more competitive with other destinations.

	Base Year: Budget 2016	2020	2021	2022	2023	2024
<b>TOTAL</b>	\$747,742	\$1,204,667	\$1,561,144	\$1,736,095	\$1,861,196	\$1,944,175

## 3 Introduction

Discover Surrey is the official Destination Marketing Organization (DMO) for the community of Surrey, operating as an independent, non-profit organization, governed by a volunteer Board of Directors representing various sectors of the tourism industry. Discover Surrey's ultimate goal is to increase awareness of tourism opportunities in Surrey and increase the number of overnight visitors to Surrey.

In 2015, Discover Surrey contracted Vardo Creative to conduct a situation analysis review and create a new five-year Strategic Plan for the organization. An overview of the key findings from the Situation Analysis, which is augmented with 2019 context, is provided in Appendix 1. The Discover Surrey Tourism Plan will guide tourism development from 2020 to 2024 to align to the MRDT renewal timeframes.

The Situation Analysis review and Strategic Plan was developed with extensive input from the City of Surrey, industry stakeholders and partners, including: two vision sessions; an all day stakeholder planning workshop on April 1, 2016; multiple accommodation providers meetings; a stakeholder survey with over 60 responses; in-depth individual interviews with over 20 City of Surrey and community stakeholders; and consultation with Destination BC's regional representatives. In addition, due to a delay in the approval of the MRDT, extensive consultations have occurred in 2017 with the City of Surrey, tourism accommodators, and the newly formed Surrey Hotel and Motel Association. This engagement was added to in 2019 with additional accommodators meetings, input from the City of Surrey, further consultation with Destination BC's regional representatives, an industry engagement session attended by 22 stakeholders on April 24, and a stakeholder survey. See Appendix 2 for a full review of the stakeholder engagement.

Discover Surrey has executed on much of the previous plan (2012-2015) and in partnership with the tourism industry has achieved significant results, as demonstrated by consistent growth in Surrey hotel room revenues. However, the ability to market the destination relies on the strength of the destination products and experiences, the collaborative efforts of tourism partners, and strong leadership from a DMO. With the loss of MRDT in March 2017, Discover Surrey was limited to the use of their reserve funds for marketing efforts. By 2019, the bare bone budget and staffing levels were only sufficient to keep core marketing projects and sport tourism support going.

This plan is very focused to rebuild Discover Surrey and develop new collaborative frameworks that will enable the tourism industry to move forward once again. It provides a vision for better enabling the organization to support tourism stakeholders and tourism growth. It has also been developed to set Discover Surrey up to move the destination forward, leveraging its strengths and supporting new experiences to compel increased visitation. In short, this plan moves Discover Surrey along the pendulum of being a more comprehensive Destination Management Organization, with a stronger focus on destination development to complement the existing focus on destination marketing.

The plan is based on industry's desire for realistic and achievable growth targets; any unforeseeable and significant changes may impact performance, e.g. economic recession. The following plan should be reviewed and updated as necessary to reflect changing tourism objectives, priorities and market conditions.

## 4 Vision

The vision for Discover Surrey and Surrey as a destination is aspirational and has been created for beyond the life of this plan. This vision should be reviewed periodically to ensure it remains relevant over the long-term.

The vision for Surrey as a destination:

*Surrey is a vibrant and innovative destination where leisure and business travellers choose to go for events, attractions, and entertainment – a reason to come.*

Supporting Vision Story:

- The vision for Surrey is a more exciting, positive tourism destination with dynamic public spaces.
- Surrey will have a more positive image that will attract residents of Surrey and Metro Vancouver to relook at Surrey in a new light.
- Surrey will be easy to get to, and easy to move around in.
- Surrey will have an energy that is felt when you arrive, and offer an appealing welcome along its neighbouring borders.
- Surrey will create a cultural and entertainment hub that gives the residents of Surrey, as well as visitors, a reason to stay in Surrey.
- Surrey will have new assets that can be used for larger scale events and attractions, such as a multiplex centre or arena that can be used for sport events, musical concerts, and larger conventions that require more space than the city currently has.
- Surrey will offer at least one major destination attraction that will bring people to Surrey and give them something to do indoors, all year round.
- Surrey will embrace and enhance the unique and diverse cultural, heritage and arts offerings within the city.
- Surrey will be known for having an abundance of good restaurants and dining options.
- Surrey will continue to place emphasis on the importance of parks and green spaces.
- Surrey will be seen as a whole destination that brings together its unique town centres and cultures.
- Surrey's will be seen as the innovative city of the future, and will attract like-minded people and university students from around the world.
- Surrey's residents will feel tourism is valuable.
- Visitors will feel happy, safe and welcomed.
- The tourism industry will be collaborative with strong leadership by Discover Surrey and the City of Surrey to take risks, be innovative, and bring new tourism ideas and opportunities to fruition.

The vision for Discover Surrey for the life of this plan:

*To be an innovative and inspiring champion for driving tourism benefits, development and growth during the transformation of Surrey.*

## 5 Mission

It is the mission of Discover Surrey to:

- Lead and facilitate all tourism stakeholders to work collaboratively to achieve the vision and goals of Surrey as a tourism destination.
- Work to create opportunities to grow the economic impact of tourism in Surrey.
- Be the voice of the different stakeholder groups in the tourism industry, and advocate for the assets and infrastructure needed to propel the destination forward.
- Market Surrey as an experiences destination, promote the positive stories, and entice visitors to stay and spend.
- Be research and insight-driven; implement using best practices.
- Ensure visitors can find information easily to help them with their trip planning.
- Work with the community to define Surrey's unique stories and attractions and package and promote them.

## 6 Goals

It is the desire of Discover Surrey's stakeholders to see a realistic and achievable growth target generally consistent with the provincial targets<sup>1</sup>. Any unforeseeable and significant changes may impact performance, e.g. economic recession, provincial tourism performance.

1. Increase MRDT revenues to Surrey by an average of 5% annually from 2020 to 2024.
  - a. Benchmark: 2016 budget: \$600,000. 2019 Estimate: \$916,997 based on 3%.
  - b. Increase or maintain average occupancy rate to 68% or more by 2024<sup>2</sup>.
    - i. Benchmark: 2016 actuals: 69.6%. 2017 actuals: 73.9%. 2018 actuals: 71.6%
  - c. Grow or maintain average hotel occupancy rate for winter months of 55% or more by 2024.
    - i. Benchmark: 2017/18 actuals: Nov 66.0%, Dec 52.2%, Jan 53.6%, Feb 67.3%.<sup>3</sup>
  - d. Increase tourism-driven economic benefits to Surrey.
    - i. Benchmark: to be developed.
2. Improve Surrey's Net Promoter Score<sup>4</sup>.
  - a. Benchmark: to be developed in 2020 with Destination BC assistance. Improve by a minimum of 1% annually on average.
  - b. For more information on Net Promoter Score, see Appendix 3.
3. Increase stakeholder rating of Discover Surrey's overall performance to over 4.0 by 2024.
  - a. Benchmark 2016: Average score was 3.39 for performance.

<sup>1</sup> 2019-2021 [tourism strategic framework](#) set a target of six percent annual growth in tourism revenue across the province.

<sup>2</sup> Incremental growth from new hotel rooms are included in 5% growth rate –approximately 150 new rooms in 2021 and 100 rooms in 2022. Average occupancy rate is expected to fluctuate based on Metro Vancouver inventory and demand.

<sup>3</sup> Occupancy rates include "Surrey/Langley" as presented in the Provincial Tourism Indicators, 2017 Year in Review, and YTD September 2018, Destination BC.

<sup>4</sup> Net Promoter® and NPS® are registered trademarks and Net Promoter Score and Net Promoter System are trademarks of Bain & Company, Satmetrix Systems and Fred Reichheld.



## 7 Strategic Framework

Building on the success Discover Surrey has seen to date, three strategic areas have been identified to drive the strategic plan and ensure Surrey is aggressively taking advantage of short-term opportunities as well as developing for the long-term future.

### Inspire Visitation through Focused Marketing & Strategic Partnerships

Inspire increased visitation to Surrey through targeted niche marketing efforts. Leverage strategic tourism partners to extend marketing reach and effectiveness.

### Enhance the Destination Appeal

Advocate for infrastructure and assets needed to improve the destination experience and create product appeal.

### Provide Visionary Leadership

Provide innovative and inspiring leadership through local partnerships, stakeholder engagement, and tourism intelligence.

## 8 Strategies

There are 12 strategies to support the strategic framework.

### 8.1 Inspire Visitation through Focused Marketing & Strategic Partnerships

Inspire Visitation through Focused Marketing & Strategic Partnerships is about rebuilding on the marketing foundation Discover Surrey has created and featuring the identified demand generators to inspire more travellers to choose Surrey as a destination. It also entails leveraging tourism partners to extend marketing reach and effectiveness. The BC tourism industry functions best through collaboration and partnering. This strategic area also ensures Discover Surrey is in alignment with the goals of the provincial tourism system, which has been designed to create access to more marketing funds for all parts of the industry, and reduce administration costs and duplication wherever possible.

#### Strategies

1. Build the Surrey destination brand.
2. Evolve and enhance destination marketing efforts to generate awareness, interest and conversion for a visit or booking to Surrey.
3. Evolve and enhance sport tourism efforts.
4. Support group travel trade and meetings and conventions sales efforts, working in collaboration with hotel accommodators.
5. Work collaboratively with tourism partners on province-wide and region-wide initiatives.

## 8.2 Enhance the Destination Appeal

Enhance the Destination Appeal is about ensuring Surrey develops a core offering of products and experiences to attract new visitation, encourage repeat visitation, and generate word of mouth advocacy and referrals. A key part of enhancing the appeal of Surrey as a destination is focusing on improving the existing product experiences as well as creating new experiences that give a compelling reason to visit. In particular, focus should be on the development of infrastructure and assets needed to draw visitors in the shoulder and winter season where hotel occupancy rates are lowest.

Destination development is a critical component of destination management, and there is a role for Discover Surrey to influence the evolution of the destination. It is also important Discover Surrey encourages stakeholders by providing or facilitating the use of the tools, information and education that supports the development of remarkable experiences for visitors.

### Strategies

6. Continue to engage with the City of Surrey to participate in planning for, and advocate for, the large-scale infrastructure and attractions that would generate significant visitation to Surrey.
7. Encourage and enable industry to develop new remarkable products and experiences that support the Surrey brand, demand generators and target markets.
8. Champion a focus on developing new and enhanced festivals and events.
9. Work with Destination BC and Metro Vancouver partners to implement the Metro Vancouver Destination Development Strategy.

## 8.3 Provide Visionary Leadership

Provide Visionary Leadership is about ensuring the right partnerships, stakeholder engagement and systems, and tourism intelligence to provide strong leadership and nimble decision making to ensure this strategic plan will be successful.

### Strategies

10. Continue to work in partnership with the City of Surrey and other Surrey organizations connected to tourism.
11. Increase stakeholder engagement and communications.
12. Work with the industry, City of Surrey and Metro Vancouver tourism partners in the ongoing collection, analysis and sharing of performance metrics, research and intelligence.

## 9 Branding

In July 2017, Discover Surrey revitalized their brand with the result of shifting the brand to “Discover Surrey”. The new brand was developed to more effectively communicate the story of Surrey and reflect what the community offers.

### Discover Surrey’s Brand Promise

To be the facilitators of tourism in the community and to be known as the go-to information source for Surrey, reliable experts that connect its partners, executives and visitors.



### Our Positioning Statement

Surrey is not known for one specific product, yet attracting a variety of visitors for a plethora of reasons. Because we connect with so many different people, the customer experiences that the brand delivers vary. Discover Surrey is informative, dependable, and authentic, providing information through storytelling and encouraging our visitors to tell their story by discovering all Surrey has to offer.

### Our Brand Messaging

Behind every new discovery is a story - a journey, an experience, the start of something special... We’re proud to be telling Surrey’s story. It’s one we’re excited about, because it’s constantly growing and evolving. Now, we’re inviting our visitors (and our residents) to be a part of Surrey’s story, and to tell their own.

Each person’s Surrey story is unique. Maybe they’re on a weekend getaway with the family, a trip with their sports team or here for a conference. Maybe they’ve just moved to the city, anticipating the start an exciting new chapter. The one thing every story has in common is that it takes place in Surrey. Our big, burgeoning city is the starting point for something special.

Discover Surrey

Your story starts here

### BC Destination Brand Alignment

It is important for the Surrey destination brand to align to the BC destination brand, with the tagline Super, Natural British Columbia. The BC destination brand is built upon BC’s true nature, which is vast, diverse, abundant awe-inspiring and powerful. At the core of the brand is the brand essence: Wild at Heart. The brand essence speaks to a truth about BC’s target audience: 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 matters, and the true nature of beauty and freedom. For more information, see [www.destinationbc.ca/Resources/british-columbia-tourism-brand](http://www.destinationbc.ca/Resources/british-columbia-tourism-brand).

# 10 Target Markets

The primary target markets for the Discover Surrey Tourism Plan have been divided into Consumer Markets and Stakeholder Markets:

## Primary Consumer Markets

- Sports groups
- Leisure daytrippers from communities in and around Metro Vancouver and Fraser Valley
  - EQ: Free Spirits, Cultural Explorers, Authentic Experiencers
- Leisure visitors from other parts of BC and Alberta
- Visiting Friends and Relatives (VFR)
- Groups
  - Travel trade – tour operators; Free Independent Travellers (FIT) and tour groups
  - Meetings & Conventions

## Secondary Consumer Markets

- Washington
  - Drive-through traffic; Surrey is an alternative accommodation choice to Vancouver, Whistler or other destinations
- Overnight visitors to Vancouver
  - Overflow; Surrey is a lower-priced alternative for travellers to Vancouver

## Discover Surrey Stakeholders

- Including City of Surrey, tourism businesses, partner organizations, and residents

# 11 Demand Generators

Nine demand generators have been identified for Surrey through research and stakeholder feedback. As Surrey has limited destination attractions for the leisure market, it is important to both maintain or grow efforts on existing demand generators, as well as nurture and grow new demand generators. Future marketing and development initiatives should endeavour to include these themes:

## Growth Generators

1. Sports Tourism
  - a. Significant demand generator with a strong product offering.
2. Festivals and Events
  - a. Festival and Events is a strong travel motivator and has been identified as a key theme to attract incremental shoulder season visitation.
  - b. Includes cultural and performing arts events.
3. Cultural Diversity
  - a. Surrey has a long-term opportunity to leverage its significant diversity of population and cultural products to develop a new marketable experience.

- b. Includes shopping, food, cultural events, etc.
- 4. Accommodations
  - a. Surrey accommodations are an affordable alternative to Vancouver, and provide Metro Vancouver capacity overflow; has been identified by hoteliers as an important demand generator for the allocation of the additional funds from increasing to 3% MRDT.
  - b. Includes sports tourism as well as travel trade and meetings and convention groups.
- 5. Meetings & Conventions
  - a. Has been identified by hoteliers as an important demand generator.

Maintain Generators

- 6. Culinary
  - a. Leverage current travel trends, incorporate into overall destination messaging.
- 7. Outdoor Recreation
  - a. Surrey’s appeal includes its parks, oceanfront, and outdoor activities, e.g., trails, water sports, wildlife viewing, etc.
- 8. Golf
  - a. Strong product offering with an established partnership program.
- 9. Family Daytrips
  - a. Including attractions, heritage sites, agritourism, events, shopping, etc.

## 12 Priority Initiatives

The following section outlines the priority initiative areas to support the identified goals, objectives and strategies. This document is not meant to be an exhaustive list of all tactical implementation activities, but highlight the strategic priorities for the next five years.

### 12.1 Inspire Visitation Through Focused Marketing

Strategy #1	Build the Surrey destination brand.
Description	<p>With the launch of the “Discover Surrey” brand in 2017, significant work is needed to entrench the brand and ensure it is supported and amplified by all tourism stakeholders and partners. Also, ongoing efforts are required to ensure the Surrey brand aligns with the BC destination brand, with the tagline <i>Super, Natural British Columbia</i>.</p> <p>Currently there are multiple Surrey brands being promoted, including the Surrey destination brand “Discover Surrey”, True Surrey, Golf Surrey, Sport Surrey and Kid Approved. To reduce confusion, strengthen the core Discover Surrey brand, and maximize limited resources, a more streamlined, efficient and effective branding platform should be reviewed.</p>
Actions	<ol style="list-style-type: none"> <li>1. Provide training and assist tourism businesses to ensure their marketing efforts reflect and align to the Discover Surrey brand. Ensure all stakeholders are knowledgeable of the brand platform and have the tools and guidelines to leverage the brands in their marketing efforts.</li> <li>2. Continue to build assets that reflect the new brand, including written content, images, video/b-roll.</li> </ol>

	<ol style="list-style-type: none"> <li>3. Work with partners to ensure content and messaging on Surrey is updated and reflects the new Surrey brand positioning, e.g., Destination BC, Destination Canada, sector marketing organizations, and sales channels such as Online Travel Agency sites (OTA, e.g. Expedia, Booking.com).</li> <li>4. Work with Destination BC to ensure the Surrey brand aligns to the BC destination brand.</li> <li>5. Continue to evolve the new Discover Surrey website with inspiring and informative content that motivates a visit to Surrey.</li> </ol>
Role	Discover Surrey to lead with the support and engagement of tourism partners and operators.
Timing	Ongoing

<b>Strategy #2</b>	<b>Evolve and enhance destination marketing efforts to generate awareness, interest and conversion for a visit or booking to Surrey.</b>
Description	Over the course of this plan, the intent is to increase the positive promotion and awareness to target markets to increase visitation. As such, Discover Surrey should continue to create a promotional mix of marketing activities that continue to raise awareness and desire/interest of Surrey as a destination.
Actions	<ol style="list-style-type: none"> <li>1. Attract visitors to Surrey by marketing the destination’s unique attributes and demand generators. Showcase the unique, competitive, and motivating features of Surrey as a destination to position as a compelling alternative to competing destinations, e.g., North Shore (outdoor recreation), Richmond (Asian culture), Burnaby (family daytrips), etc.</li> <li>2. Promote the growth and maintain demand generators through marketing messages, including festivals &amp; events, outdoor recreation, golf, family activities, cultural experiences, culinary and accommodations.             <ol style="list-style-type: none"> <li>a. Include Surrey Golf campaign, West Coast Foods, BC Ale Trail and Surrey Spice Trail.</li> </ol> </li> <li>3. Build a marketing campaign featuring Surrey’s cultural experiences.</li> <li>4. Work with the arts and culture partners to support performing arts tourism utilizing the foundational elements created for sports tourism, e.g., assisting to secure and support hosting events with significant overnight visitation.</li> <li>5. Adopt the Explorer Quotient (EQ) program to identify the most opportune/highest yield traveler for demand generators and incorporate EQ creative intelligence into all marketing campaigns/programs.</li> <li>6. Continue to pursue media relations visits and overall earned media coverage.</li> <li>7. Expand social media efforts to engage passionate communities and traveller advocates. Create engagement with visitors while in the destination to increase word of mouth promotion.</li> <li>8. Continue to develop Integrated Marketing Campaigns to drive short-term and long-term results.             <ol style="list-style-type: none"> <li>a. Increase focus on converting the awareness and desire to an actual purchase with a focus on promoting packages and special offers.</li> </ol> </li> <li>9. Continue to provide valuable and inspiring trip planning information through online and visitor services channels.</li> <li>10. Facilitate workshops and networking opportunities between tourism operators—in particular accommodations, transportation and activities— for the development of marketing partnerships and packaged offers.</li> </ol>

	<p>11. Ensure local tourism businesses, e.g., hotels, restaurants, etc, and operators are featuring Surrey products and experiences and recommending them to visitors.</p> <p>12. Continually review and enhance the Surrey presence with Online Travel Agents (OTAs), e.g., Google, TripAdvisor, Expedia, Booking.com, etc.</p> <p>13. Launch a Visiting Friends and Relatives (VFR) communications program.</p>
Role	Discover Surrey to lead, working in collaboration with tourism businesses and other partners.
Timing	Ongoing.

<b>Strategy #3</b>	<b>Evolve and enhance sports tourism efforts.</b>
Description	<p>Surrey has an excellent history of sport hosting, an abundance of world-class facilities and a good accommodation base for sport tourism. It has been recognized by the accommodation providers as a critical demand generator for group visitation, with desire to support further through the increase to 3% MRDT. However, other destinations are becoming more aggressive and Surrey needs to continue its intentions on this market to continue to maintain market share.</p> <p>Analysis of Surrey’s hotel occupancy rates suggests there are opportunities to drive increased occupancy to accommodation properties in both peak and shoulder seasons, and a continued focus on sports tourism can help fill the gap. Currently, sports team visitors are important shoulder season visitors; efforts to increase sport tourism in the shoulder season are particularly important to increase average occupancy rates in the November to March timeframe.</p> <p>Continued sports facilities and infrastructure investments by the City of Surrey, a partner in the Sport Surrey, also support the rationale for a strong sports tourism program.</p>
Actions	<ol style="list-style-type: none"> <li>1. Continue to work in partnership with the City of Surrey on Sports Surrey.</li> <li>2. Finalize the Sports Tourism Strategy, and continue to update on an ongoing basis, including: <ol style="list-style-type: none"> <li>a. Work with the City of Surrey to develop a facilities assessment gap analysis based on market needs and sports tourism strategies.</li> <li>b. Support the City of Surrey in their efforts to plan for and build new sport facilities and infrastructure.</li> <li>c. Expand role of Sport Tourism Manager to a full-time position, as and when needed.</li> <li>d. Extend Sport Hosting Grant program into 2020 and beyond, in collaboration with the City of Surrey based on equal partnership funds; review annually to determine the appropriate level of funding and use of the funds, e.g., may incent winter season events to assist with increasing incremental occupancy rates.</li> <li>e. Continue to identify specific tournaments, events and meets and assist local sports organizations with hosting bids.</li> <li>f. Market to provincial and national amateur sports organizations.</li> <li>g. Develop initiatives to inspire friends and family visits with the athletes.</li> <li>h. Develop initiatives to generate repeat leisure travel.</li> </ol> </li> <li>3. Continue to work with Surrey accommodators to ensure adequate committed room nights and pricing structures.</li> <li>4. Participate on the Canadian Sports Tourism Alliance and the newly reinvigorated Community Sport Hosting Network led by the Ministry of Community, Sport and</li> </ol>

	Cultural Development. 5. Explore additional provincial and federal grant funding opportunities specifically for sport hosting.
Role	Discover Surrey to work in partnership with the City of Surrey.
Timing	Ongoing. The expansion of the role of Sport Tourism Manager should be reviewed for implementation in 2020 based on available resources, with expectation the role will be extended in 2021 at latest.

<b>Strategy #4</b>	<b>Support group travel trade and meetings and conventions sales efforts, working in collaboration with hotel accommodators.</b>
Description	<p>The accommodation sector has strongly articulated a desire for Discover Surrey to assist with capturing a larger share of group sales, including travel trade and meetings and conventions.</p> <p>This initiative requires working in collaboration with hoteliers over time to determine annual priorities, focus of effort and action plans to drive overnight stays that lead to increased benefits for the tourism industry. It is important to note that any group sales efforts focused on the travel trade needs to be strategic in nature and benefit the accommodators in total.</p>
Actions	<ol style="list-style-type: none"> <li>1. Work with accommodators, key attractions and Destination BC to develop a non-sport group sales action plan. The action plan should identify the opportunities based on the accommodation offerings in Surrey (i.e., an assessment of the current inventory matched with target market needs and demands), the need for additional staff resources, and the role Discover Surrey should play to best support industry.</li> <li>2. Work with Destination BC to ensure Surrey is maximizing opportunities for accommodators to be represented at trade shows, e.g., Canada's West Marketplace, Rendezvous Canada, and National Tour Association (NTA).</li> <li>3. Support stakeholder initiatives towards the small meetings and conventions market through information on the website and referring enquiries to stakeholders directly.</li> <li>4. Support all accommodators' individual group sales efforts by providing destination information for proposals and bid packages.</li> </ol>
Role	Discover Surrey to lead the efforts to create an action plan, working in collaboration with accommodation providers and Destination BC.
Timing	Resources would be allocated in 2020 for this initiative, with planning work transpiring in 2020.

<b>Strategy #5</b>	<b>Work collaboratively with tourism partners on province-wide and region-wide initiatives.</b>
Description	<p>The success of community destination marketing is to work in partnership with local business, neighbouring communities and relevant strategic businesses, and improve the linkages between destination marketing organizations at all levels (e.g. structures, resources and strategies). Stronger working relationships with other Metro Vancouver DMOs enable Discover Surrey to leverage marketing dollars, increase the perception of Surrey by association, and increase mutual benefit for all parties.</p> <p>Increased alignment within the provincial tourism system creates new opportunities to work with Destination BC and Destination Canada to promote Surrey tourism opportunities.</p>



	Further, As Surrey continues to develop its tourism opportunities and outreach to new markets, both individual businesses and the collective industry will require development. Significant effort has been expended by Destination BC, Indigenous Tourism BC and go2HR on industry training programs that can be leveraged.
Actions	<ol style="list-style-type: none"> <li>1. Continue to work in alliance and build upon the marketing partnership formed with White Rock and Delta to attract the family daytrip market.</li> <li>2. Leverage the Lower Mainland Tourism Alliance collaborative marketing efforts for the benefit of Surrey. <ol style="list-style-type: none"> <li>a. Work collaboratively to feature Surrey’s festival and events, culinary and cultural experiences.</li> <li>b. Work collaboratively with New Westminster and Delta on the BC Ale Trail through Destination BC’s co-operative marketing program.</li> </ol> </li> <li>3. Continue to engage in discussions with Tourism Coquitlam, Tourism New Westminster and Tourism Langley (border DMOs) and leverage opportunities to partner and collaborate as they arise.</li> <li>4. Increase familiarization of the Surrey area for relevant Destination BC and Metro Vancouver DMO staff by hosting a Surrey fam tour and highlight the destination for staff through annual presentations.</li> <li>5. Continue to create new assets that support the content plans of Destination BC provincial campaigns.</li> <li>6. Ensure all Destination BC marketing materials accurately reflect the positioning and messaging for Surrey, including editorial content, photographs, driving routes, trip ideas, blogs.</li> <li>7. Leverage partnerships with Destination BC and Destination Canada to expand the reach of Surrey’s marketing message and gain exposure in long-haul Canadian and International markets, as relevant, e.g., India market.</li> <li>8. Review promotional partnering opportunities with Destination BC and Destination Canada for maximizing effectiveness while in the destination decision-making stage.</li> <li>9. Encourage Surrey businesses to participate in Destination BC’s programs, e.g., Google My Business, TripAdvisor, Travel Deals, common tagging framework, etc.</li> <li>10. Work with go2HR, Destination BC and Indigenous Tourism BC to host professional development workshops: <ol style="list-style-type: none"> <li>a. To improve local understanding of actively participating in online and social media marketing by engaging travellers and generating content.</li> <li>b. To improve skillsets in Product Packaging.</li> <li>c. To improve understanding of cultural tourism experiences and First Nations tourism development.</li> </ol> </li> <li>11. Promote Destination BC’s free <a href="#">Learning Centre resources</a> to industry stakeholders, including Digital Readiness tools, a Working with Travel Trade Guide, among others.</li> </ol>
Role	Discover Surrey to participate and/or lead, as required.
Timing	Ongoing.

## 12.2 Enhance the Destination Appeal

It is critical the mandate for destination development isn't added to the existing role of Discover Surrey, or another organization, without adequate resources to ensure the workload doesn't jeopardize current tourism marketing or other critical initiatives of benefit to the region.

<b>Strategy #6</b>	<b>Continue to engage with the City of Surrey to participate in planning, and advocate for, the large-scale infrastructure and attractions that would generate significant visitation to Surrey.</b>
Description	<p>Surrey has a good foundation of tourism products, including sport and recreation facilities, mid-range accommodations, festival and events, a large shopping mall, and nature experiences. However, Surrey lacks the significant assets and infrastructure that offer a significant draw for visitors and their related spending, including meeting and convention space, entertainment options, attractions, waterfront experiences and destination accommodations, e.g., resorts.</p> <p>Discover Surrey should continue to work with partners within the City of Surrey, provincial and federal governments, and other organizations to provide the tourism perspective on infrastructure challenges and improve the overall climate for tourism.</p>
Actions	<ol style="list-style-type: none"> <li>1. Collaborate with City of Surrey on the development of a city-wide Tourism Destination Development Master Plan.</li> <li>2. Continue to advocate for tourism infrastructure development, including: <ol style="list-style-type: none"> <li>a. Enhance the appeal of Surrey's entrance points.</li> <li>b. Ensure free and easy connectivity/access to the Internet.</li> <li>c. Continue to support development of a vibrant City Centre and unique town centres.</li> <li>d. Support the development of a multi-use large event centre.</li> <li>e. Continue to support improved visitor transportation options to and throughout the Surrey area, in particular connecting the tourism product experiences and town centres.</li> <li>f. Enhance wayfinding to ensuring visitors are able to get to the product experiences and town centres within Surrey easily.</li> <li>g. Expand access and infrastructure on the Surrey waterfront.</li> </ol> </li> <li>3. Continue to provide relevant, up-to-date information to address the need and business case for infrastructure improvements.</li> <li>4. Advocate to build capacity for a champion to take the lead role in working with partners in implementing destination development initiatives.</li> </ol>
Role	Discover Surrey should work with the City of Surrey on the plan development, and lead the industry advocacy efforts for the development of new and enhanced marketable experiences.
Timing	Ongoing.

<b>Strategy #7</b>	<b>Encourage and enable industry to develop new remarkable products and experiences that support the Surrey brand, demand generators and target markets.</b>
Description	While there has been a strong emphasis on marketing with proven results, there isn't the same organizational structure, mandate or resources on the destination development side of the destination management equation. Surrey does have a solid

	<p>base of market ready products, but a more compelling critical mass is required to enhance the destination appeal.</p> <p>While tourism stakeholders strongly desire for Discover Surrey to remain focused on marketing, there has been a global trend for DMOs to place a greater emphasis on destination development that ensures unique product experiences to market. As such, there is a need for Discover Surrey to encourage and enable industry to lead the development of new remarkable products and experiences.</p>
Actions	<ol style="list-style-type: none"> <li>1. Explore participation in experience design learning programs as a full community destination.</li> <li>2. Provide information and insight to identify best development opportunities and support industry in enhancing their overall product and visitor experience.</li> <li>3. Conduct an assessment of the quality of the accommodation base and other tourism experiences, with recommendations on how to improve.</li> </ol>
Role	Discover Surrey to lead the coordination of the experience development programs and encourage tourism operators to participate.
Timing	This initiative would be concentrated in the first three years of this plan, from 2020-2022.

<b>Strategy #8</b>	<b>Champion a focus on developing new and enhanced festivals and events.</b>
Description	<p>Stakeholder research identified festivals and events as the most important tourism products and/or experiences to the tourism industry, and the top of the list in terms of potential to grow. Festival and events provide an opportunity to attract visitation to Surrey that may not visit based on the destination appeal alone. In particular, festival and events can support other demand generators, and drive additional overnight stays in the shoulder and winter season.</p> <p>Surrey has demonstrated the capacity to host large-scale event projects that generate positive benefits, and there are opportunities to facilitate development of new festival and events.</p>
Actions	<ol style="list-style-type: none"> <li>1. Develop a Festival &amp; Events Strategy and Action Plan to support new events creation and expand existing events with potential for increased visitation and overnight stays, including:             <ol style="list-style-type: none"> <li>a. Identify existing signature events that support the Discover Surrey brand positioning and determine opportunities for enhancement.</li> <li>b. Identify gaps in event calendar, or where current events are at capacity, and develop plan to address. In particular, focus on festivals and events the entire community can support and promote to draw significant visitors.</li> <li>c. Identify potential new events that enhance the destination appeal and support the Demand Generators.</li> <li>d. Review the feasibility to offer financial incentives to encourage new events or event expansion.</li> </ol> </li> <li>2. Facilitate elevated packaging and promotion of existing events.             <ol style="list-style-type: none"> <li>a. Explore combining existing community-specific events into more significant offerings to increase the draw to the entire Surrey area, e.g., Fusion Festival, Cloverdale Rodeo and Country Fair.</li> <li>b. Explore adding additional features to existing events to encourage event attendees to stay longer and spend more.</li> <li>c. Work with tourism operators to develop packaged offers to support</li> </ol> </li> </ol>

	<p>overnight stays. Packages attached to key events, e.g. all day, evening or weekend events.</p> <p>d. Support existing events through all marketing vehicles.</p> <p>3. Increase the visibility of festivals and events to potential travellers through heightened promotion, including arts and cultural events.</p>
Role	Discover Surrey should lead the development of an events strategy in partnership with the City of Surrey, and facilitate packaging and promotional opportunities.
Timing	Concentrated in the first three years of this plan, from 2020-2022.

<b>Strategy #9</b>	<b>Work with Destination BC and Metro Vancouver partners to implement the Metro Vancouver Destination Development Strategy.</b>
Description	<p>Partnerships and regional collaboration were identified as a key theme for destination development within the Metro Vancouver planning area. This includes working with other DMOs and tourism partners to ensure Metro Vancouver is being managed collaboratively as one destination.</p> <p>Another Metro Vancouver development theme is Indigenous tourism development. Indigenous tourism is growing in Canada and BC, and Indigenous Tourism BC (ITBC) is investing significantly to continue to develop and market Indigenous tourism experiences. There are opportunities to enhance Surrey's offerings.</p>
Actions	<p><i>Note: The Metro Vancouver Destination Development Strategy is still being developed. The following actions are expected outcomes, but are subject to change upon the final strategy.</i></p> <ol style="list-style-type: none"> <li>1. Work with Indigenous Tourism BC, local First Nations and Indigenous tourism operators to support the development and long-term growth of cultural tourism and build stronger relationships with the First Nations communities.</li> <li>2. Work together to build regional destination development competencies.</li> <li>3. Create a coordinated and supported sport hosting strategy for the Metro Vancouver communities that is aligned with provincial strategies. This would better enable all communities in attracting long-term sport hosting opportunities.</li> <li>4. Collaborate on joint research, data and analysis to enable coordinated destination management.</li> <li>5. Work to improve the transportation and connectivity.</li> <li>6. Collaborate on brand reputation management.</li> </ol>
Role	Discover Surrey as a partner within Metro Vancouver structure.
Timing	Implementation in 2020 upon final Metro Vancouver Destination Development Strategy.

## 12.3 Provide Visionary Leadership

<b>Strategy #10</b>	<b>Continue to work in partnership with the City of Surrey and other local organizations connected to tourism.</b>
Description	<p>DMO partnerships both within and outside of the tourism industry are key to success. More and more, local DMOs are working with their partners in economic development, parks and recreation and other community and regional organizations to align actions and leverage funding opportunities.</p> <p>Discover Surrey has a history of working well with the City of Surrey and this relationship is important to continue to foster and maintain. This is particularly important in Surrey, where the city is rapidly transforming; any opportunities to ensure the City of Tourism development plans include tourism benefits must be capitalized on now, and as they progress.</p>
Actions	<ol style="list-style-type: none"> <li>1. Continue to partner and collaborate within the City of Surrey departments (e.g. Parks and Recreation) for the betterment of tourism. <ol style="list-style-type: none"> <li>a. Continue to participate in City of Surrey led planning forums and committees, e.g., Parks, Recreation and Sport Tourism Committee; Investment &amp; Innovation Committee, etc.</li> <li>b. Continue to present annual plans and updates to the Mayor, Council and staff.</li> <li>c. Work with City of Surrey staff to review regulation of short-term rentals such as Airbnb.</li> </ol> </li> <li>2. Continue to leverage partners, and look for new partners that complement the focus areas within the plan, e.g., Downtown Surrey Business Association, Surrey Board of Trade, Newton BIA Marketing and Events Committee, etc.</li> <li>3. Continue to work in partnership with the multiple partner organizations within Surrey for the betterment of tourism. See Appendix 4 for a full list.</li> <li>4. Engage with local First Nations when working on relevant tourism promotion and development activities.</li> <li>5. Continue to offer contractual services to organizations outside Surrey, and evaluate each opportunity on a case by case basis to ensure the value back to Discover Surrey justifies the increased responsibility.</li> </ol>
Role	Discover Surrey to continue to champion ongoing partner collaboration.
Timing	Ongoing.

<b>Strategy #11</b>	<b>Increase stakeholder engagement and communications.</b>
Description	<p>Engagement and communications efforts should be continued for all stakeholders to build support for tourism, keep stakeholders informed about the progress of individual initiatives and overall plans, and encourage stakeholder participation in tourism development and marketing efforts. Industry feedback has highlighted the importance of ensuring all community stakeholders are informed and engaged in driving results for the tourism sector in Surrey.</p> <p>A stronger communications plan is needed to strengthen relationships with the community through communications, inclusion, transparency and accountability.</p>

Actions	<ol style="list-style-type: none"> <li>1. Gather additional information from industry on how to best increase engagement and generate stakeholder participation.</li> <li>2. Continue to communicate with stakeholders through newsletters, events, and information posted on the website, among others. <ol style="list-style-type: none"> <li>a. Explore new technologies and tools such as Cvent (event management software) to improve communications and coordination.</li> </ol> </li> <li>3. Increase public perception of the value of tourism. <ol style="list-style-type: none"> <li>a. Develop a Value of Tourism economic impact study.</li> <li>b. Create awareness of the value of tourism, including spin-off benefits, e.g., resident's quality of life, business generation, construction, etc. Explore leveraging existing resources, e.g., TIABC.</li> </ol> </li> <li>4. Stakeholder Participation <ol style="list-style-type: none"> <li>a. Initiate email updates/newsletters to interested stakeholders.</li> <li>b. Continue inviting stakeholders to meetings – generate participation via emails, possibly incentivize for participation.</li> <li>c. Continue to maintain a current list of tourism operators.</li> </ol> </li> <li>5. Provide updates on activities and accomplishments, both ongoing and more formally annually.</li> </ol>
Role	Discover Surrey to lead with the engagement of all municipalities, Regional District, tourism operators and general public.
Timing	Ongoing.

<b>Strategy #12</b>	<b>Work with the industry, City of Surrey and Metro Vancouver tourism partners in the ongoing collection, analysis and sharing of performance metrics, research and intelligence.</b>
Description	<p>Business intelligence is a critical aspect to ensuring tourism development and marketing decisions are being made based on sound research.</p> <p>Efforts should be made to continue to gather and share information relevant to Surrey, and instill an industry-wide culture of ongoing performance measurement collection and documentation to enable the analysis of trends over time and ensure business decisions are based on solid information, research and analysis.</p> <p>Efforts are also needed to establish tourism industry research that will provide the information needed to execute this plan, as well as provide critical information for community tourism planning in the future.</p> <p>When planning future research and analysis work, it is imperative to include potential project partners to share resources as well as research insights, including the tourism industry, City of Surrey and Metro Vancouver DMO tourism partners. Also, given the need for Discover Surrey to improve stakeholder engagement, ensure Discover Surrey Stakeholders are aware of study results.</p>
Actions	<ol style="list-style-type: none"> <li>1. Continue with current research and intelligence program to help measure and monitor business plans and provide input into business decisions. <ol style="list-style-type: none"> <li>a. Maintain the monthly Surrey Commercial Accommodation Survey.</li> <li>b. Continue to track key visitor services and marketing key performance indicators.</li> </ol> </li> <li>2. Annually conduct Tourism Stakeholder surveys to evaluate Discover Surrey's performance.</li> <li>3. Implement a visitor survey to develop a consumer profile, build a repository of</li> </ol>

	<p>consumer information, and evaluate quality of tourism experiences in Surrey; work with Destination BC's Research, Planning and Evaluation team to implement Net Promoter Score tracking, which is recommended to evaluate quality of tourism experiences and can be compared to the provincial tracking and other destinations within BC. For more information on Net Promoter Score, see Appendix 3.</p> <ol style="list-style-type: none"> <li>4. Implement Explorer Quotient (EQ) tracking and enhance insights by linking online survey results with PRIZM5 database (EnviroNics Analytics consumer segment research based on postal code).</li> <li>5. Conduct a Commercial Accommodation Survey to gain further insights on the accommodation base. Destination BC can assist with this process.</li> <li>6. Work with the City of Surrey to conduct a short-term rental survey to determine appeal and impact of vacation rentals in the city.</li> <li>7. Conduct a full economic impact study to determine the total number of Surrey visitors, their expenditures, tourism jobs in Surrey, GDP, and government revenues from tourism.</li> <li>8. Develop a process or program to ensure measurement of industry performance and to work with tourism businesses to instill a culture of tracking and reporting on business performance, including monitoring and sharing the following performance measurements: <ul style="list-style-type: none"> <li>○ Increase overnight visitation.</li> <li>○ Increase length of stay.</li> <li>○ Increase accommodation revenues.</li> <li>○ Increase awareness, interest and conversion from target markets.</li> <li>○ Increase Net Promoter Score.</li> <li>○ Growth in employment in tourism.</li> </ul> </li> <li>9. Monitor Destination BC's Research and Evaluation webpage for industry performance measurement.<sup>5</sup></li> <li>10. Work with Destination BC's Research, Planning and Evaluation team to assist with Surrey's information needs, performance measurements and intelligence.</li> </ol>
Role	Discover Surrey to lead with involvement from accommodators and other tourism businesses.
Timing	Ongoing.

<sup>5</sup> See: <http://www.destinationbc.ca/Research/Industry-Performance.aspx>

# 13 Management, Governance and Administration

## Governance

Discover Surrey is an independent, non-profit organization, governed by a volunteer Board of Directors representing various sectors of the tourism industry. The Board of Directors undertook a governance review in 2018 and agreed to change the constitution and bylaws, and ensure they meet the new requirements of the revised Societies Act for the Province of BC.

The Board of Directors now consists of 10 total Board members: three are appointed (City Councillor, Past President and Board appointee based on a skillset of benefit to the association, e.g., accountant, lawyer, etc.), seven are elected of which three are hoteliers and the other four are representatives from other tourism sectors, e.g., restaurant, sport, transportation, attraction, etc.

The Board of Directors meets quarterly at a minimum, and an Annual General Meeting is held in the fall of each year. All tourism stakeholders in Surrey are invited.

## Management and Organizational Structure

There is much work that is needed to elevate Surrey's tourism sector, and as the lead tourism organization, people have looked to Discover Surrey to do it all. Discover Surrey has relied on both staff and contracted marketing specialists. With the loss of MRDT funds the organization currently has one staff position, the Executive Director, remaining. With the projected growth of tourism, the 3% MRDT activation, the focus on the Metro Vancouver Destination Development Strategy, and the resources required to implement this plan, the capacity of Discover Surrey needs to expand.

Also, to ensure consistent, quality delivery of services and engagement of tourism stakeholders, additional staff resources are required. In addition, the current Executive Director has announced retirement. Efforts are needed to evolve to a staff structure that better enables Discover Surrey to excel in the competitive tourism industry and to better support tourism stakeholders.

The Discover Surrey Board of Directors should realign staff and/or contracted resources to best enable the new programs and efforts needed to implement this plan:

- a) Hire a new full-time Executive Director.
- b) Review the current and required roles for existing staff and contractors to ensure the most effective structure of roles and responsibilities.
- c) Hire a full time Marketing Manager, including working with industry on product packaging, festival & events, as well as ongoing marketing programs and initiatives.
- d) Increase over time the group sales resources, including the Sport Tourism Manager position, as required.
- e) Allocate resources to facilitate increased stakeholder engagement, industry training, and industry's engagement in development of new experiences.
- f) Review annually to determine if additional resources are required.

## MRDT Funding Allocation

This plan includes significant new priority initiatives that move Discover Surrey towards being a more comprehensive Destination Management Organization, as well as additional funds through the collection of 3%



MRDT. This [3% MRDT](#) includes both General MRDT Revenue (3% collected from traditional accommodations) and Online Accommodation Platform (OAP) Revenue (3% collected from short-term rentals such as Airbnb).

Directional support has been provided for the collection of 3% MRDT with the addition of an Accommodators Sub-Committee that will direct how 0.8% of General MRDT Revenues are allocated. This Accommodators Sub-Committee should work with the Surrey Hotel and Motel Association to jointly align and leverage marketing program funds from both organizations, minimizing duplication and maximizing impact.

To execute on this plan in agreement with industry, the following funding structure will be put in place:

**General MRDT Revenue – 3%**

- 2.0% to Discover Surrey
- 0.8% to Discover Surrey to be spent by the Accommodation Sub-Committee for generating overnight stays
- 0.2% to the Province for the Provincial Tourism Events Program

**Online Accommodation Platform (OAP) MRDT Revenues – 3%**

- Ideally, the OAP 3% would be allocated to the General MRDT Revenues for Discover Surrey, to be allocated in the same proportion as identified above. It is recognized that the City of Surrey has the legal right to allocate these funds for affordable housing without agreement from the tourism industry.

Directional support for the 3% MRDT collection has been provided by the City of Surrey (pending Council approval) with re-establishing Discover Surrey as the official Destination Marketing Organization by the City of Surrey for being a *designated recipient* of the funds. It should be noted that for the next 5-year MRDT plan development, there is interest from industry to seek *eligible entity* status for Discover Surrey. The organization should continue to research MRDT eligible entity status in preparation for renewal in 2024.

**Provision for Separate Accommodation Association**

During this five year term or within the subsequent five year term, the .8% of the 3% General MRDT Revenue to be spent for generating overnight stays can be distributed directly to a not for profit Surrey accommodation association, with the following conditions:

- The association must support the collection of 3% MRDT within Surrey.
- In accordance with the MRDT guidelines, the association must provide evidence that it has sufficient support and representation from accommodation providers who offer taxable accommodation within the designated accommodation area. The minimum required level of support is at least 51 percent of the accommodation providers representing at least 51 percent of the total number of units of accommodation offered by those accommodation providers in the designated accommodation area.
- In accordance with the MRDT guidelines, the association must make its longer term strategic and annual business plan available to accommodation providers, as well as the City of Surrey and Discover Surrey.
- The association must receive written approval of support from the City of Surrey. This show of support is not required by Discover Surrey Board of Directors or staff.
- The association must abide by any other MRDT program requirements specified by Destination BC or the Ministry of Finance.
- The association must act in good faith to work with the City of Surrey and Discover Surrey to positively support and build the Surrey destination brand, align efforts to minimize duplication of effort, and maximize efficiencies and effectiveness of the funds.

## Ongoing Planning

Ongoing efforts need to be continued to ensure all stakeholders within Surrey are working together and are represented and supporting this plan. This includes:

- Conducting annual planning.
- Holding annual meetings to review the execution and budget of Surrey’s Tourism Strategy Update.
- Engaging stakeholders in prioritizing projects for subsequent years and allocating funding.
- Ensuring all Discover Surrey plans are available to stakeholders on the True Community portal/extranet.
- Engaging ITBC and Surrey area First Nations in tourism planning and development.
- Continuing to work with other City of Surrey divisions on planning initiatives that impact the tourism industry, e.g., Cultural Corridor development.
- Coordinating efforts with the Surrey Hotels and Motels Association.

Also, with multiple product experiences being offered to different consumer target groups, it would be beneficial to map out an annual communication plan to ensure the right messages are being delivered effectively. A holistic communication plan will ensure all communications—community, stakeholder and consumer target markets- will be leveraged to achieve objectives, in particular, to increase awareness and engagement from industry.

# 14 Budget

The following 2020-2024 budget has been developed based on the approved 2016 budget<sup>6</sup> and the five years of the above plan from 2020-2024. It is important to review this plan on an annual basis to reprioritize activities, determine funding requirements and determine availability of funds. This plan has been developed based on a reasonable, achievable target of increasing MRDT 5% on average to 2024.

In 2016, Discover Surrey had a significant reserve fund of \$1,400,000 of which \$431,900 was spent in 2017 to continue operations, \$393,123 in 2018 and \$174,977 in 2019 to maintain operations. \$400,000 needs to be retained for financial obligations in event of operational disruptions.

Based on these changes, the budget increases to \$1,204,667 by 2020, which is a \$456,925 increase over the 2016 core budget of \$747,742 and enables Surrey to be more competitive with other destinations.

## Revenues:

Notes: 2020 3% MRDT (2.8% back to Surrey) has been added as 10 months of revenues in recognition of the Ministry of Finance approval process. The plan is based on industry's desire for realistic but aggressive growth; any unforeseeable and significant changes may impact performance, e.g. catastrophic worldwide events. Discover Surrey will work collaboratively with the Surrey Destination Association to leverage the Destination Marketing Fee (DMF) fund with the Discover Surrey MRDT budget.

	Base Year: Budget 2016	2020	2021	2022	2023	2024
MRDT – 2%	\$600,000	\$853,333	\$1,075,200	\$1,128,960	\$1,185,408	\$1,244,678
MRDT - 0.8%	\$0	\$341,333	\$430,080	\$451,584	\$474,163	\$497,871
MRDT - 2021 rooms (150)	\$0	\$0	\$45,864	\$114,975	\$114,975	\$114,975
MRDT - 2022 rooms (100)	\$0	\$0	\$0	\$30,576	\$76,650	\$76,650
Coop Programs and Sponsorships	\$70,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Grants	\$12,500	\$0	\$0	\$0	\$0	\$0
Interest	\$12,000	\$0	\$0	\$0	\$0	\$0
Retail/Misc	\$750	\$0	\$0	\$0	\$0	\$0
Other Income	\$52,492	\$0	\$0	\$0	\$0	\$0
Reserve Funds	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$747,742</b>	<b>\$1,204,667</b>	<b>\$1,561,144</b>	<b>\$1,736,095</b>	<b>\$1,861,196</b>	<b>\$1,944,175</b>

<sup>6</sup> Recognizing the unique situation of the 2017, 2018 and 2019 budget without MRDT collection, 2016 has been used as the base year.

**Expenditures:**

Notes: Facilities Operations and Maintenance costs were reduced in 2019 due to shift in visitor services model.

	<b>Base Year: Budget 2016</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Focused Marketing	\$543,792	\$811,883	\$1,091,794	\$1,250,155	\$1,357,900	\$1,422,719
Destination Appeal	\$0	\$170,667	\$215,040	\$225,792	\$237,082	\$248,936
Visionary Leadership	\$0	\$42,667	\$53,760	\$56,448	\$59,270	\$62,234
Salaries and Benefits	\$83,900	\$83,900	\$105,000	\$108,150	\$111,395	\$114,736
Facilities Operations and Maintenance	\$84,500	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Other Operations/Admin	\$35,550	\$35,550	\$35,550	\$35,550	\$35,550	\$35,550
<b>TOTAL</b>	<b>\$747,742</b>	<b>\$1,204,666</b>	<b>\$1,561,144</b>	<b>\$1,736,095</b>	<b>\$1,861,196</b>	<b>\$1,944,174</b>

Notes: The plan is based on industry's desire for realistic but aggressive growth; any unforeseeable and significant changes may impact performance, e.g. catastrophic worldwide events. 50% of staff salaries and benefits are directly attributed to, and have been allocated, to marketing program costs.

# 15 Timeline

Strategies		2020	2021	2022	2023	2024
<b>Inspire Visitation through Focused Marketing</b>						
1	Build the Surrey destination brand.					
2	Evolve and enhance destination marketing efforts to generate awareness, interest and conversion for a visit or booking to Surrey.					
3	Evolve and enhance sport tourism efforts.					
4	Support group travel trade and meetings and conventions sales efforts, working in collaboration with hotel accommodators.					
5	Work collaboratively with partner DMOs on province-wide and region-wide initiatives.					
<b>Enhance the Destination Appeal</b>						
6	Continue to engage with the City of Surrey to participate in planning and advocate for the large-scale infrastructure and attractions that would generate significant visitation to Surrey.					
7	Encourage and enable industry to develop new remarkable products and experiences that support the Surrey brand, demand generators and target markets.					
8	Champion a focus on developing new and enhanced festivals and events.					
9	Work with Destination BC and Metro Vancouver partners to implement the Metro Vancouver Destination Development Strategy.					
<b>Provide Visionary Leadership</b>						
10	Continue to work in partnership with the City of Surrey and other Surrey organizations connected to tourism.					
11	Increase stakeholder engagement and communications.					
12	Work with the industry, City of Surrey and Metro Vancouver tourism partners in the ongoing collection, analysis and sharing of performance metrics, research and intelligence.					

## 15.1 Appendix 1: Situation Analysis Key Findings

- Global tourism is growing and forecasted to continue to grow, in particular due to emerging markets with growing middle classes, e.g., China, India, Mexico. The low Canadian dollar is keeping Canadians travelling at home, and the time is right to influence Canadians to travel in BC and to attract American consumers who benefit from a favourable exchange rate.
- Multiple changes in consumer preferences point to positive news for Surrey, including continued importance on value for money, increase in popularity of staycations, the rise of multi-generational travel, and the trend towards more frequent, shorter trips.
- Changes in the Internet and digital/online/mobile have created a fundamental shift in how people communicate, gather information, make purchasing decisions and plan/book travel. The shift to digital for travel planning continues to increase in importance, as does connectivity. The City of Surrey has begun work to ensure connectivity in destination through Smart Surrey Strategy.
- There have been global shifts in tourism destination management, with an increased focus on brand and destination development. This shift has transpired within BC as well. Changes to the tourism system in BC have generated significant marketing opportunities for communities to leverage and align to marketing efforts within the tourism system. Significant efforts are being made to revitalize the BC destination brand, with a vision for the entire tourism industry to align to the new brand platform.
- There is strong focus from Destination BC on collaboration and alignment throughout the tourism system on new marketing strategies, including cooperative marketing programs, alignment of the BC destination brand, data-driven marketing, advocacy, lead generation to tourism businesses, personalization, EQ segments and brand asset/content development.
- Destination BC's Destination Development Program is focusing on the development of a 10-year Metro Vancouver Destination Development Strategy. As a large community with significant growth potential over the next decade, this is an excellent opportunity for Surrey to leverage regional development initiatives.
- Indigenous tourism is growing in BC, and Indigenous Tourism BC believes that by 2022 Indigenous cultural tourism in BC could welcome 2.2 million visitors per year and help generate \$1.5 billion in spending. There are opportunities to enhance Surrey's Indigenous offerings.
- Surrey is a large and geographically diverse city with BC's second largest population, which is projected to continue to increase. The City of Surrey is focused on residents, quality of life and jobs, and executing the Official Community Plan, which envisions transformation of Surrey to a second metro downtown along with Vancouver. There are multiple City of Surrey community development plans that all support the transformation of Surrey. It is apparent that the plans lack a focus on development geared towards tourism destination development. There is opportunity to work with the City of Surrey to ensure the ongoing community planning and development includes a greater consideration for the products and experiences that will make Surrey a stronger, more competitive destination in the future.
- Surrey has a good foundation of tourism products, including sport and recreation facilities, mid-range accommodations, festival and events, a large shopping mall, and nature experiences. However, Surrey lacks the products and experiences that offer a significant draw for visitors and their related spending, including meeting and convention space, entertainment options, attractions, high end hotels, waterfront experiences and destination accommodations, e.g., resorts.
- Surrey lacks a strong narrative or unifying theme that pulls the city together as a destination that visitors can understand and be inspired to visit. This gap is amplified by the fact that Surrey is a composite city made up of six distinct and developing town centres that are not easily linked together. There is a need to create a unique selling proposition for Surrey. In addition, a review of the branding strategy would be beneficial to ensure the multiple brands that have been developed and need to be supported are achieving maximum impact.

- Surrey has achieved significant tourism results, as represented by performance indicators: growth of MRDT 123% since 2002 to \$654,466 in 2015; year-over-year improvements in accommodation occupancy %, Average daily rate, and Revenue per accommodation room; and increase in golf rounds. There is a need to continue to build on that foundation and ensure these efforts are supported.
- Surrey is lagging behind the provincial average occupancy rates for the shoulder and winter season. In order to increase this rate, new attractions and infrastructure will be required, such as meetings and convention space, entertainment facilities, festival and events, and arts and culture events.
- Overall, stakeholders have been satisfied with the work Discover Surrey is doing, with particular emphasis on what the organization has been able to achieve with what they have to sell (i.e., lack of products and destination appeal) and the available resources. There is much work that is needed to elevate Surrey's tourism sector and as the lead tourism organization, people look to Discover Surrey to do it all.
- Surrey has demonstrated some success in hosting significant destination events that can be built upon to draw visitation from the Metro Vancouver area.
- Discover Surrey has evolved the Visitor Services program, with the closing of the visitor centre and shifting to online visitor connections via social media, email and online chat.
- Respondents to a 2016 stakeholder survey states that Festival and Events, Sports Tourism and Culinary Tourism are the top tourism products and/or experiences in terms of their importance to the Surrey tourism industry. The top barriers to growth are perceived by survey respondents as Surrey's reputation (15%), lack of product and attractions (10%), transportation (10%), and crime/safety (10%). The top products and experiences respondents believed to have potential to grow included festival and events (91%), sports tourism (80%), shopping (75%) and arts/culture/heritage (73%).
- Over the next five years, 2016 stakeholder survey respondents felt the top program areas Discover Surrey could place priorities on are transportation (85%), Marketing and Promotion, (83%), Destination Management (79%), Community Planning (79%) and Product Development (79%).
- BC residents account for 57% of BC's total overnight visitation and continues to be BC's largest market. Combined with Alberta, the two markets represent 70% of the volume. Leisure travel and Visiting Family and Friends are the top two trip purposes for travellers from BC, Alberta and Washington. Surrey has opportunities to leverage the visiting friends and relatives market and provide experiences to keep them in Surrey.
- Sport tourism is a significant product draw and Surrey has built up a strong portfolio of experience in hosting events, including event hosting skillsets, knowledge and volunteer base. There has been an increase in sport tourism activities for most DMOs in Metro Vancouver, with the hiring of Sport Tourism Managers and budget allocation. In order to remain competitive, Surrey will need to maintain a dedicated focus on that market.
- Compared to some Metro Vancouver DMOs, Surrey has limited budget and resources, e.g., Tourism Vancouver budget of \$25 million and Tourism Richmond budget of \$4 million. In order to be competitive, and enable the vision that Surrey will be BC's downtown hub, additional resources are required. The collection of 3% MRDT will provide Surrey with a more competitive funding stream.

## 15.2 Appendix 2: Stakeholder Engagement

The Situation Analysis review and Tourism Plan was developed with extensive input from the City of Surrey, industry stakeholders and partners, including:

### Vision Sessions

The vision sessions were two half-day sessions with a total of 27 key tourism stakeholders. The outcome was to have an aspirational statement and vision story to act as a catalyst for inspired tourism planning. The sessions were held on February 3, 2016. Participants included: Discover Surrey staff (3), City of Surrey (3 staff; 2 Councillors), Destination BC representative (1), accommodators (5), golf courses (2), restaurants (2), retail/shopping centre (3), attractions/events (1), casino (1), Chamber of Commerce/BIA (2), Board of Trade (1), and a local media publisher (1).

### Stakeholder Interviews

In-depth interviews were conducted between January 1, 2016 and March 8, 2016 with over 20 key Discover Surrey stakeholders. Stakeholders were asked to comment on their overall perception of the tourism industry in Surrey, their satisfaction with Discover Surrey and its programs, and the strengths, weaknesses, opportunities and threats. Interviews included: Discover Surrey staff (5), City of Surrey (1 staff, Arts, Culture, Heritage; 1 Councillor), Destination BC staff/representatives (2), Holiday Inn Express & Suites, Ramada Langley Surrey, Northview Golf Course, Morgan Creek Golf Course, Cloverdale Exhibition Ground, Rooster (restaurant), Cloverdale Business Improvement Association, Kwantlen Polytechnic University, Sheraton Vancouver Guilford, Surrey Board of Trade, Downtown Surrey BIA, Newton BIA, Cloverdale & District Chamber of Commerce, South Surrey & White Rock Chamber of Commerce. Shorter discussions were had with Historic Stewart Farm and Honeybee Centre.

### Stakeholder survey

A stakeholder survey was sent out to 268 Discover Surrey stakeholders to gather opinions and ideas to provide direction for Discover Surrey's Tourism Plan. The survey was sent out on February 18 and closed March 4, 2016. There were three reminders in addition to the invite. The overall response rate was 25% with 66 individual responses. Respondents represented all sectors of tourism in Surrey (respondents could select multiple categories): Things to Do & See (52%), Food & Drink (40%), Meetings & Events (40%), Places to Stay (27%), Other – Tourism Supporters (23%).

### Stakeholder planning workshop

17 people attended a planning session on April 1, 2016, including both stakeholders and Discover Surrey staff. The session had significant stakeholder representation from the arts, culture and heritage community, as well as the City of Surrey, accommodators, a retreat centre, and a shopping centre. At the meeting, the participants provided input and feedback into a situation analysis review and the draft vision, mission and goals.

### Accommodation providers meetings

Two meetings were held with multiple representatives of the accommodation sector to address the MRDT application and Tourism Plan. April 18, 2016 was to review the MRDT program and agree on a 2% or 3% MRDT application renewal. This conversation continued on May 3, 2016 with a review of the draft Tourism Plan.



### **MRDT discussion meetings**

Additional meetings were held in 2017 with accommodators to successfully regain support for the 3% MRDT application.

### **Strategy Update Review**

The Discover Surrey Tourism Plan, 2018-2022 was distributed to the Discover Surrey Board of Directors, the City of Surrey and engaged Discover Surrey stakeholders for review in September 2017.

### **2019 Strategy Update Review**

Discover Surrey began discussions with the Board of Directors, the City of Surrey and accommodators between January and April 2019 to regain support for the 3% MRDT application, now based on the new program criteria announced in fall, 2018.

### **Stakeholder Planning Session**

A stakeholder planning session was held on April 2, 2019 with 20 participants representing a variety of interests, e.g., sport tourism, accommodations, heritage, arts/cultural, board of trade, City of Surrey. The workshop reviewed the current operating context and the 2017 Tourism Plan and gained consensus on the core focus areas for the 2020-2024 plan.

### **Stakeholder Survey**

A stakeholder survey was sent out to over 250 Discover Surrey stakeholders to gather opinions and ideas to provide direction for Discover Surrey's Tourism Plan. The survey was sent out on April 18 and closed April 30, 2019. There was one reminder in addition to the invite. While the overall response rate was very low with 15 individual responses, the results were not dissimilar to the 2016 survey in terms of priorities, with the exception that agritourism increased in importance.

### **Tourism Plan distribution**

The updated 2019 Tourism Plan was distributed to all Discover Surrey Stakeholders for review.

## 15.3 Appendix 3: Net Promoter Score

The following has been provided by Destination BC: <http://www.destinationbc.ca/Resources/Monitoring-and-Evaluation/Net-Promoter-Score.aspx>

### How to Measure NPS in BC Communities

[http://www.destinationbc.ca/getattachment/Resources/Monitoring-and-Evaluation/Net-Promoter-Score/How-to-Measure-NPS-in-BC-Communities\\_FINAL.pdf.aspx](http://www.destinationbc.ca/getattachment/Resources/Monitoring-and-Evaluation/Net-Promoter-Score/How-to-Measure-NPS-in-BC-Communities_FINAL.pdf.aspx)

### What is Net Promoter Score?

The Net Promoter Score (NPS), developed by Frederick Reichheld and Bain & Company in 2002, is a simple metric that helps organizations monitor the engagement of their customers. It reflects the likelihood that customers will recommend a product/company/place to friends, family or colleagues.

In the context of the tourism industry, NPS is based on responses to the question, “How likely are you to recommend [Surrey] as a travel destination to a friend, family member or colleague?” Responses are scored from 0 = “not at all likely” to 10 = “extremely likely”. Respondents are divided into three categories:

- **Detractors** (scores of 0 to 6): Unhappy visitors, unlikely to tell others to visit and might even damage the reputation of a destination through negative word of mouth.
- **Passives** (scores of 7 or 8): Marginally satisfied visitors not excited enough to tell others about their travel experience.
- **Promoters** (scores of 9 or 10): Loyal enthusiasts likely to return and rave about their travel experience.

NPS is calculated by subtracting the percentage of detractors from the percentage of promoters.



The intention to recommend a travel destination, reported by the NPS, is a proxy measure of overall satisfaction with the travel experience. Satisfaction with the travel experience and the intention to recommend greatly increase the likelihood of a return visit to British Columbia. And word of mouth advocacy, either face-to-face or through social media, is critical for attracting first time visitors to British Columbia.

NPS is regarded by researchers as the question that best predicts the future growth of customer centric businesses like the tourism industry. Many tourism businesses and destination management organizations, including the Canadian Tourism Commission, are also measuring NPS to help monitor and measure efforts to improve customer loyalty.

The original research that developed NPS is described in an article by Frederick F. Reichheld in the Harvard Business Review: <https://hbr.org/2003/12/the-one-number-you-need-to-grow>.

## 15.4 Appendix 4: Surrey Tourism Partnerships

Discover Surrey works with multiple partners on improving tourism in Surrey, including:

- City of Surrey
- Sport Surrey
- Canadian Sport Tourism Alliance
- Golf Surrey Consortium
- Surrey Destination Association
- Light Rail Links Community Coalition
- Fusion Festival
- Downtown Surrey BIA
- Newton BIA Marketing and Events Committee
- Cloverdale Arts & Entertainment Association
- Arts Council of Surrey
- Surrey Historical Society
- Semiahmoo Arts
- Cloverdale Rodeo & Exhibition Association
- Educational Institutions - Kwantlen Polytechnic University (KPU), Capilano University College, Tourism Management Program and British Columbia Institute of Technology (BCIT)
- Surrey Board of Trade
- Lower Mainland Tourism Alliance
- Lower Mainland Marketing Alliance
- Destination BC
- Tourism Industry Association of BC
- BC Destination Marketing Organization Association (BCDMOA)
- go2hr
- Surrey, Delta and White Rock Marketing Consortium
- Visitor Services Network