



# Discover Halifax Presentation to Law Amendments Committee

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President and CEO

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## About Discover Halifax

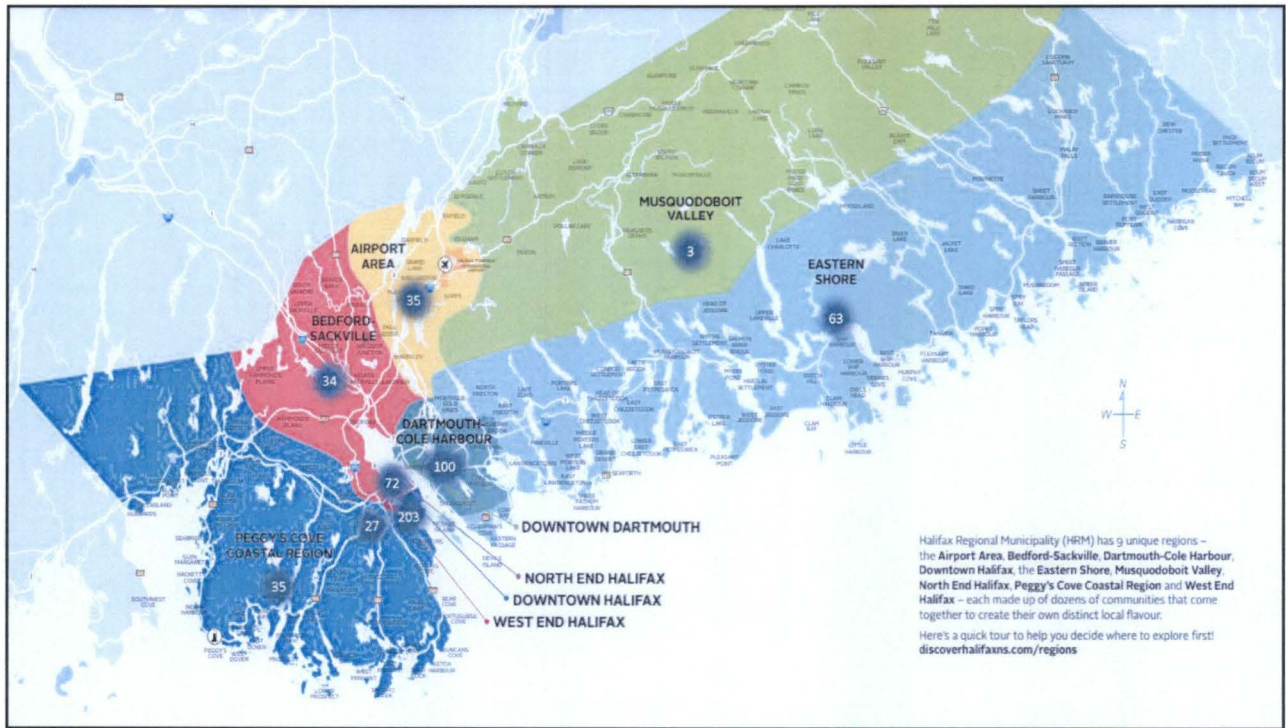
- Non-Profit, Membership based with 500+ members throughout all HRM.
- We were created in 2002 by our founding members: HRM and Hotel Association of Nova Scotia
- Council's official Tourism Agency
- Funded primarily by the hotel tax



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# Discover Halifax

## Our New Mission

We seek to **maximize economic and social benefits** derived from the tourism industry for the benefit of the people who **live, visit, and invest in our region**.


We do this by **showcasing the best of our region to the world**, and through **collective impact**, we seek to shape the future of our industry through **good planning, investment, and design**.

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## About Tourism In HRM

- 5.3 Million overnight stays annually and they spend \$1.3 Billion each year
- HRM represents 53% of all Nova Scotia Tourism Expenditures
- Supports over 4,000 businesses and 34,000 jobs
- About \$90 million in HST collected annually from this industry



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## Background - Hotel Levy In HRM

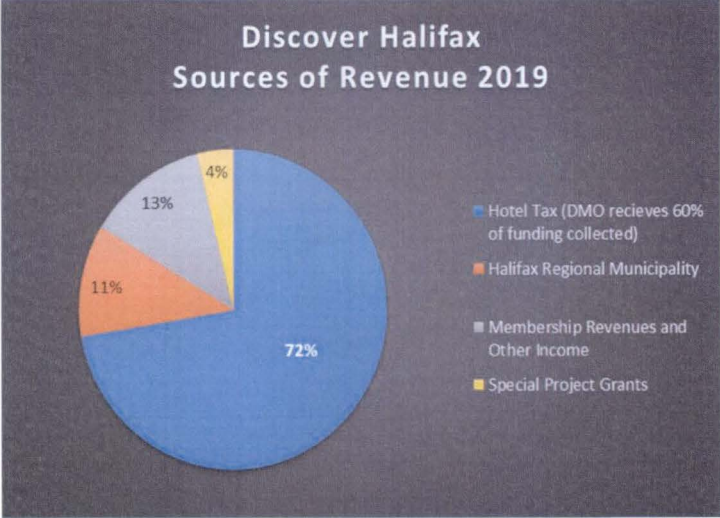
2002 - Bill 94, Halifax Regional Municipality Marketing Levy Act was enacted

Today, the levy is capped at 2% and applied to accommodations with 20 rooms or more. In 2019, \$4.16M was generated by the Hotel Levy.

60% of the hotel levy is used to support services provided by Discover Halifax. The remaining 40% supports grants used for major events as decided by HRM Council.

In both DMO and the Event Grants Programs, HRM partner with the Province of Nova Scotia on common goals and objectives including direct financing of programs and bids.

### Discover Halifax Sources of Revenue 2019



Source	Percentage
Hotel Tax (DMO receives 60% of funding collected)	72%
Halifax Regional Municipality	11%
Membership Revenues and Other Income	13%
Special Project Grants	4%

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## Canada's Competitive Environment

Of the regions relying on hotel taxes to support their industry, Halifax has the lowest hotel tax in the country.

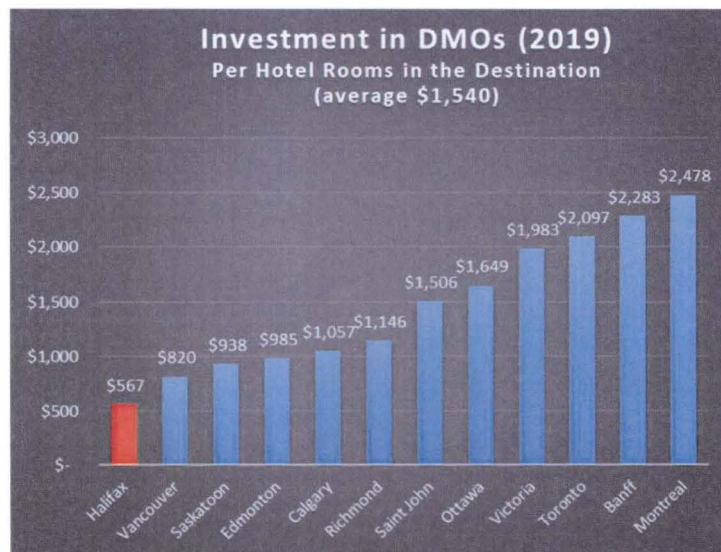


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## Canada's Competitive Environment

The average investment made by our Canadian competitors on a per room basis is more than 2.5 times greater than in HRM.

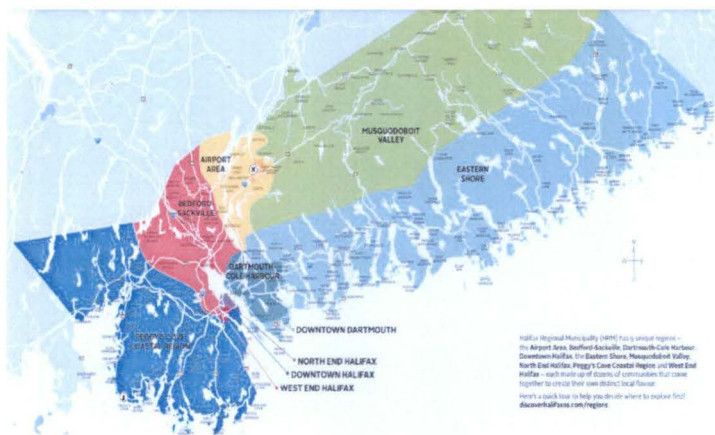
Additionally, most of our competitors are leveraging their investments against other federal programs. Currently, Discover Halifax does not have the basic entry investment to qualify for these matching dollar programs.



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## Canada's Competitive Environment

The territory served by Discover Halifax is larger than that of PEI.



## Staying Competitive in the Canadian Context

In recognizing the importance of tourism industry and staying competitive in the Canadian context;

HRM and the Hotel Association of Nova Scotia have reached an agreement to jointly increase funding through an increase in the hotel levy and service grant from HRM.

Specifically, passing of this legislation will be matched by HRM in an amount not to exceed \$1M annually.

## Current and Proposed Programs supported by the Levy:



Destination Marketing



Visitor Experience



Meetings & Conventions Sales



Destination Development (New)



Festivals & Events Support

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Destination Marketing (Discover Halifax)

- We provide “always on” marketing campaigns promoting Halifax as a leisure destination and can reach and exceed 200 million media impressions annually. These include:
  - Broadcast TV Commercials
  - Pre-roll in cinema
  - Pre-roll digital video
  - Digital
  - Out of Home
- We develop inspiring content and share with our community partners
- Social Media
- Travel Media
- We directly contribute to TNS programs

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Destination  
Marketing  
(Discover Halifax)

### Proposed Enhancements:

- Due to financial constraints today we are constrained to “drive markets”. The new funding will allow us to extend to National “Fly-Drive Markets” in Canada and select “International Markets”
- “Fly Drive” markets are aligned with Rural Product, thereby increasing support for our rural regions.
- Ability to support select “Air Access Development” Routes
- Ability to leverage with Destination Canada and other partners

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Visitor  
Experience  
(Discover Halifax)

- Host and Operate a Digital Market Place for all our member experiences
- Produce and print the Official Visitor Guide and “Kids Visitor Guide” covering experiences across all 9 HRM Regions
- Maps of HRM regions
- Visit – Stay – Enjoy Hotel TV Channel
- Digital Kiosks
- Public Wi-Fi content
- Fulfillment for Convention Delegates

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Meetings &  
Conventions Sales  
(Discover Halifax)

- Approximately 50% of Conventions and Meetings Business occurs in Conference Hotels outside of the Convention Center
- Working with Events East and our Convention Partners (approx. 60), we present a unified team of suppliers with a common mission, message, and sales program.
- Through our integrated CRM system, we manage over 200 bids / events annually including room rates and holds for up to 120,000 rooms per year

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Meetings &  
Conventions Sales  
(Discover Halifax)

**Proposed Enhancements:**

Today, Halifax is the only major convention destination with no direct financial incentives for major events. This new funding will permit "strategic incentives" for events growth in our slower season.

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Festivals &  
Events Grants  
Program (HRM)

- 40% of the Hotel Levy supports a grant program for Festivals and Events in HRM.
- Estimated \$1.7 M annually
- Types of events supported:
  - Major Events
  - Sports Events
  - Cultural Events
- Ability to financially partner with the Province of Nova Scotia on major bids and events

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Festivals &  
Events Grants  
Program (HRM)

**Proposed Enhancements:**

- Increase allocation of grants to events grant program
- Discover Halifax to create a dedicated festivals and events office with support services to coordinate bid development and implementation of a coordinated strategic plan for events

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Destination Development

**New Proposed Program:**

Destination Development is the coordinated management of all elements that make up a destination ranging from policy, investment, to sustainability and it includes consideration of economic, social, and environmental impacts of tourism in a managed process.

The processes bring together stakeholders in a collective impact model with the common goal of developing a well managed and sustainable visitor destination.

This will directly support the implementation of the Halifax Regional Integrated Tourism Master Plan.

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**Nova Scotia DMO Network Opportunity**

**Visitors don't typically visit one region along, they often travel across jurisdictions.**

**Today, strong cooperative relationships exist between the 4 Nova Scotia DMOs.**

**The opportunity to grow this network is viewed as an opportunity to match the structures in our neighboring provinces.**

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