



## MEMO

To: Nova Scotia Tourism Industry  
From: Paul Stackhouse, Chair NS Tourism Vision  
Re: 2006 Tourism Industry Stakeholder Report – Administration of Tourism  
Date: September 29<sup>th</sup>, 2006

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The recently completed Nova Scotia Tourism Stakeholder Survey was designed to assess the current state of the Administration of Tourism in our province and to identify means to make it as effective as possible.

Professional researchers CRA, of Halifax, were hired to implement a comprehensive two-phased research study including both qualitative and quantitative approaches. The first phase included 25 one-on-one in-depth telephone interviews, while a second phase included an on-line study with **525 key stakeholders** throughout the Province.

A more detailed description of the research methodology employed for this project may be requested by contacting [jim@nstourismvision.com](mailto:jim@nstourismvision.com).

As promised, the following report presents the results of both phases of the research study. More specifically, it includes an **Executive Summary**, a series of **Conclusions** and **Recommendations** derived from the results for both phases.

The next steps include sharing the results of the survey to you, the tourism industry stakeholders of our province. We invite you to share any comments on this document or your recommendations as to what the best next steps should be. The Tourism Vision Team with representatives from the Tourism Partnership Council, TIANS, ACOA and the NS Department of Tourism will be meeting to prioritize and help shape the future administration of tourism in Nova Scotia. Your input has helped us in this important effort. Any questions, further details, or comments may be addressed to the Nova Scotia Tourism Vision office at (902) 482-6032. More information regarding the eleven key vision recommendations can be found at [www.nstourismvision.com](http://www.nstourismvision.com).

Respectfully,

Paul Stackhouse



# **Nova Scotia Tourism Stakeholder Consultation Study**

## **Administration of Tourism in Nova Scotia**

### **Nova Scotia Tourism Vision**

#### **2006**

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#### **Executive Summary**

Results of the **Nova Scotia Tourism Stakeholder Consultation Study** indicate that there is a decidedly mixed opinion regarding the current model of administration for the industry.

There is a clear recognition among stakeholders that there are too many organizations involved in the tourism industry leading to duplication of effort. This is compounded by a lack of understanding regarding the mandates of some of these organizations and a perception about conflicting mandates for others. At the same time, the role of some organizations, such as TIANS, are reasonably well understood, while others, such as the Tourism Partnership Council, are not.

There is a reasonably clear consensus that there is a need for some consolidation in the numbers of organizations serving the tourism industry. This is both at the grass roots level among the Regional Tourism Industry Associations (RTIAs), where there has already been some consolidation, and at the leadership level. There is strong support for a single entity to have full administrative responsibility for growing the tourism industry. While the Department of Tourism, Culture & Heritage is recognized as currently having such a lead role based mainly on the funding provided by the provincial government to support the industry, there is widespread support, even among the public sector stakeholders, for a public-private partnership model to perform this administrative role.

At the same time, few stakeholders believe that the Vision goal of doubling revenues by 2012 can be achieved with the current strategy and structure, particularly in light of external factors beyond the industry's control. There are, nonetheless, perceived opportunities to increase revenue growth by focusing on product development, infrastructure development and enhanced marketing efforts, including market diversification. Furthermore, there is a perceived need for more effective use of funding for the industry, (which interestingly enough is not solely viewed as a public sector responsibility), more infrastructure development and more private sector representation, particularly in terms of strategy development.

The majority of those surveyed do not feel that the Department of Tourism, Culture and Heritage should take the lead in growing the revenue for the tourism industry. While there is clearly no consensus of which of the existing entities would likely play such a role, there is a clear desire by industry stakeholders to have some form of private-public partnership assume a leadership role.

It may be indeed time to consider a new paradigm, or significantly rework and redeploy the existing Tourism Partnership Council (TPC).

## Conclusions

The following conclusions are derived from the detailed findings of the qualitative and quantitative phases of the study.

### Qualitative Research

Qualitative research involves an in-depth understanding of human behavior and the reasons that govern human behavior. Qualitative research relies on reasons behind various aspects of behavior. Simply put, it investigates the why and how of decision making, as compared to what, where, and when of quantitative research. Since this project sought to identify and explore the perceptions and understanding of tourism administration in Nova Scotia with the underlying purpose of enhancing the Vision, a qualitative component was included, the findings of which are summarized below.

- ***Although a number of key players play distinct roles in Nova Scotia's Tourism industry, no one body is recognized as effectively leading the sector.***

The **Department of Tourism, Culture and Heritage**, the **Tourism Industry Association of Nova Scotia (TIANS)**, and the **Tourism Partnership Council (TPC)** were most commonly identified as the key players in the tourism sector in Nova Scotia. For the most part, the Department of Tourism, Culture and Heritage is perceived as being ultimately responsible for the tourism sector, based on the current industry structure. This is generally driven by the fact that Government funds most industry initiatives and is therefore perceived as the ultimate decision authority.

**The Department of Tourism, Culture and Heritage** role is perceived to be one of establishing strategy for the sector and implementing program initiatives. It is viewed as having a leadership role in terms of planning, implementation, and funding of provincial tourism initiatives, as well as marketing initiatives. In contrast, **TIANS'** focus is widely viewed as advocating on behalf of its private-sector members and being a vehicle for industry communication. **The TPC** was recognized as an advisory group providing direction to Government on strategic planning and marketing initiatives. Although stakeholders readily identify that the TPC's role has not changed since its inception, there is a perception that its relationship with Government has moved from an independent, influential and respected advisory body to an organization with perceived limited ability to adequately represent the interests of private sector stakeholders.

Despite the fact that the Department of Tourism, Culture and Heritage is perceived as ultimately responsible for the tourism sector, stakeholders do not believe there was a clear **leader** within the industry. In particular, it was felt that industry structure lacked clarity in the identification of a leading organization.

- ***There is a common belief that Nova Scotia's tourism industry is over-governed, primarily because of duplication of effort.***

Although there is some mixed opinion as to whether Nova Scotia's tourism sector is over-governed, under-governed or fine as is, most stakeholders expressed concern for apparent **over-governance**. Too many stakeholders for the size of the industry, and too much focus on administering the structure rather than achieving the goal, often supported an opinion of over governance. The greatest criticism however, was in relation to **duplication of efforts**, sometimes creating competing agendas to the detriment of a common goal, namely the growth of tourism revenue.

- ***The Department of Tourism, Culture and Heritage, TPC and TIANS are stakeholders' primary information sources on the progress and success of the tourism industry.***

The Department of Tourism, Culture and Heritage is recognized as the most regular provider of industry statistics and trends for those in the sector and is generally considered a trusted and valuable resource. Similarly, TPC and TIANS are well recognized as additional sources of information. The Internet clearly plays a key role as an information tool when looking for information, with many stakeholders depending on electronic dissemination of information from their key sources or downloads from websites.

There was some criticism amongst stakeholders that the level of information received on the industry generally reflects the level of involvement an individual has in various associations or committees. Indeed, while most felt that information is likely available, it may not be accessible or its existence may not be apparent, to many stakeholders.

- ***While most stakeholders are aware of the Vision, it is not considered attainable based on the current strategy.***

Most stakeholders indicated that they were well aware of the 2012 goal of 100 percent revenue growth. That said, many stakeholders (particularly those in the public sector) expressed doubt that this goal is achievable and questioned what strategy was in place to reach this goal. Skepticism towards reaching such a goal was primarily driven by declining tourism trends across the country and North America, as well as external factors (e.g. Canadian dollar, gas prices, etc.), well beyond their control.

- ***Despite identifying multiple opportunities for tourism revenue growth, stakeholders recognize specific barriers to achieving the Vision.***

When asked what needs to be done to ensure Nova Scotia achieves its tourism revenue growth objective, stakeholders provided a variety of suggestions, with *product development, market diversification, increased cooperation, enhanced marketing, infrastructure development, and research* being considered paramount.

The greatest obstacle in preventing Nova Scotia from achieving its tourism revenue growth was considered to be *attitude and a lack of synergy and focus* within the industry. Many described stakeholders as being too over protective of their own agenda rather than working towards the common good of the Province.

- ***There is a clear desire to consolidate the various organizations involved in the tourism industry, using a public-private partnership model.***

When asked how the tourism sector should be structured to achieve its vision, stakeholders offered mixed opinion. Most agree that additional organizations should not be involved in administering the sector (especially given the current perceived duplication), but that enhanced effectiveness or consolidation of existing bodies is warranted. When asked who should lead the overall management of the tourism sector, there is consensus that leadership is required and that there has to be one boss. That said, opinion was mixed as to who should play the leading role, with most seeing a collaboration of the public and private sector as fundamental.

## **Quantitative Research**

Quantitative research is the systematic scientific investigation of quantitative properties and phenomena and their relationships. For the purposes of our study objectives, we applied quantitative research techniques with the understanding that the administration of tourism is an interactive process and that the information obtained from the stakeholder survey process should help to understand the needs of tourism industry in Nova Scotia.

- ***Most stakeholders rely on the Department of Tourism, Culture and Heritage as well as TIANS for tourism information with marketing being the topic of greatest importance.***

The Department of Tourism, Culture and Heritage followed by the Tourism Industry Association of Nova Scotia (TIANS) are the most important sources of tourism related information for industry stakeholders. Other industry groups are utilized to a much lesser extent as a source for industry related information. The method of delivery (i.e., either online or in print) does not appear to play a key role in determining the overall degree to which an industry group is relied upon for information. With respect to the type of information stakeholders are looking for, marketing is of utmost importance. In fact, the degree of *critical* importance stakeholders assign to marketing information is far greater than any other topic examined.

- ***The effectiveness of the tourism industry in Nova Scotia is widely viewed as being mixed at best in terms of overall management and administration.***

Stakeholders do not identify any activity at which the tourism industry in Nova Scotia truly excels. On five of the eleven administrative functions examined, a majority of stakeholders think the effectiveness of the industry is only *fair* or *poor*. Indeed, a majority of stakeholders does not strongly endorse (i.e., ratings of *excellent* or *very good*) the effectiveness of the tourism industry on any key administrative function. On a broader level, the overall management and administration of the tourism industry is not strongly endorsed either. Just one in ten stakeholders think it is *excellent* or *very good* while one half think it is only *fair* or *poor*.

- ***There is a lack of understanding regarding the various groups and organizations involved in the administration of tourism in Nova Scotia.***

A majority of stakeholders does not completely understand the role of any of the following organizations: Department of Tourism, Culture, and Heritage, TPC, RTIAs, or TIANS. Stakeholders are instead most likely to be only *somewhat* familiar with each organization, and it is this moderate level of understanding that suggests room for improvement.

It is also important to note that while most stakeholders do not completely understand the role the Department of Tourism Culture, and Heritage plays in the administration of the industry, a strong majority believes it is *critically* important. Indeed, the Department of Tourism, Culture, and Heritage is clearly perceived as being the most important organization in this regard.

- ***A public/private partnership is the favoured administrative structure for the tourism industry in Nova Scotia.***

There is no clear consensus among stakeholders on the appropriateness of the level of governance in the Nova Scotia tourism industry. While results show a diverse range of opinions on this topic, it is clear that few think it is under governed. In contrast to the range of opinions about the appropriateness of industry governance, it is also clear that very few stakeholders think the tourism industry is structured properly to meet its goal of achieving 100 percent growth in tourism revenue by 2012. To that end, most stakeholders would welcome one organization taking a lead role in growing tourism revenue; however, there is no clear direction with respect to who that group should be.

Regardless of stakeholders' positions on whether or not a single organization is needed to lead revenue growth, if such a group were to be responsible for administration of the tourism industry it should be some form of a public/private partnership. The strong majority preference for public/private collaboration in the administration of the tourism industry is also noted across each of the seven administrative functions examined in the study.

- ***Enhancing marketing efforts and improving infrastructure are both potential barriers and top priorities for future growth.***

Poor infrastructure or transportation links, rising costs (i.e., gas, taxes, exchange rate), and ineffective marketing are potential barriers to achievement of the goal of 100 percent revenue growth mentioned most often by stakeholders.

Stakeholders were asked to rate the importance of 16 factors in growing Nova Scotia's tourism industry and prioritize those they felt were critically important. Once again, improving infrastructure (i.e., the highway and road system) and enhancing marketing efforts are the top two priorities.

### **Next Steps**

The Nova Scotia Tourism Vision Team is committed to achieving increased revenues and a strengthened tourism industry in our province. In doing so there will be an examination and exploration of a number of possible strategic approaches for future implementation as far as the Administration of Tourism is concerned. In order to keep up to date on the progress of this initiative please visit [www.nstourismvision.com](http://www.nstourismvision.com) regularly for updates and join the discussion forum to ensure your input.