

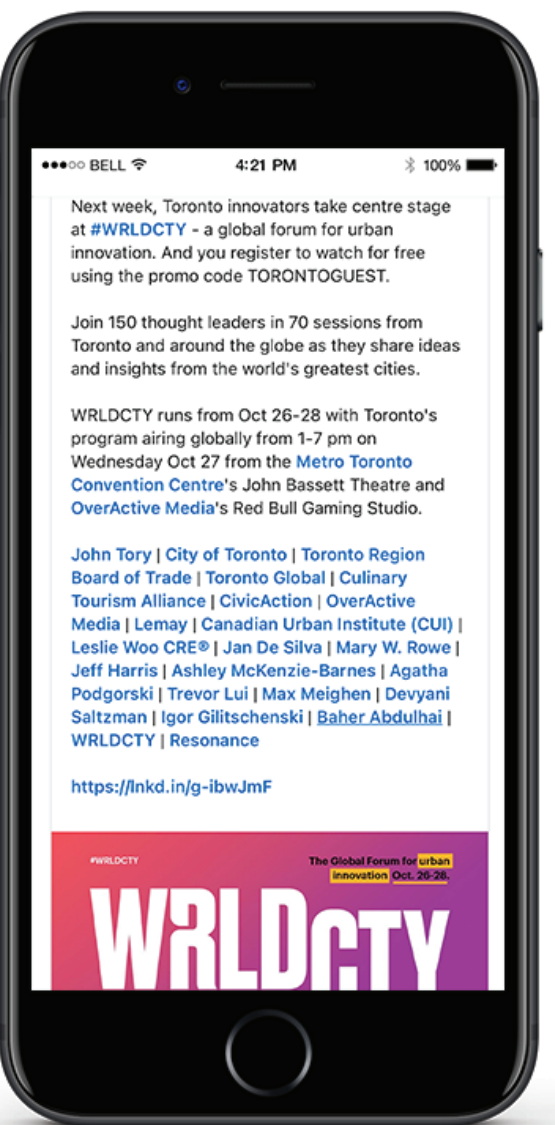
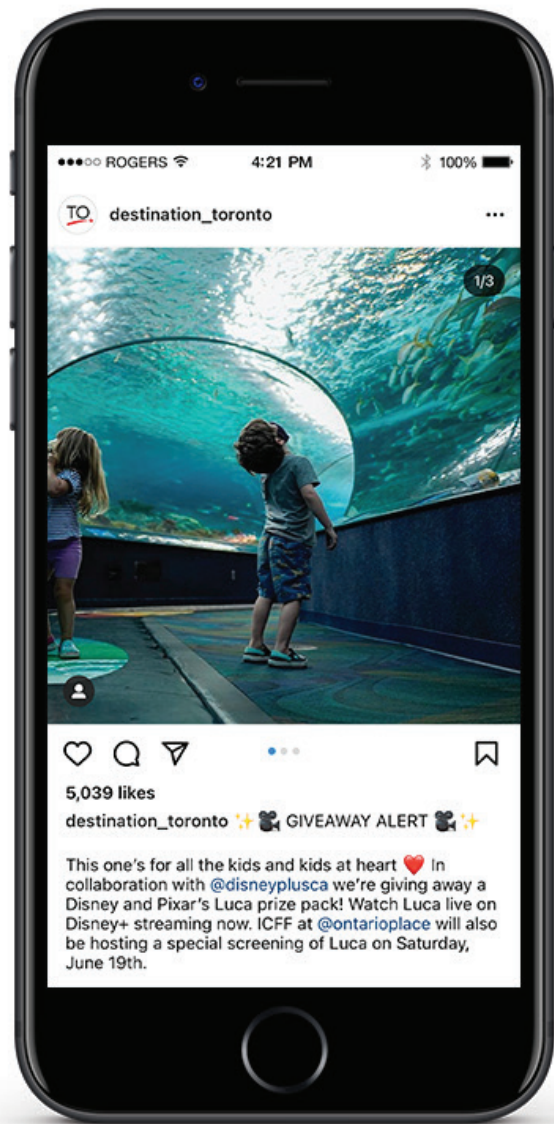
DESTINATION
TORONTO



ANNUAL REPORT

2020

SOCIAL MEDIA HIGHLIGHTS





Andy Loges

Chair, Board of Directors | Destination Toronto

LETTER FROM THE CHAIR & THE CEO

The circumstances our industry has found itself in over the past two years seemed impossible during the years of strong tourism growth that preceded. The impacts of the pandemic on the visitor economy - and across all facets of our economy and community - are well documented and understood. The acute hardship, frustration, disappointment and sacrifice has been met with a matching level of resilience, reinvention and collaboration throughout and beyond the tourism and hospitality industry.

This Annual Report is a reflection on the calendar and fiscal year of 2021. But we write this in a moment in 2022 that the visitor economy is showing signs of substantial rebound. While some business segments have returned, we recognize the slower return of critical business events, corporate travel and important international travel markets. The resilience and resolve over two hard years is now turning into real business results and regeneration. Certainly we have learned that progress and recovery can be fleeting under these volatile circumstances. But the certainty of a strong future for tourism and hospitality seems clearer than ever as families return to travel, meeting planners look ahead to future events, and business travelers get back in the air and on the road. All of this shows that demand for travel hasn't vanished; it was just on the sidelines.

The current momentum notwithstanding, 2021 was indeed a very challenging year marked by several periods of setback, stringent restrictions and closures, and ongoing uncertainty. For a second year, travel was wrongly and unfairly singled out as a vector point for the virus when we know that is not supported by evidence. People were told not to travel and the effects of that message on our industry was obviously profound.

And so for Destination Toronto, 2021 was a year of careful calibration of vital activities to the level of market readiness. That starts with the essential work to rebuild our sales pipeline that drives not only the near term but also the future foundation of business for the destination. While the focus in 2020 was to rebook cancelled events so that business is not lost to the destination, in 2021 the focus shifted to lead generation and pipeline development across key markets and segments in the U.S., Canada and internationally.

Marketing initiatives including the Never Have I Ever platform and the launch of our new content hub (DestinationToronto.com) also formed vital new foundations for communicating with travelers and residents that not only supported pandemic recovery but are long-term foundations for driving highly strategic content. Efforts were thoughtfully aligned with the City of Toronto's ShowLoveTO initiatives, and reached across key experiences including culinary and things to do. And we continued to prioritize connections to and across our community through the Research & Insights Terminal community hub, the Terminal 2 newsletter, and enhanced Business Intelligence and Business Readiness content.

Through these key strategic areas of focus, Destination Toronto allocated its resources prudently and aligned to market readiness to ensure we would be in the best position to activate sales and marketing at the time it will have the greatest impact. As a result the organization is in a stable financial position, supported by a strong Board and staff team, and fully aligned with key community partners.

We are grateful to the community for the continued support of Destination Toronto and, most importantly, for the resilience, resolve and collaboration that will see us collectively through to a new period of growth and prosperity.



Scott Beck

President & CEO | Destination Toronto



CONTENTS

5

**PANDEMIC'S CONTINUED TOLL ON
TORONTO'S VISITOR ECONOMY**

7

**2021 STRATEGIES TO STIMULATE
NEAR-TERM RECOVERY AND
LONG-TERM GROWTH**

8

RESPONDING TO MARKET READINESS

12

REBUILDING THE PIPELINE

15

DIGITAL TRANSFORMATION

19

PRIORITIES & RESULTS

20

FINANCE & ADMINISTRATION

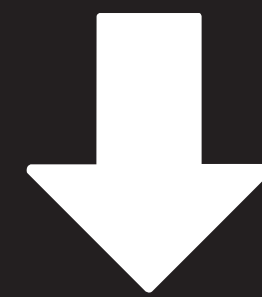
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**2021 BOARD OF DIRECTORS
AND MANAGEMENT TEAM**



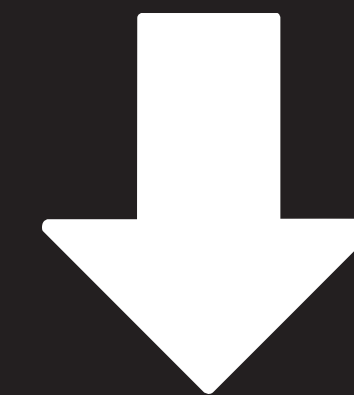
PANDEMIC'S CONTINUED TOLL ON TORONTO'S VISITOR ECONOMY

Following a \$7.24 billion negative impact to the Visitor Economy in 2020, 2021 saw estimated losses of approximately \$5.32 billion, representing another year of significantly reduced visitor spending compared with pre-pandemic activity. The 2019 Visitor Economy Study produced by Tourism Economics in partnership with Destination Toronto and the Toronto Regional Board of Trade, illustrates the substantial impact visitor spending has in Toronto. In 2018 and 2019, visitor spending generated more than \$10 billion per year in economic activity and supported more than 70,000 jobs in the city. That study provided a baseline for analyzing the impacts of the pandemic, and highlights the economic hole created by the dramatic reduction in visitor spending in our community.



**\$5.32
BILLION**

LOST ECONOMIC
ACTIVITY IN 2021

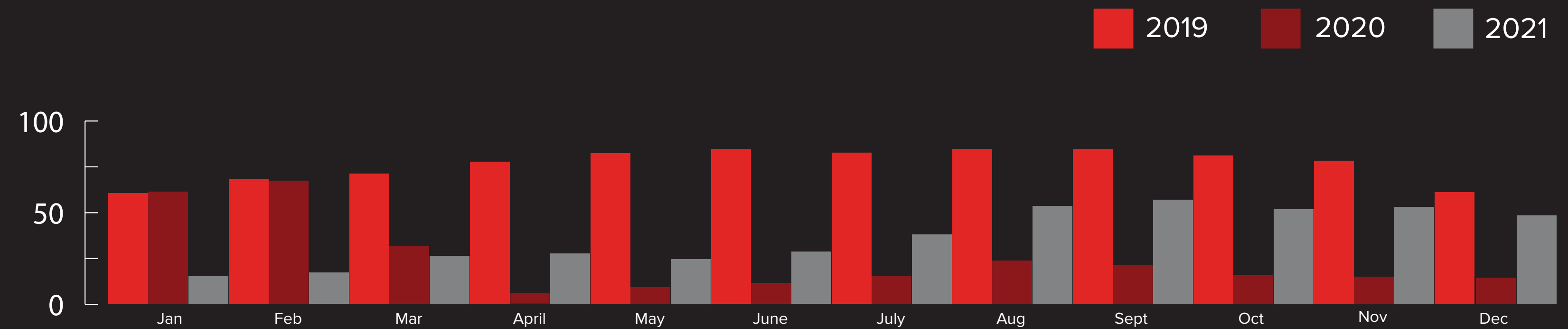


**\$7.24
BILLION**

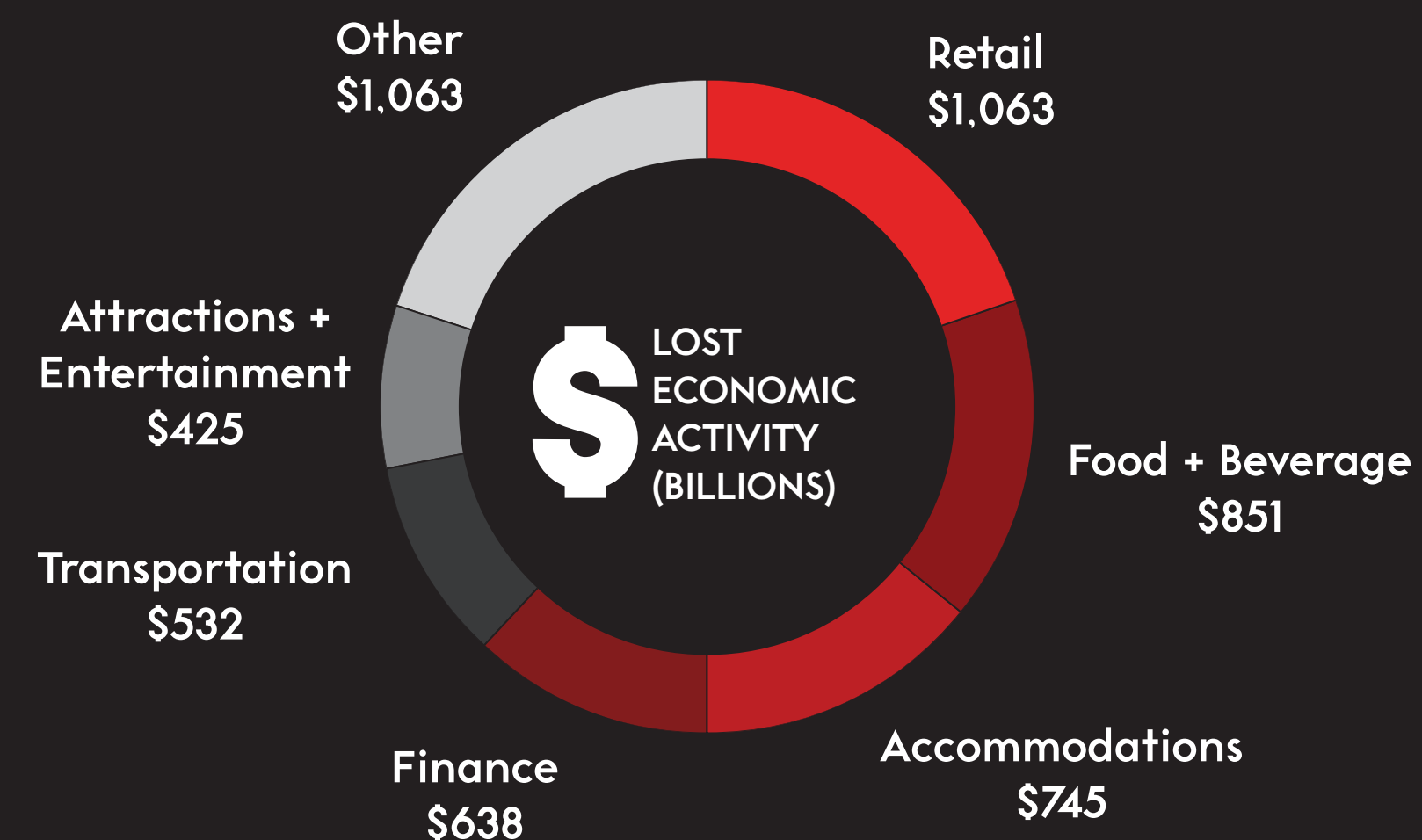
LOST ECONOMIC
ACTIVITY IN 2020



THREE-YEAR HOTEL OCCUPANCY LEVELS



2021 IMPACT BY SECTOR





As the pandemic moved into its second year, the long-term nature of the road to recovery became more evident. Collaboration across all sectors of the visitor economy set the stage for near-term recovery while also enabling vital transformation and innovation to ensure the impact of the visitor economy on our city over a longer horizon.

2021 Strategies to Stimulate Near-Term Recovery and Long-Term Growth

- 1 RESPONDING TO MARKET READINESS**
- 2 REBUILDING THE PIPELINE**
- 3 DIGITAL TRANSFORMATION**

1 RESPONDING TO MARKET READINESS

Destination Toronto tracked more than 20 data sources and indicators of market readiness, using a framework developed in collaboration with key partners through the Hospitality Recovery Task Force. The Market Readiness Index provided a monthly summary of market signals across five readiness factors (virus control, destination readiness, access readiness, partner readiness, and customer readiness), to assess opportunities within six strategic market regions.

This tool and approach enabled Destination Toronto to calibrate sales and marketing efforts to align with each market's state of readiness. Utilized internally and shared externally with industry stakeholders, the Index enabled informed decisions to deploy sales and marketing efforts at the optimal time in the appropriate market.

MARKET READINESS INDEX AUGUST 2021

(*DATA AS OF AUGUST 16, 2021)

This document provides a summary of market signals and leading indicators assessing the readiness of key source markets for Toronto's visitor economy. This assessment – and the underlying data that power it – enables informed decisions on the timing and approach to reactivate sales and marketing in key markets. The full Index – with explanations of key terms and evaluation factors – is available in the Research & Insights Terminal at [DestinationToronto.com](https://www.destinationtoronto.com)

HYPER-LOCAL (Toronto + GTA)

Momentum of Hyper-local market has levelled as case counts rise and comfort with activities is flat or decreasing slightly.



• Virus control
• Destination readiness
• Access readiness
• Partner readiness
• Customer readiness

- Firmly into step 3 of reopening, future unclear
- Never Have I Ever, TO campaign launched
- Comfort level with restaurants (57%) has decreased

REGIONAL DRIVE (2-hour drive)

Comfort with core activities has pulled back slightly but travel search interest in Toronto continues to recover.



• Virus control
• Destination readiness
• Access readiness
• Partner readiness
• Customer readiness

- No access restrictions
- Comfort level with restaurants (59%) has decreased
- Search interest in Toronto recovering to 2019 levels (-12%)

INTRA-PROVINCIAL (Rest of Ontario)

Recovery in in the Ontario market continues though the pace of that recovery appears to be slowing as case counts rise.



• Virus control
• Destination readiness
• Access readiness
• Partner readiness
• Customer readiness

- Resident comfort with provincial travellers softening, but still at 66%
- Comfort level with restaurants (76%) and shopping (79%) remains strong
- Search interest in Toronto continues to return (-14%)

3 READINESS LEVELS

HOLD AND MONITOR:
Closed, unavailable, low demand

PLAN AND PREPARE:
Clear shift, increased demand for reengagement

ACTIVE SALES AND MARKETING:
Meaningful demand, imminently open and fully open

INTER-PROVINCIAL (Rest of Canada)

As daily case counts rise resident welcome sentiment has pulled back slightly. Canadians have a general comfort with travelling within the country.



• Virus control
• Destination readiness
• Access readiness
• Partner readiness
• Customer readiness

- Welcoming sentiment among residents is decreasing (58%)
- Available flight capacity still substantially reduced (76%) from domestic markets
- 46% of Canadians are comfortable flying on an airplane

UNITED STATES

Border reopened August 7th to fully vaccinated travellers but the impact of delta variant has depressed customer feelings of safety.



• Virus control
• Destination readiness
• Access readiness
• Partner readiness
• Customer readiness

- Feeling safe to travel sentiment is decreasing (42%)
- Excitement to travel remains strong (61%) but decreasing
- Feeling of safety in travelling outside the U.S. remains low (25%)

INTERNATIONAL

Virus control varies from country to country. Borders remain closed to non-essential traffic and quarantine requirements still in force.



• Virus control
• Destination readiness
• Access readiness
• Partner readiness
• Customer readiness

- Low levels of welcome sentiment among residents (19%)
- September 7th target for border reopen to fully vaccinated visitors
- Most partner sales and marketing activity to resume in 2022

1 RESPONDING TO MARKET READINESS

The Market Readiness Index clearly showed that the market ready for our initial recovery efforts was the Hyper-Local Market. Destination Toronto collaborated with the City of Toronto to engage the Hyper-Local market through ShowLoveTO, which included StrollTO, ActiveTO, CafeTO, and more.

StrollTO provides free self-guided itineraries through each of the City’s neighbourhoods, highlighting must-see spots and hidden gems throughout the 44 city wards and encouraging locals to see their city. Created in partnership with the City of Toronto in 2020 as a pilot project with 25 neighbourhoods, it was expanded to include 140 neighbourhoods in 2021.

In support of CafeTO, Destination Toronto developed PatioscapesTO, a six-week social media focused campaign and contest (weekly prizes and a grand prize of “patios for a year”) that encouraged locals to support and post photos from their favourite patios throughout the summer of 2021.



PatioscapesTO

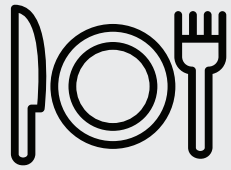
A six-week campaign and contest that encouraged locals to support and post photos from patios throughout the summer of 2021



StrollTO

Provides free self-guided itineraries through each of the City’s 140 neighbourhoods that highlight must-see spots and hidden gems throughout the 44 city wards

PatioscapesTO



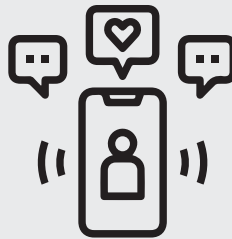
125

PARTICIPATING RESTAURANTS



609

CONTEST ENTRIES



115,958

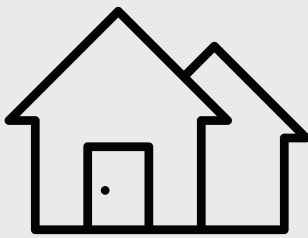
SOCIAL MEDIA ENGAGEMENTS



1,822,247

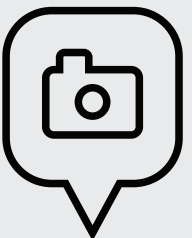
SOCIAL MEDIA IMPRESSIONS

StrollTO



140

NEIGHBOURHOODS WITH SELF-GUIDED ITINERARIES



UP TO 15

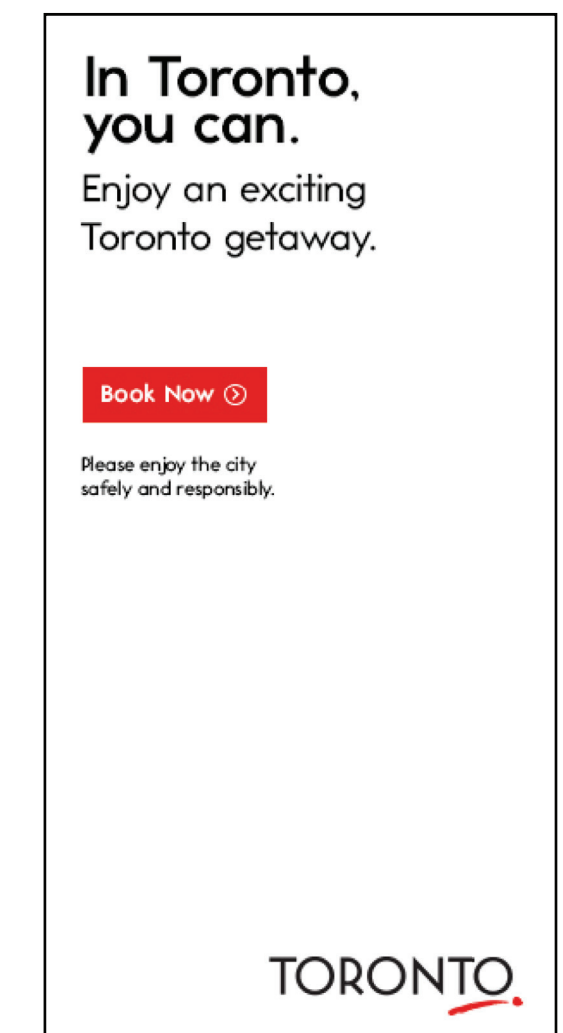
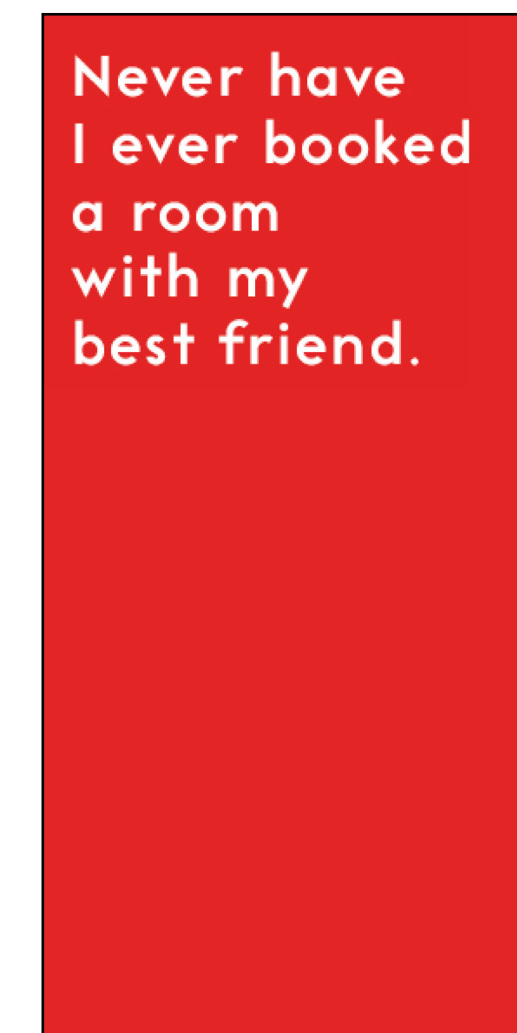
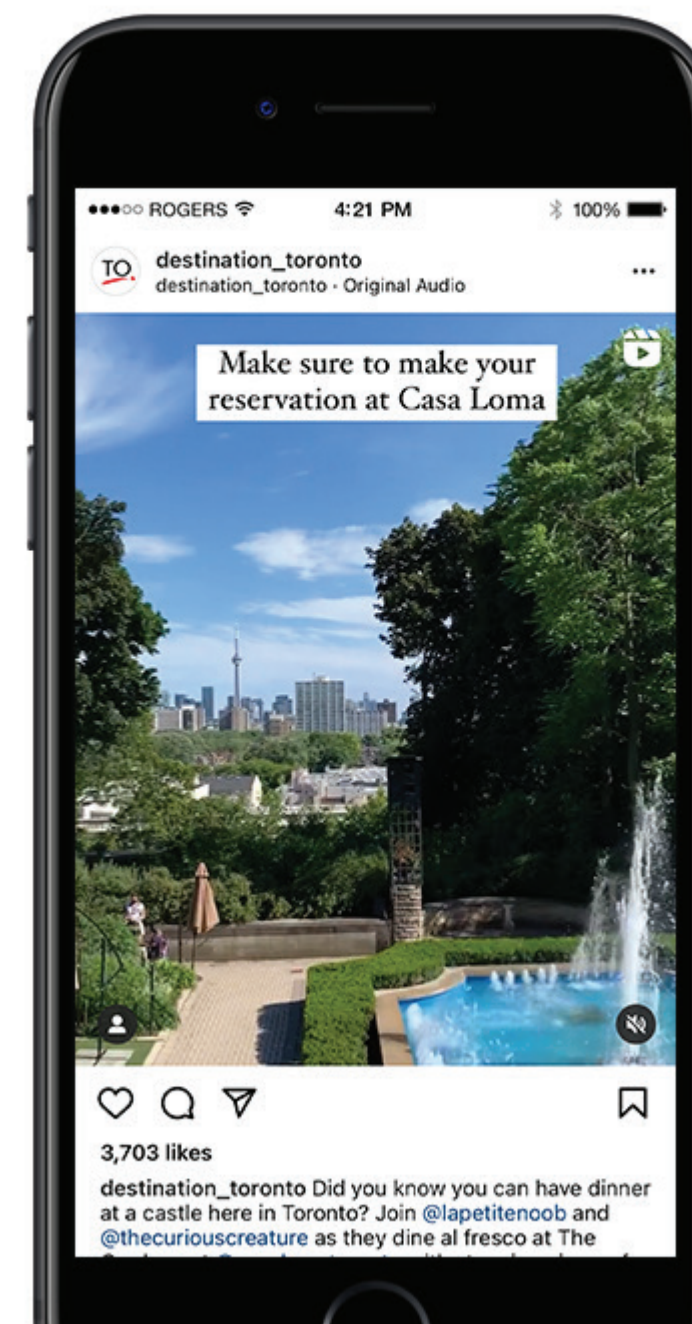
POINTS OF INTEREST FOR ITINERARIES

1 RESPONDING TO MARKET READINESS

Adapting to local health and safety guidelines, Destination Toronto continued to connect and engage with social media audiences and content hub visitors by sharing content that was contextually relevant, meaningful, and helpful. The primary market profiles in 2021 included Hyper-Local, followed by Regional-Drive and Intra-Provincial visitors. Given the visitor profiles would likely already be familiar with the city, they were encouraged to find new ways to explore Toronto.

Never Have I Ever and the Ambassador Program

The #NeverHaveIEver campaign inspired local Torontonians to reconnect and rediscover their own city. Local residents were encouraged to get out and share, through user generated content, all of the incredible things to see and do in the city that they love. A Playbook was provided to Toronto businesses to support their efforts in activating the campaign through their own marketing and communication activity. The campaign was a resounding success and will return in 2022. The “Ambassador Program” - a micro-influencer strategy - was launched in support of the NHIE campaign and expanded the inspiration and impact of the information shared via the user generated content created by local Torontonians. The influencers took our followers across the city into attractions, restaurants, and new-to-you neighbourhood activities that evolved during the various pandemic lockdowns.



1 RESPONDING TO MARKET READINESS

HOSPITALITY EDGE

Launched in September 2021, Hospitality EDGE was developed in partnership with the City of Toronto's Economic Development & Culture department, Tourism Mississauga and the Tourism Office of the City of Brampton (Regional Tourism Organization 5 or RTO5) to respond to labour challenges in the hospitality industry and to support businesses and operators in rebuilding their teams.

Hospitality EDGE provides a selection of highly-curated free, online courses to support workers looking to augment their skills and those looking to enter the industry, including five critically-needed skill sets for today's workforce: Health & Safety; Customer Service; Digital Literacy; Inclusive and Sustainable Tourism; and Resiliency. The program was made possible through funding from workforce development initiatives from the Government of Ontario's Ministry of Heritage, Sport, Tourism, and Culture Industries.



SHOW LOVE, GET LOVE

Created to encourage Canadian meeting planners to book their upcoming meetings in Toronto, Show Love, Get Love was an incentive based cross-community program that launched early in 2021, when market indicators initially pointed towards a readiness for returning to events. Unfortunately, COVID related restrictions returned shortly after the program was launched.

Although the program was innovative, and reinforced the importance of adapting to market readiness, booking conversions were low due to the uncertainty created by the evolving fluctuations of COVID related restrictions. Despite low uptake, the program created a mechanism to stay connected to Canadian meeting planners and helped lay the groundwork for recovery once meetings were once again possible.





2 REBUILDING THE PIPELINE

REBOOKING EVENTS

Following the devastating impact of cancelled meetings and conventions in 2020, the Global Sales team worked with urgency to mitigate the loss to our community by encouraging and helping meeting planners reschedule their Toronto events in a future year rather than cancel them altogether. As the pandemic advanced into a second year, more and more meetings were at risk of cancellation and efforts to rebook remained a high priority, working with hotels, venues and partners throughout the community to ensure planners kept their valued business in Toronto.

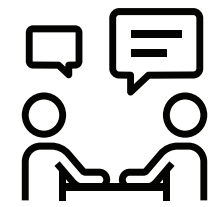
As a result of these collective efforts, Toronto is looking forward to welcoming over 20 rebooked meetings in 2022 and beyond, including the following large groups:

- 1 American Society of Plastic Surgeons, Annual Meeting 2026, October 2026, 6,000 Attendees
- 2 Airports Council International- North America, 2025 ACI-NA/World Annual Conference /World Annual General Assembly, October 2025, 2,600 Attendees
- 3 Collision 2022, June 2022, 33,000 Attendees
- 4 Collision 2023, June 2023, 33,000 Attendees
- 5 American Society For Bone & Mineral Research, ASBMR Annual Meeting 2024, September 2024, 5,000 Attendees
- 6 Society of Interventional Radiology, SIR Annual Scientific Meeting 2026, April 2026, 6,000 Attendees
- 7 International Water Association, IWA World Water Congress & Exhibition 2024, August 2024, 3,000 Attendees
- 8 American Society For Testing & Materials, 2025 Committee Week Series , April, May, June 2025, 4,000 Attendees (combined)
- 9 American Association Of Colleges Of Pharmacy, AACP 2027 Annual Convention, July 2027, 2,000 Attendees
- 10 Institute of Electrical and Electronics Engineers, ICASSP 2027, May 2027, 2,500 Attendees

2 REBUILDING THE PIPELINE

NEW LEAD GENERATION

2021 saw a heightened priority on in-market, “boots on the ground” lead generation, focusing on core cities with industries and organizations that aligned with our vertical sector deployment strategy. Life science, technology, financial, advanced manufacturing, and professional services represented the greatest opportunity for conversion. Leveraging local industry and sector ambassadors to provide proof of Toronto’s ability to attract exhibitors, speakers, content, attendees, and more, helped the team generate new opportunities for the city in future years.



7901

PROSPECTING OUTREACH
ACTIVITIES CONDUCTED



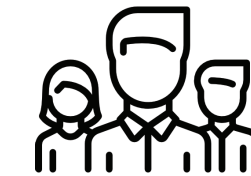
641

CONTACTS ENGAGED IN EXPERIENCE
TORONTO SITE INSPECTIONS AND EVENT



534

LEADS GENERATED



514,299

PROJECTED ATTENDANCE



669,939

LEAD ROOM NIGHTS

Aligned to market readiness, Travel Trade recommenced business development in 2021 with focus placed on re-engaging clients and hosting destination experience fam tours to drive short term leisure bookings through travel trade distribution channels. Sixty clients visited Toronto on destination experience fams/site tours, with 664 partner referrals and 113 business referrals.

2 REBUILDING THE PIPELINE

FUTURE EVENTS BOOKED

Market readiness factors impacted meeting planners' willingness to book new business in Canada; instead they were focused on rebooking cancelled and postponed events, stalling the conversion of new business for Canadian destinations. Given these challenges, the Global Sales team was able to deliver the following future booked business that will drive more than \$500 million in economic impact, including 24 city-wide events with more than 1,500 attendees.



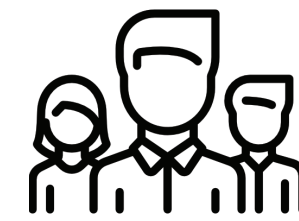
24

EVENTS WITH OVER 1,500+
ATTENDEES BOOKED



\$504,473,970

ESTIMATED GENERATED FUTURE IMPACT



231,041

ESTIMATED ATTENDEES FOR
FUTURE YEARS



260,922

ESTIMATED ROOM
NIGHT BOOKINGS

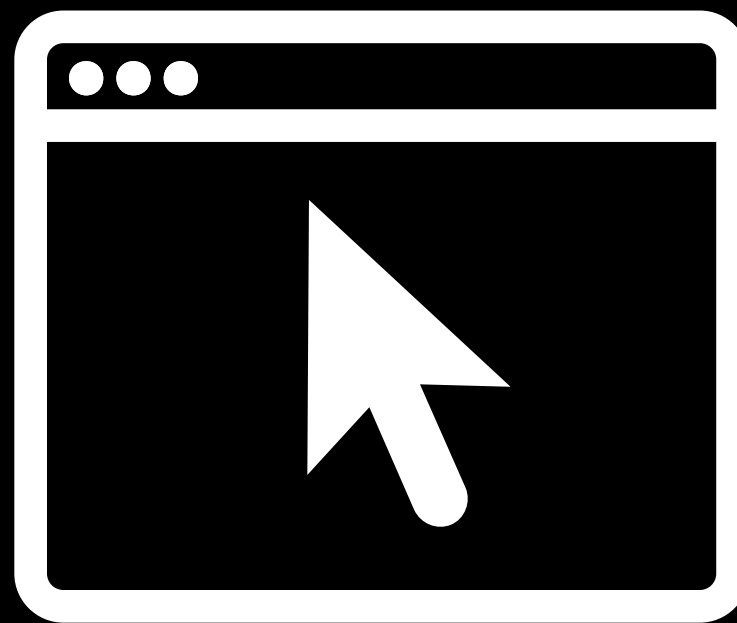
3 DIGITAL TRANSFORMATION

NEW CONTENT HUB

Destination Toronto unveiled a new online presence in 2021: DestinationToronto.com. This project brought together what had previously been multiple stand-alone websites into a single hub powered by the seamless integration of our CRM, CMS and digital asset library. The new hub enables us to serve multiple audiences including: consumers, meeting and event planners, travel trade, media, and to engage our stakeholder and our community partners.

The integrated nature of the hub facilitates the development of content through multiple sources including: original production (led by Destination Toronto), content collaborations with local creators and publishers, and advertising & advertorial. Creating space for multiple voices is foundational to Destination Toronto's commitment to authentically reflect the diversity of the destination.

2021 KEY CONTENT HUB STATISTICS:



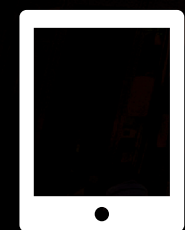
**2 MILLION+
VISITS**



70%
MOBILE



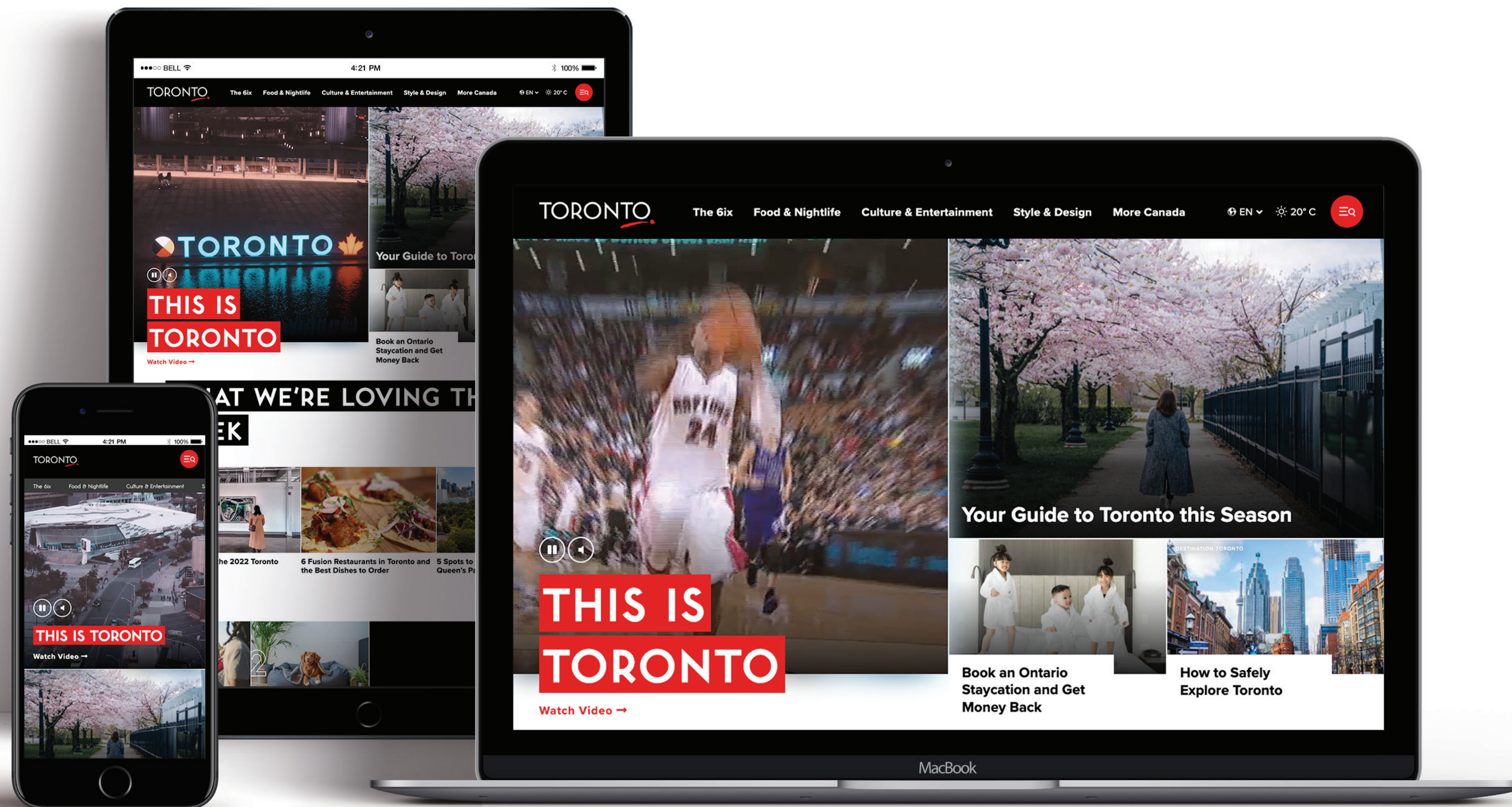
27%
DESKTOP



3%
TABLET

③ DIGITAL TRANSFORMATION

NEW CONTENT HUB



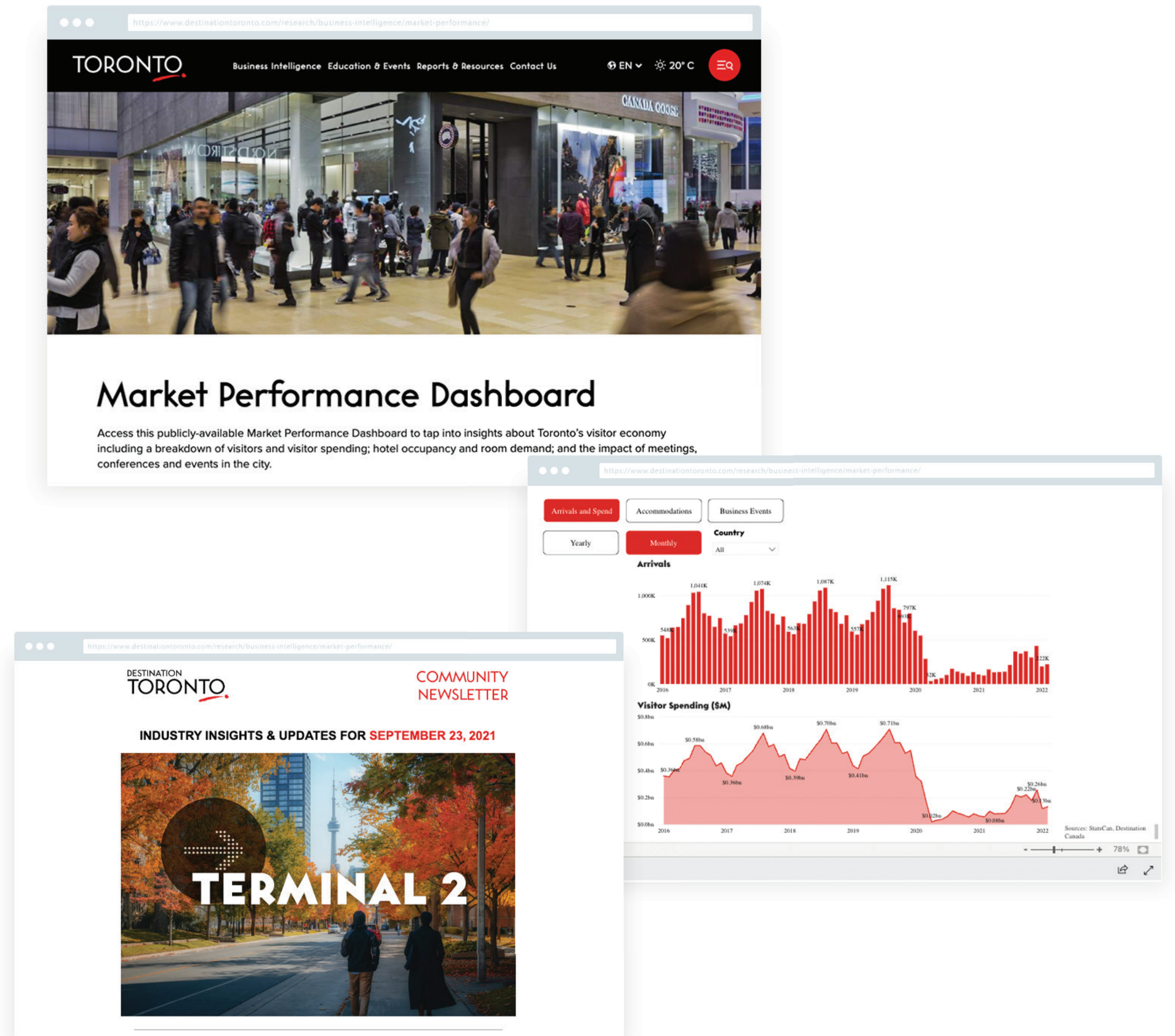
3 DIGITAL TRANSFORMATION

RESEARCH & INSIGHTS TERMINAL

The Research & Insights Terminal - or simply, The Terminal - is a section of the content hub, providing a new digital platform for the community to find and interact with key business intelligence, education and resources. From business-focused articles and blogs to business events and education, the Terminal delivers critical resources to inform strategic decision making and to provide businesses with vital information and insights to maximize the opportunity of the visitor economy.

The Business Intelligence area in the Terminal includes an Interactive Market Dashboard that tracks Toronto's Visitor Economy, including a breakdown of visitors and visitor spending; hotel occupancy and room demand; and the impact of meetings, conferences and events in the city. The Toronto Economic Dashboard provides insights on Toronto demographics and economy. The Business Intelligence centre also includes data-driven intelligence like monthly Market Readiness and Accommodations reports, and quarterly Business Event Sales and Digital Marketing Platforms & Channels reports.

To boost this integrated and nuanced intelligence, Destination Toronto also created Terminal 2 - a newsletter that pushes these insights to the community and stakeholders promptly, ensuring they are armed with the most current insights and information when making business decisions.

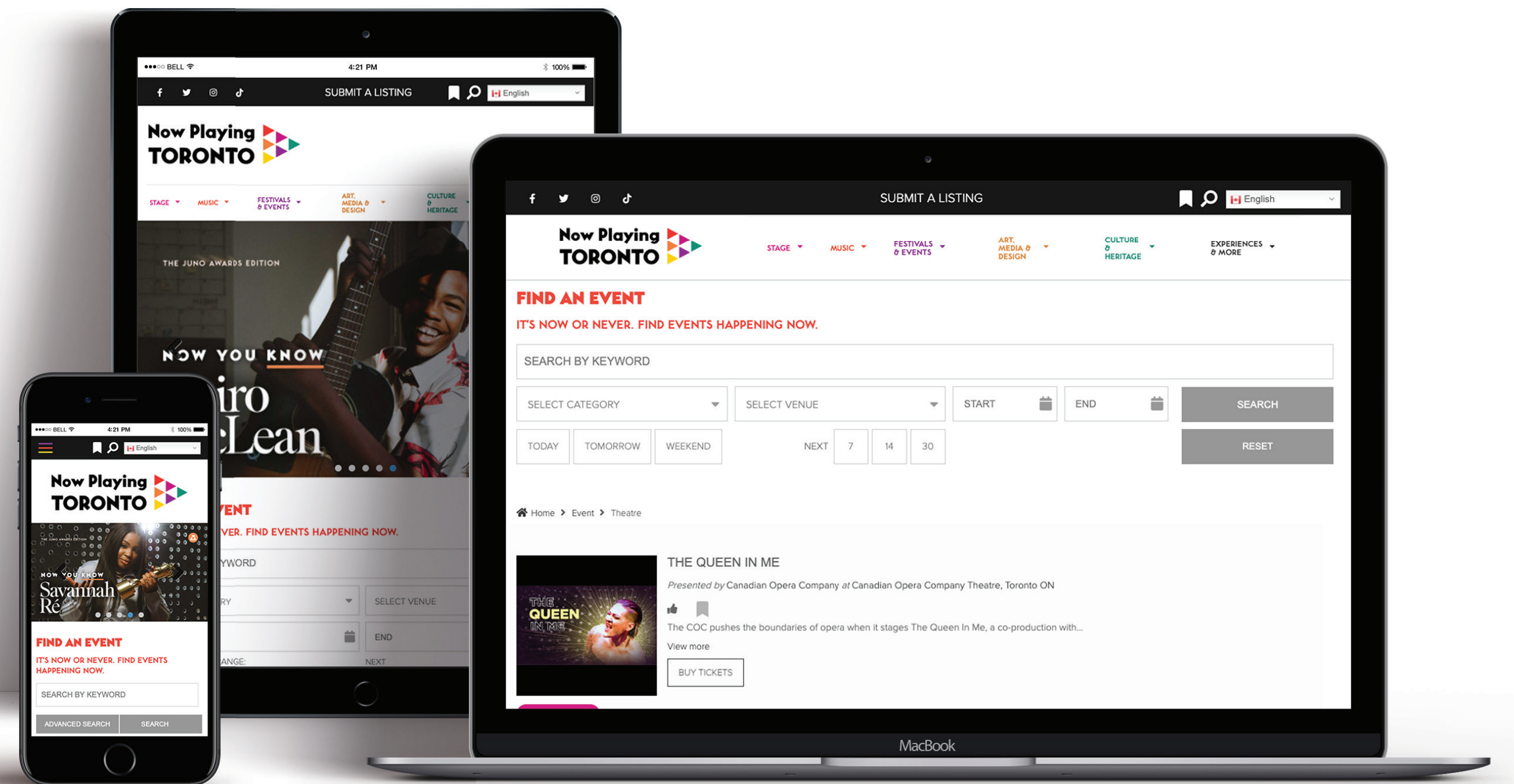


③ DIGITAL TRANSFORMATION

DATA-DRIVEN EVENTS STRATEGY - TORONTO EVENTS DATABASE

Developed in partnership with the Toronto Alliance for the Performing Arts and other industry leaders and piloted throughout 2021, the Toronto Events Database (TED) aims to build and sustain the most robust, comprehensive arts, culture and entertainment events calendar in Toronto. The Toronto Events Database allows one access point for producers and organizations to input details for the events that in turn are distributed not only on NowPlayingToronto.com (the consumer-facing output of this initiative), but also other digital channels and touchpoints including DestinationToronto.com.

Recognizing the central importance of “things to do” in destination content, this new strategy helps showcase the breadth of Toronto’s events, arts and culture and helps build new audiences for Toronto’s exceptional array of experiences.



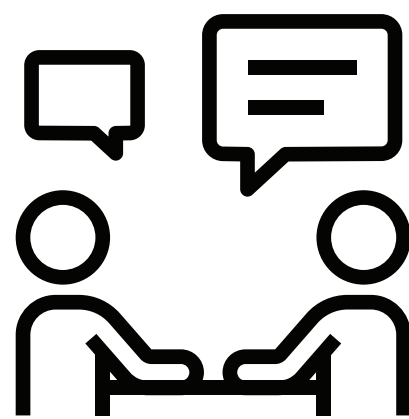
PRIORITIES & RESULTS

GLOBAL SALES & SERVICES



669,939

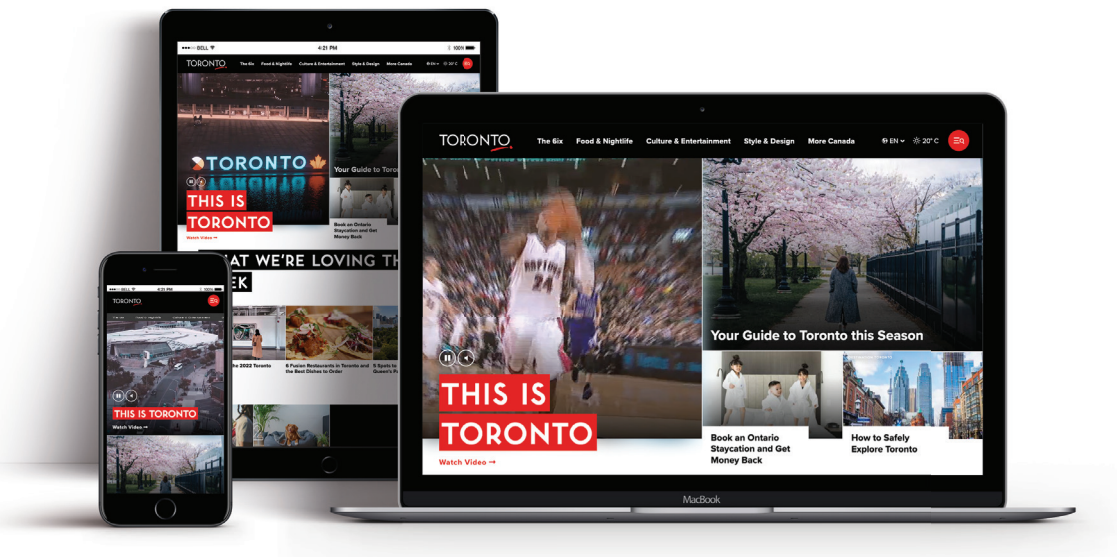
OF LEAD ROOM NIGHTS
(100% OF TARGET: 617,852)



7,901

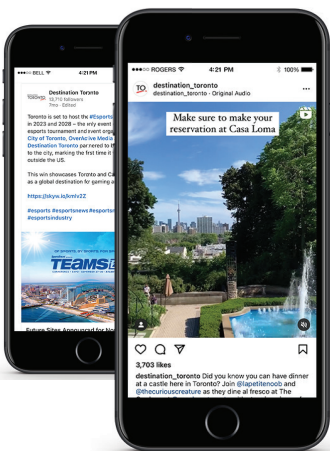
OF PROSPECTING OUTREACH ACTIVITIES
(100% OF TARGET: 7,860)

GLOBAL MARKETING



2,021,842

TOTAL VISITS TO NEW CONTENT HUB AND
OWNED SITE (100% OF TARGET: 1,975,000)



4,867,901

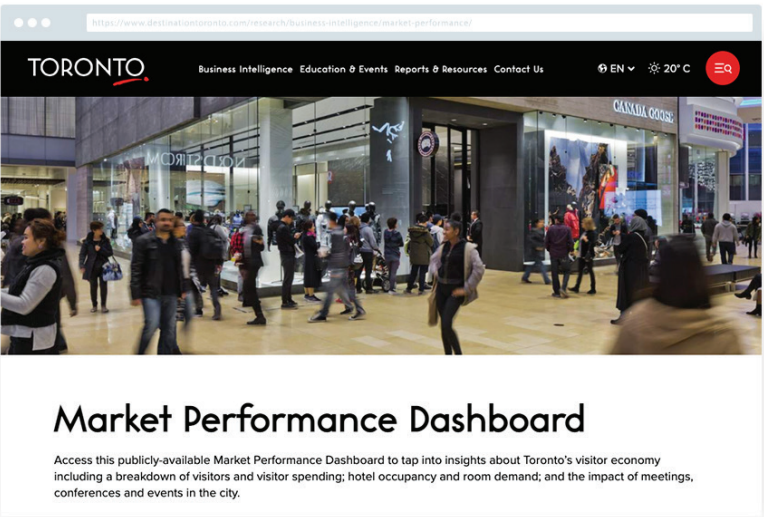
ENGAGEMENTS WITH TORONTO CONTENT
ON SOCIAL CHANNELS
(100% OF TARGET: 1,717,876)

DESTINATION DEVELOPMENT

EDGE EVENT SERIES

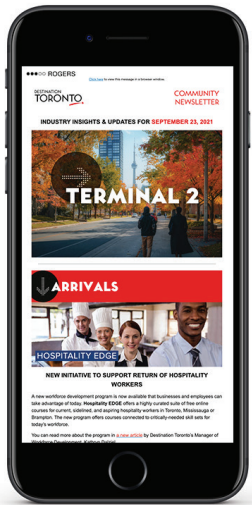
1,073

OF PARTICIPANTS REGISTERED FOR
EDUCATION EVENTS
(89% OF TARGET)



7,730

OF CONTENT ENGAGEMENTS IN THE
TERMINAL (100% OF TARGET: 7,500)



3,238

SUBSCRIBERS TO COMMUNITY
ENEWSLETTER (100% OF TARGET: 3,200)

FINANCE AND ADMINISTRATION

REVENUE

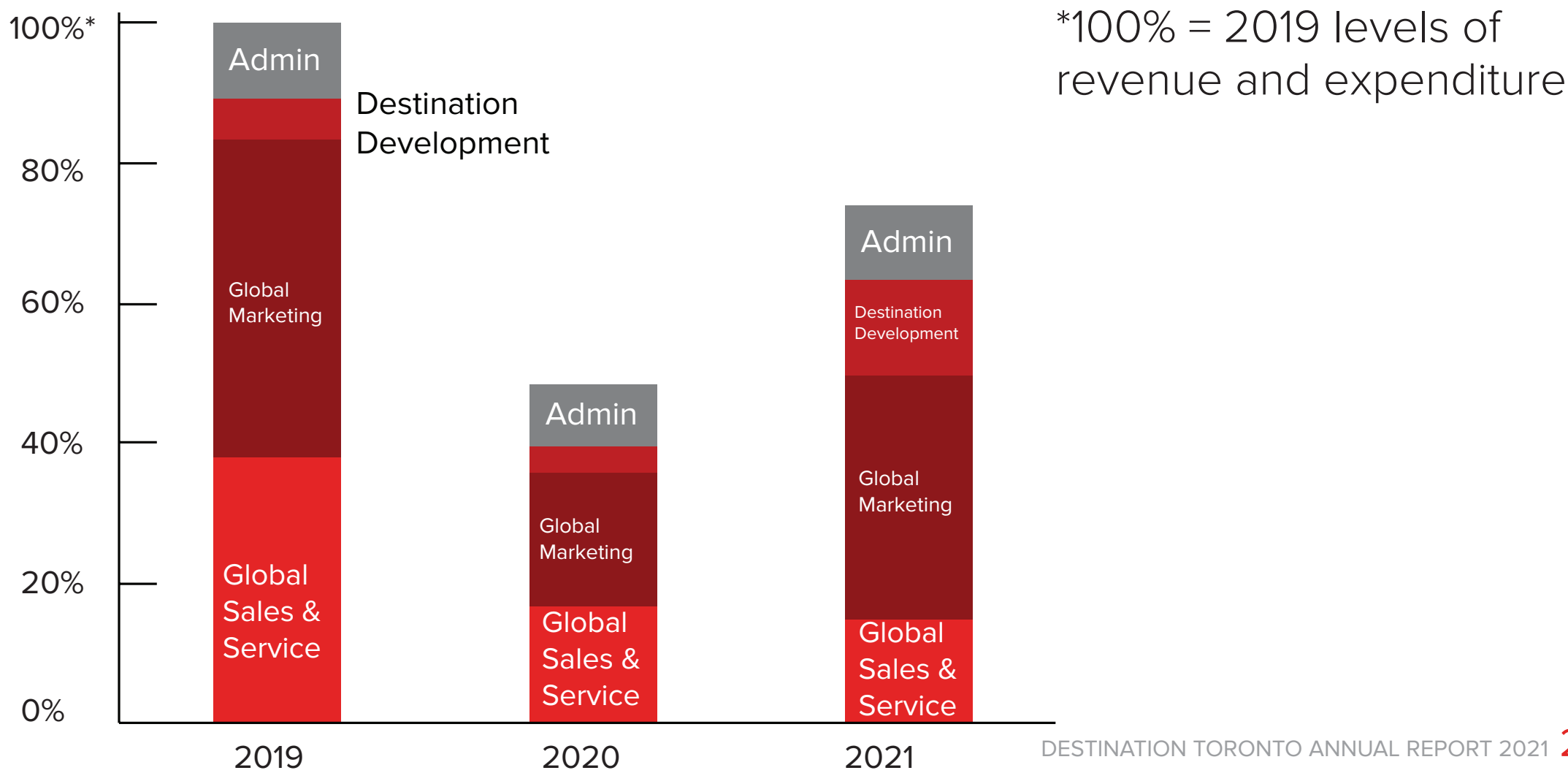
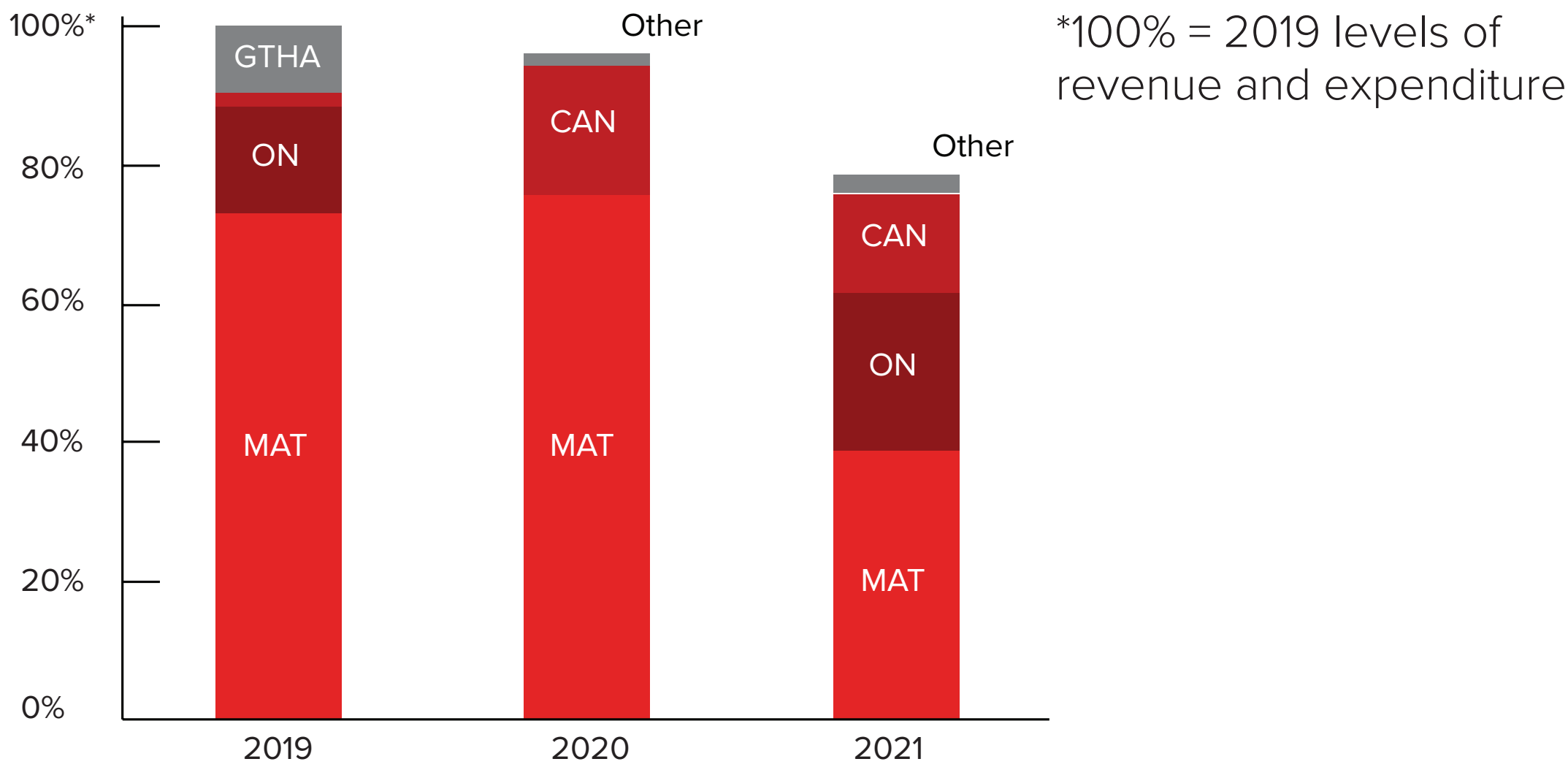
A slow market recovery resulted in less Municipal Accommodation Tax (MAT) collected in comparison to 2019, contributing to lower overall revenue in 2021. However, the decline in MAT revenue was partially offset by an increase in other government funding. The Ontario Ministry of Heritage, Sport, Tourism and Culture Industries provided funding directed towards Regional Tourism Organization 5 and to support Workforce Development. The Federal Government stimulus was received through the Canadian Emergency Wage Subsidy program and the Regional Relief and Recovery Fund.

EXPENSES

While expenditure in 2021 increased significantly relative to 2020, it did not reach 2019 levels. Strategic and targeted Global Marketing efforts were aligned to market readiness, while Global Sales and Services expenditure was affected by a slower business events and travel trade market recovery. Destination Development investment increased to deliver on new provincial mandates.

ADMINISTRATION

During 2021, priorities for the administration team included advancement of the EDI Framework, as well as implementation of a new financial forecasting process.



2021 DESTINATION TORONTO BOARD OF DIRECTORS & MANAGEMENT TEAM

The following industry leaders served on the Destination Toronto Board of Directors in 2021

Andy Loges, Chair
Area General Manager, Canada East
Hilton Toronto

Scott Beck
President & CEO
Destination Toronto

Robert Housez, Past Chair
General Manager
Chelsea Hotel Toronto

Rekha Khote, Vice Chair
Principal
MK2 Hospitality Inc.

Bonnie Strome, Secretary Treasurer
General Manager
Park Hyatt Toronto

Camille Allman
Senior Director, Corporate Events
CIBC

Don Boyle
Chief Executive Officer
Exhibition Place

Edwin Frizzell
Regional Vice President
Accor Central Canada &
General Manager, Fairmont Royal York

Lorenz Hassenstein
President & CEO
Metro Toronto Convention Centre

Anuk Karunaratne
Executive Vice President, Business
Operations
Toronto Blue Jays

Trevor Lui
Superfresh
Quell
Highbell Group

Hillary Marshall
Vice President, Stakeholder
Relations & Communications
GTAA

Terry Mundell
President & CEO
Greater Toronto Hotel Association

Riley O'Connor
Chairman
Live Nation

Marguerite Pigott
Film Commissioner and Director of
Entertainment Industries
City of Toronto - Economic
Development & Culture

Tim Reardon
General Manager
Sheraton Centre Toronto Hotel

Jennifer Reynolds
Presiden & CEO
Toronto Finance International

Michael Thompson
Deputy Mayor
Chair, Economic & Community
Development Committee
Councillor, Scarborough Centre
City of Toronto

Richard Wajs
Managing Director, Executive Sourcing
KPMG LLP

2021 DESTINATION TORONTO MANAGEMENT TEAM

Scott Beck
President & Chief Executive Officer

Andrew Weir
Executive Vice President, Destination Development

Jon Mamela
Executive Vice President & Chief Marketing Officer

Rocco Fazzolari
Vice President, Finance & Administration

Tara Gordon
Senior Vice President, Global Sales & Services

Roseanne Longo
Vice President, Travel Trade Sales

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