

Cumberland Region: Tourism Development Research

FINAL REPORT

bannikin

BEYOND TRAVEL & TOURISM

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Acknowledgements

Cumberland Region, also known as Kwesomalegek or “hardwood point” in Mi’kmaq is located on the traditional, unceded, ancestral lands of the L’nu (Mi’kmaw) Nation. It forms part of primarily Siknikt District, but also parts of Sipekne’katik, and Piktuk Districts of Mi’kma’ki. These territories are covered by the “Treaties of Peace and Friendship” which the L’nu (Mi’kmaq) first signed with the British Crown in 1726. We are all Treaty people, and these treaties are still applicable today. We also recognize and celebrate the Black African Nova Scotia Community, who have had a vibrant presence in the community. We honour these historical communities across Nova Scotia who have been here well over 400 years.

We are excited to see the growth and development of L’nu (Mi’kmaw) tourism throughout Mi’kma’ki. This includes the leadership and dedication from Nova Scotia Indigenous Tourism Enterprise Network (NSITEN), a not-for-profit cultural tourism organization that develops specific project-based initiatives aimed at growing the capacity of individuals, businesses, and community-led tourism initiatives.

This *Cumberland Region: Tourism Development Research* report is the result of an inclusive, stakeholder-driven, and community-based participatory research process that strived to engage a diversity of stakeholders in the community. We thank the residents, business owners and operators, organizational representatives, and tourism partners, who participated in the survey, interviews, and table talks, and those who shared their thoughts and perspectives in conversation at their businesses. This research would not have been possible without your input and feedback.

We would also like to thank the internal project team for their support across the project, including Eileen Davage, Economic Development Officer at the Municipality of the County of Cumberland and Jeff Bacon, Business Development Officer at the Town of Amherst. Finally, thanks are due to the Atlantic Canada Opportunities Agency for their funding contributions to this project.

The research and development of the *Cumberland Region: Tourism Development Research* project was facilitated by the team at Bannikin, including Caroline Morrow, James Arteaga, and Camilo Montoya-Guevara.

About this Project

How did we get here?

Cumberland Region is as an important gateway destination in Nova Scotia made up of three distinct areas, including the Fundy Tides, Wentworth Valley, and Northumberland Shores, each with its own unique geography, heritage, and tourism offerings. The region covers three municipalities, namely Municipality of the County of Cumberland, the Town of Amherst, and the Town of Oxford.

From mid-July 2024 to late-November 2024, the Municipality of the County of Cumberland and the Town of Amherst undertook a tourism development research project with support from Bannikin. Four project objectives were set for this work, including:

1. To have a deeper understanding of the current tourism context in Cumberland Region including related opportunities, challenges, strengths, and weaknesses.
2. To meaningfully engage a diversity of stakeholders and thereby gather relevant inputs, feedback, and perspectives.
3. To better understand the current state of tourism marketing in Cumberland Region, including its digital presence.
4. To have a shared understanding amongst the project team of the challenges, opportunities, and considerations to implementing a marketing levy.

The resulting *Cumberland Region: Tourism Development Research* report considers the research and engagement that took place across the project to outline the current state of tourism and provide recommendations related to strategic marketing activities for the near-term, the potential implementation of a marketing levy, as well as considerations for levy management.

Project Methodology

For this project, the research collection process used primary and secondary methods. Meaningful community engagement was prioritized throughout. As such, a research and engagement, and communications plan was developed at the onset of the project to guide the research process. Key research activities included:

- Background document review
- Comparator destination research on marketing levies
- Digital presence research
- Key tourism stakeholder interviews
- In-market destination tour
- Industry table talks (2 in-person, 1 virtual)
- Community survey for residents, the general tourism industry, and accommodation providers.

Tourism 101

What is tourism?

There are many ways to understand, define, and measure tourism. This project uses definitions aligned with those preferred by Tourism Nova Scotia (TNS). TNS has adopted the definition used by UN Tourism, which describes “tourism” as “the movement of people to countries or places outside their usual environment for personal or business/professional purposes.” TNS defines a “visitor” as “a resident or non-resident of Nova Scotia that travel[s] for tourism;” and the “tourism industry” as the businesses working at the intersection of tourism, such as those engaged in transportation; accommodations; restaurants; vehicle rental and local transport; sports, culture and entertainment; groceries; shopping, etc.

Why tourism?

Tourism is an important economic sector for Canada, Nova Scotia, and Cumberland Region. It can also bring other benefits to communities, such as, increasing access to services and amenities for residents, conserving natural and cultural assets, sharing stories about peoples and places, and working towards reconciliation with First Nations, Inuit, and Metis peoples, especially with the Mi'kmaq.

Destination Canada's, “Tourism 2030: A World of Opportunities” (2024) report recognizes tourism as Canada's #1 export services sector, and central to the knowledge and service-based economy. It notes the job creation potential of tourism, explaining that one in ten jobs across Canada are sustained by the tourism sector. The report also sees tourism as a tool for protecting natural assets and describes it as a community builder, helping to sustain amenities that improve the quality of life of residents like transportation connections, festivals, museums, trails and recreational facilities, arts and culture, restaurants and pubs, among others. The report sees tourism as a tool for sharing authentic Canadian experiences and stories with visitors and for strengthening shared identities, while appreciating the inherent breadth and diversity and supporting a path to reconciliation and truthful storytelling.

At the provincial level, TNS recognizes the contribution the tourism sector has on the provincial economy. In 2023, the province welcomed 2.2 million non-resident visitors mostly arriving by road, and from Atlantic Canada (952,000), Ontario (626,000), Western Canada (219,000), and the United States (155,000). About 3 million room nights were sold, and 589,000 room nights booked on sharing economy platforms (e.g., Airbnb, VRBO, etc.). TNS notes that in 2019, the year before the COVID-19 pandemic, tourism activities generated \$2.6 billion in spending, and although tourism spend has not fully recovered to pre-pandemic numbers, in 2020 and 2021 it exceeded \$1 billion.

For Cumberland Region, the tourism sector is also an important growth opportunity to foster economic, social, and environmental benefits. The *Cumberland Region 2021-2026 Community Economic Development Strategy* recognizes tourism as a key sector for the future of the region's economy, for its revenue generation and its resident attraction and retention opportunities, including youth retention.

What's been done so far?

In 2019, the Cumberland Region Tourism Development Strategy (2019-2022) was launched. The strategy was developed by the three municipalities in Cumberland Region to support the *Community Economic Development Strategy* (2014) and align with Tourism Nova Scotia's *2018-2022 Strategy, Driving Export Revenue*. Important collaborative marketing initiatives today include the explorecumberland.ca website, which is maintained by the Municipality of the County of Cumberland and showcases tourism assets across Fundy Tides, Wentworth Valley, and Northumberland Shores to visitors.

On 1 November 2022, the Nova Scotia Legislature passed provincial legislation allowing municipalities the ability to adopt a marketing levy. This is a fee collected on overnight roofed accommodations and short-term rentals booked for 30 consecutive days or less within the boundary of a municipality. The fee is paid for by the guest and is collected by the accommodation provider and remitted to the municipality. The fee cannot exceed 3% of the purchase price of the accommodation and is subject to HST. The collecting municipality must use the funds to promote tourism, for example, through marketing campaigns, marketing materials, signage, etc. A municipality may pay some or all its marketing levy funds to an organization formed to promote tourism.

An "accommodation" is defined in the legislation as, "the provision of one or more rental units or rooms as lodging in hotels and motels and in any other facility required to be registered under the Short-term Rentals Registration Act (2019, amended in 2022) and in a building owned or operated by a postsecondary educational institution." There are exemptions to the marketing levy, which are included in the provincial legislation and further defined at the municipal level through bylaws.

Marketing levies have been adopted by several municipalities in Nova Scotia, including but not limited to the Cape Breton Island, Halifax, Annapolis County, Truro and Colchester Region. With several others, like Cumberland Region or the Annapolis Valley Region, investigating the potential use of a levy to raise funds to fuel tourism marketing efforts.

Understanding the importance of collaborative marketing and seeing the uptake of marketing levies across the province, the Municipality of the County of Cumberland and the Town of Amherst saw an opportunity to review the current state of tourism marketing and investigate the suitability of a marketing levy to the Cumberland Region context through a research project that engages a diversity of community members.

Tourism Today

Brand, marketing, and narrative

Cumberland Region's geological richness, outdoor offerings, and ocean heritage are key themes for this emerging destination with much to offer prospective visitors. However, growth potential is limited without a clear marketing leader or a shared understanding of the destination's identity amongst the tourism industry. Industry members describe current marketing efforts as disjointed, noting a lack of coordination and a tendency to focus marketing energy on the destination's subregions rather than the destination at large. Confirming Cumberland Region's destination brand and narrative, and building awareness, connections, and collaborations across the region will nurture pride of place and ambassadorship. A community-informed destination narrative development and related marketing planning process would also add weight and authenticity to the brand.

To grow recognition of Cumberland Region as a destination amongst visitors, the tourism industry, and partners, exposure is needed through the frequent and consistent use of the destination's name and brand, including on partner channels. At present, exposure to information about the region and to the place name "Cumberland Region" is noticeably higher for intentional visitors (i.e. those planning a trip to Cumberland Region) than for potential visitors (i.e. those planning a trip to Nova Scotia). As a result, it is not a guarantee that someone planning a trip to Nova Scotia would be inspired to add Cumberland Region to their itinerary. On the other hand, visitors planning a trip to Cumberland Region have relatively easy access to information via explorecumberland.ca, business and partner channels, third-party sites, etc. Access to trip-planning information via pamphlets is also available in-person at many attractions and accommodations across Cumberland Region.

There is a noticeable level of local pride and genuine love for Cumberland Region and its subregions amongst business owners and operators. For example, the "About Us" pages of many business websites tell stories of why entrepreneurs decided to call the region home. Many local businesses list recommendations on their websites of things to do in Cumberland Region, providing tools for itinerary planning and encouraging longer stays. This cross-promotion is a strength of Cumberland Region's online presence, and one which many destinations struggle to achieve. Overall, food and drink businesses fall behind other tourism businesses in terms of digital presence, with several not having websites. There is an opportunity to work with food and drink businesses (e.g. through workshops or coaching) to improve their digital presence. Overall, the information that businesses provide via Facebook caters to local audiences and could be improved by adding better "About Us" descriptions to help visitors plan their trips.

Geography and infrastructure

In Cumberland Region, there is a real sense as a visitor that one is exploring a hidden gem. Although Cumberland Region is a visitor destination with the infrastructure and amenities to support this, differences in the level of infrastructure between the subregions are noticeable on-the-ground. A potential challenge for visitors is understanding how Cumberland Region relates geographically to other destinations. For example, the tourism regions set up by Tourism Nova Scotia split Cumberland Region between the "Bay of Fundy and Annapolis Valley" and "Northumberland Shore." To address potential visitor

confusions related to overlapping destinations, important marketing strategies include celebrating Cumberland Region as a destination and offering easy-to-use trip planning tools.

A strength for Cumberland Region that should be better leveraged is its position as an access point for Nova Scotia. This should be highlighted in communications at the destination level and provincial level. Cumberland Region provides for many a first taste of Nova Scotia and it is in the best interest of tourism players across the province that this be a success. An important step will be making it easier for travellers stopping at the Visitor Information Centre to collect information about Cumberland Region. Currently, a visitor must consult three different pamphlet stations to gather all the information on Cumberland Region. It is also worth noting that driving distances are longer than may be assumed from online materials. Encouraging visitors to stay longer and do more in each place rather than spending too much of their trips driving is worthwhile communicating to visitors in advance of their arrival.

Overall, there is an opportunity to improve signage in the area and link this to marketing efforts. As a visitor travelling in Cumberland Region by car, the wayfinding signage does not provide enough warning to encourage stops. At the same time, there is no consistent and overarching storytelling to convey to visitors that they are somewhere interesting and unique. One way to address this is to use strategically placed wayfinding signage that connects Cumberland Region via a consistent in-person and online visual identity. This should be complemented by on-the-ground interpretive signage and digital storytelling tools. Later, developing related tourism product will reinforce the destination narrative by making it possible for visitors to interact with the narrative first-hand. There is an opportunity to incorporate more stories around Mi'kmaq culture, historically black communities, mining and seafaring history, geological heritage, contemporary culture, natural heritage, etc.

Tourism assets

Cumberland Region has much to offer curious visitors. It's diverse landscapes and geological heritage, in particular, stand out as world-class. There is a notable sense of alignment between how the three subregions of the destination are presented online and the in-person experience of the region's landscapes, namely Fundy Tides (rigged cliffs), Wentworth Valley (rolling hills), and Northumberland Shores (beaches). Primary tourism assets for Cumberland Region include outdoor recreation (e.g. hiking, birding, golfing), beaches, small town touring and shopping, museums and educational tours (especially based on geology). Overall, there is room to grow Cumberland Region's food and drink assets, including both the number of businesses and types of experiences on offer. Based on the on-the-ground visitor experience, Cumberland Region is well-suited to attract road trippers, adventurers, and outdoor-enthusiasts aged 30-65 years. UNESCO hunters is a niche target market within these segments that includes domestic and international travellers.

There are some challenges to trip planning, that may limit how long people stay in Cumberland Region and how much they spend. Specifically, the hours of operation for some businesses are not conducive to spontaneous travel styles. Several restaurants and attractions close at some point across Monday to Wednesday, which constrains itinerary development. Due to the large geography of the destination, returning to an area to see

something that was missed is challenging. As a result, the limited hours of operation encourage weekend visitation.

Although the Explore Cumberland website features activities and photos encouraging year-round visitation, on the whole, digital channels present summer as the main time to visit. Some industry members voiced concerns around efforts to expand the visitor season, noting that without consistent, high-quality winter and shoulder season offerings, visitors would be disappointed. This view aligns with an idea central to marketing strategy, which posits that nothing be marketed that cannot be delivered on. Therefore, a priority should be working with industry to build up the destination's supply of high-quality tourism offerings across the year that bring Cumberland Region's narrative to life. In the meantime, visitor expectations must be set by sharing the honest and useful information during the trip planning phase. This will help to ensure that Cumberland Region attracts visitors well-matched to an emerging destination, whose needs can be met and, ideally, exceeded!

Tourism leadership

Cumberland Region is home to multiple entities, organizations, and community groups that directly and/or indirectly engage with tourism. However, no organization emerges as the leader to grow and foster tourism development, management, and marketing in the region. Although there are some localized collaborative initiatives among key players like Parrsboro Creative, Sunrise Trail Magazine, or Fundy Discovery Site, there is a lack of cohesion and collaboration among organizations throughout the region. Each key player primarily leads their own initiatives, in many cases, with limited resources and funding.

A key challenge identified is the lack of a go-to person and/or organization to support fostering connections and collaborations amongst key tourism players. The opportunity to have a go-to person or organization was welcomed by industry and other actors. Some suggested leveraging existing organizations to lead tourism development, management, and marketing, like Municipality of the County of Cumberland, the Town of Amherst, Tourism Nova Scotia, Cumberland Chamber of Commerce, or the Cumberland Business Connector. Others stressed that there is no leader at present, but that many key players are doing great work in their sub-regions. However, these would require additional resources, staffing, funding, and an expanded mandate, including geographically, to lead tourism development, management, and marketing. These organizations include but are not limited to the Fundy Geological Museum, Joggins Fossil Cliffs UNESCO World Heritage Site, Cliffs of Fundy UNESCO Geopark, Cumberland County Museum & Archives, Anne Murray Centre, and Ski Wentworth.

Funding and resources

Available resources and supports for tourism development and marketing are top of mind for destination marketing and management organizations, as well as tourism businesses. More specifically, many businesses and organizations are seeking new ways to secure financial resources within a changing and decreasing Canadian funding landscape. What's more, destination organizations, political actors, and community members of tourism destinations across the world are feeling the pressures that emerge from increased visitation and tourism traffic. Part of the conversation involves looking beyond local tax-payer dollars to respond to the pressures that come from being a

tourism destination. One way that destinations around the world are responding to this need is through the implementation of destination fees or “visitor-based assessments.”

In a 2023 report entitled, *The Importance of Visitor-based Assessments to Canada's Economy* the Tourism Industry Association of Canada outlines that visitor-based assessments are funding mechanisms that have increased in popularity across the world, which allow destinations to become more competitive in attracting visitors and grow local benefits through the visitor economy. Importantly, these destination fees raise funds directly from visitors rather than from residents or local businesses. As such, the fees are an additional cost to visitors through the services they procure in-destination.

As mentioned, in 2022 the Nova Scotia Legislature passed provincial legislation allowing municipalities the ability to adopt a marketing levy. Although marketing levies present a potentially valuable source for revenue, funds collected through the levy can only be used for marketing and cannot be applied to the development or management of an area's tourism. Funds from a marketing levy can be used to design, develop, and implement marketing campaigns but they cannot be used to support tourism-related infrastructure projects. As such, marketing levies do not represent nor should they be seen as a one-stop-shop solutions to grow, manage, and promote a destination sustainably.

With the above in mind, financial support for tourism must come from a variety of sources including provincial funds and grants, municipal budgets, industry contributions, pan-regional development and funding programs, among others regardless of implementing a marketing levy in the Cumberland region.

Levy revenue estimates

As part of the project, Bannikin produced high-level estimates for the potential marketing levy revenue. The accommodation providers' survey included specific questions to gather data about:

- the types of accommodations available in the area
- the availability of accommodations across the year
- the total number of guest rooms/units that are available for sale (i.e., for guests to rent)
- the average rate for a room across the different seasons
- the number of occupied rooms at the respondents' business in 2023 and 2024
- the average occupancy rates

Since the accommodation providers survey received few responses, Bannikin undertook supplementary research to gather information on the accommodations landscape in Nova Scotia and the Atlantic Region. The supplementary research included consulting provincial reports on accommodation performance, projections for regional growth or constraints, and an online scan of accommodations in Cumberland Region to establish stronger baselines for revenue projections. Data from the Province of Nova Scotia's Short-term Rentals Registry for communities in Cumberland Region was also requested by the municipal project leads. Due to approval requirements and differing timelines, this data has not yet been provided by the Province and as such could not be used for the below estimates. In the future, it is recommended that the municipalities use this data to

calculate an estimate marketing levy with more accurate understandings of the available accommodation establishments and units/rooms available in Cumberland Region.

With the above in mind, it is important to stress that the below calculations present conservative and high-level estimates for a potential marketing levy. They do not represent, nor should they be read, as exhaustive estimations or guarantees. These high-level estimates do not account for future market performance, potential economic changes and factors influenced by inflation and other economic factors, or for potential growth or decrease of accommodations available in the region, among others.

Average Number of Establishments (i.e., Accommodation Businesses)

To provide high-level estimates, Bannikin first sought to determine the average number establishments, and number of units available across the year based by accommodation type. These calculations were completed using accommodation provider responses to the survey and adjusted based on averages in similar regions (sourcing of similar region averages was done with the assistance of Artificial Intelligence). To account for inaccuracies and gaps in data, a range is provided for the number of accommodation establishments calculated and estimated based on accommodation type:

Table 1: Average Number of Establishments (i.e., Accommodation Businesses)

Type of Accommodation	Estimated # of businesses (low)	Estimated # of businesses (high)
Hotel/Motel	10	15
B&B	20	30
STA/Cabin	60	90
Resort	1	2

Average Number of Units Available

Based on the estimated number of different types of accommodation businesses in the Cumberland Region, and using the accommodation provider survey responses, Bannikin calculated the average number of units available at each type of accommodation business. The number of units refers to the number of rooms/establishments that can be rented by a guest and which would be subject to their own levy. For example, a unit in a hotel refers to an individual room offered by the business, while a unit in a cabin refers to the “cabin” as the unit that is being rented, not the individual rooms within it.

Table 2: Average Number of Units Available Per Establishment Type

Type of Accommodation	Average and adjusted # of units available per accommodation type
Hotel/Motel	20 units
B&B	4 units
STA/Cabin	1 unit
Resort	75 units

Number of Total Room Nights Available for Sale (i.e., To be Rented by Guests)

Based on the calculated number of accommodations establishments (Table 1) and average number of units available per accommodation type (Table 2), Bannikin calculated the number of total room nights available. This calculation assumes establishments are open and have units available across approximately 85% of the calendar year (n=310 days). This is based on accommodation provider survey responses where an average of approximately 67% of accommodations are open in the winter months (December - February); approximately 87.50% are open during the spring season (March - May); approximately 100% are open during the summer season (June - August); and approximately 96% are open during the fall season (September - November).

To estimate the number of total room nights available, the average number of units available per accommodation type was multiplied by 310 (i.e., about 85% of 365 calendar days) which results in the average available room nights at their business that could be sold by a given accommodation based on type. This was then multiplied by the ranges of estimated number of businesses (low and high) to provide an estimate of the total number of rooms nights that may be available across the region over the year based on accommodation type.

Note, this does not mean that the total of room nights available equates to what is being sold by businesses currently. Instead, it is an estimate of unit stock for sale (i.e., rental) across the region and across the year.

Table 3: Number of Total Room Nights Available for Sale Based on Accommodation Type and Ranges

Type of Accommodation	# of units available	# room nights available for sale	# of businesses (low)	# total room nights available (low)	# of businesses (high)	# total room nights available (high)
Hotel/Motel	20	6,200	10	62,000	15	93,000
B&B	4	1,240	20	24,800	30	37,200
STA/Cabin	1	310	60	18,600	90	27,900
Resort	75	23,250	1	23,250	2	46,500
			Subtotal 1	128,650	Subtotal 2	204,600

Average Occupancy Rate

Bannikin also sought to calculate the average occupation rate based on accommodation type using the responses from the accommodation provider' survey. Based on the survey responses around how many room nights were booked in 2023, 2024, and how many units were available at their establishments, the average occupancy rate across the year for the different accommodation types was calculated to be 35%.

However, due to the limited number of survey responses, Bannikin supplemented the data gathered using the statistics included in Tourism Nova Scotia's "Nova Scotia Tourism Accommodations: January to December 2023" report. As such, the average occupation rate across the year reported by Tourism Nova Scotia for 2023 is being also used to

provide a rounder picture of occupancy rates in the region. Seeing as Cumberland Region is split among two primary tourism regions based on Tourism Nova Scotia jurisdictions, the average occupancy rates (AOR) for the Bay of Fundy & Annapolis Valley (AOR=45%) and Northumberland Shores (AOR=54%) regions is being used. As such, the occupancy rate across the year for Cumberland Region is estimated to be 45% (+/-5%).

Average Daily Rate (i.e., Unit/Room Cost)

The average room rate for Nova Scotia, as reported by Tourism Nova Scotia in 2023 is being used for the following marketing levy revenue estimation in Cumberland Region.

Provincial average room rate (2023): \$191.00

High-level Estimate

Two revenue estimates are presented below using the calculations illustrated above and a rate of 3% for the potential marketing levy revenue. These calculations are estimates that draw from a range of data sources, including data provided by accommodation businesses in the region and supplemented by provincial and regional data. As such, the estimates should be understood as possible projections for marketing levy revenue within the first year of implementation. Notably, these high-level estimates do not account for potential future changes in business types and availability across the year, changes in costs for units/rooms, changes to occupancy rates in the region, or changes in market demand for accommodations.

Table 4: High-Level Marketing Levy Revenue Estimation Based on Ranges

Data Type	Low band	High band
Number of Total Room Nights Available for Sale	128,650	204,600
Occupancy rate	45%	45%
Average Daily Rate	\$191.00	\$191.00
Estimated total room sales	\$11,057,467.50	\$17,585,370.00
Marketing levy	3%	3%
Estimated marketing levy revenue	\$331,724.03	\$527,561.10

Based on the calculations undertaken, Bannikin estimates that applying a 3% marketing levy to sales of eligible tourism accommodation units/rooms to visitors could result in a marketing levy revenue in the **range of approximately \$331,724 to \$527,561 CAD.**

Tourism Tomorrow

Executive Summary

To support tourism development, management, and marketing in Cumberland Region, it is strategic to progress in a stepwise fashion to allow for buy-in, transparency, and accountability. The 37 recommendations that follow outline the initial steps recommended to build on the momentum established through this project in two areas 1) Setting a strong foundation, and 2) Marketing levy considerations.

The tourism landscape in Cumberland Region today is complex, with several overlapping jurisdictions and tourism marketing organizations. Tourism industry members across the destination recognize this complex context, as well as the limited collaboration amongst stakeholders. Tourism industry members want to stay engaged and grow partnerships, but there is no clear leader to guide the path forward. By pursuing this project, however, the Town of Amherst and the Municipality of the County of Cumberland have stepped into leadership roles. Ideally, they will build on this momentum, grow their leadership capacities in the tourism space, and continue to work together to establish a strong foundation for tourism.

Implementing a marketing levy in Cumberland Region offers an opportunity to establish a reliable funding source for increasing the region's exposure and awareness, attracting visitors, and collectively growing the destination's competitive advantage. However, before implementing a marketing levy in Cumberland Region, planning, coordination, engagement, and relationship-building activities are needed to set a strong foundation for the development, management, and marketing of the destination. First steps include recognizing the value of tourism, creating a municipal role dedicated to the sector's growth, meaningfully engaging with the tourism industry, partners, and residents around the topic, and creating both a community-informed destination development and management plan as well as a tourism marketing plan.

In taking a phased approach, Cumberland Region is well positioned to thoughtfully and sustainably grow tourism to the benefit of the area's residents, businesses, and visitors. Cumberland Region boasts unique tourism assets, including its rich geological heritage, passionate business owners, and outdoor experiences, that, if leveraged strategically through product development and marketing, will set the destination apart from others in Nova Scotia and Atlantic Canada.

Timing

Adopting a marketing levy should not be rushed. To support successful implementation and maximize community benefits, it is important to set realistic (and flexible) timelines that will allow for meaningful engagement. Implementing the recommendations (see below) to set a strong tourism foundation is expected to take several years (~2-3), and potentially longer depending on any new insights that emerge from the proposed destination development and management plan, and the tourism marketing plan.

In summary, before implementing a marketing levy, it is advised that the municipalities take the time to set a strong foundation by further planning, consulting, listening to, and building a shared understanding of a potential marketing levy with key stakeholders, especially accommodation providers.

Recommendations: Setting a strong foundation

To set a strong foundation for tourism development, management, and marketing, recommendations are provided in five areas, namely, 1) Strategic tourism development, 2) Continued engagement, 3) Industry connections, partnerships and capacity building, 4) Marketing planning, and 5) Placemaking and product development. Within each area, recommendations are largely chronological, however, depending on staffing capacities and budgets, some of the recommendations can likely be undertaken simultaneously.

Strategic tourism development

To foster community buy-in and set a strong foundation for tourism, it's essential to have certain structures, resources, and processes in place. Preliminary work, such as, having a designated point-person and creating a tourism development and management plan allows for greater accountability and transparency by providing additional opportunities to engage stakeholders and a tool to inform decision-making around how funding is distributed. Some of these may occur while developing the comprehensive destination development and management plan or these may be undertaken separately. Ongoing data-collection activities will also be needed.

1. **Explore establishing a new tourism management and marketing role** at the Town of Amherst and/or Municipality of the County Cumberland (option for job share with other related organization).
2. **Confirm that processes and personnel at all municipal units are in place to ensure compliance with Short-term Rentals Registration Act.** Ensure that individual responsible is aware of links between registry and tourism.
3. **Create a community-informed tourism development and management plan** to confirm strategic direction and priorities. Amongst other areas, the plan should investigate tourism infrastructure needs, services, assets, gaps in tourism, product, business needs, resident concerns about tourism, seasonal expansion, partnership and collaboration opportunities (e.g. across Cumberland Region and with neighbouring regions).
4. **Undertake additional and ongoing research** to support strategic tourism development (e.g. economic impact of tourism in Cumberland Region, visitation data, resident sentiment surveys, tourism asset inventorying, etc.)

Continued engagement

Industry members expressed a strong desire to stay engaged in conversations around the potential implementation of a marketing levy (incl. exemptions, rollout, collection and remittance processes, etc.) as well as other destination management and marketing decisions. Comparator destinations echoed this sentiment, stressing the importance of ensuring meaningful engagement to inform decision making. Key to this effort will be strengthening relationships and communications between the municipalities and the tourism industry.

5. **Establish or confirm industry and resident communication channels** (e.g. set up webpage(s) dedicated to tourism development and marketing, develop direct email lists, etc.)
6. **Strengthen relationships with industry through diverse outreach activities** (e.g. direct telephone calls, in-person visits, hosting info sessions, etc.).

7. **Grow awareness amongst tourism industry around state of tourism** including initiatives currently underway (e.g. current structure of tourism management, explorecumberland.ca and related marketing activities, visitor data, etc.).
8. **Launch second round of levy-specific engagements** to update industry on decision-making process, collect feedback on proposed approach, grow buy-in, and reach more industry members.
9. **Communicate benefits of tourism and advocate for its prioritization** with residents, industry, partners, municipal Councils, etc. (incl. economic, social, environmental benefits).

Industry connections, partnerships, and capacity building

Collaboration can play a key role in placemaking and destination identity formation. It also fosters the development of unique, place-based tourism products. Industry members note opportunities to grow collaborative marketing and product development amongst tourism businesses in Cumberland Region, especially across sub-regions. A connected tourism industry can also help visitors by increasing the likelihood that they will receive informed recommendations from the business owners, operators, and staff they interact with during their trip. An area with room to grow local connections is the food and drink sector. Calling out local ingredients and sourcing on menus, for example, helps to create a sense of place.

10. **Foster inter-industry collaboration and connection across Cumberland Region** via dedicated tourism industry events, training sessions, direct introductions, establishing a web network, etc. Consider polling industry to gather more information on how they prefer to be engaged. Note: industry members expressed that busy schedules limit their capacity to participate but stressed that offering opportunities for networking is important.
11. **Host a farmer/food and drink producer-restaurant speed-dating event** to grow connections and encourage use and celebration of local products across Cumberland Region.
12. **Offer and/or connect tourism businesses to capacity-building workshops, tools & resources, etc.** to improve the visitor experience (e.g. areas of need based on the research include, storytelling, collaborative marketing, product development, digital presence- especially for food and drink businesses).
13. **Start/continue conversations with existing Destination Marketing Organizations and other tourism marketers** in overlapping and neighbouring jurisdictions (e.g. Sunrise Trail, Fundy Discovery Site, Cliffs of Fundy Geopark, etc.) to explore synergies, opportunities for collaboration, and how different stories fit together with the destination narrative.
14. **Grow relationships with and explore opportunities to partner** with Nova Scotia Indigenous Tourism Enterprise Network, Indigenous businesses, other Indigenous-led organizations and communities through tourism development and storytelling.
15. **Work with Nova Scotia Tourism to better leverage Cumberland Region's gateway to Nova Scotia status** in-person at Visitor Information Centres and online via provincial digital planning tools.

Marketing planning

When it comes to marketing Cumberland Region as a destination, both quick wins and longer-term actions are needed, and these can happen in parallel to maintain progress.

16. **Create a community-informed tourism marketing plan** in alignment with the tourism development and management plan to guide use of levy funds. This plan should explore ways to improve in-destination storytelling and wayfinding signage, share trip-planning information such as sample itineraries with visitors, set clear expectations (e.g. around driving times, cellular connectivity), etc.
17. **Set a destination narrative** through resident and industry engagement that reflects all of Cumberland Region (e.g. taps into region's geological heritage, diverse landscapes, outdoor activities, etc.)
18. **Improve the Search Engine Optimization of Cumberland Region** place name, and key assets such as beaches and outdoor activities by working with Tourism Nova Scotia, other DMOs, traditional media, content creators and bloggers, tourism businesses, etc.
19. **Grow capacity for collaborative marketing** by strategically pulling tourism industry into marketing activities via campaigns and other initiatives.

Placemaking and product development

The development of a comprehensive tourism development and management plan will likely yield additional insights and confirm gaps and opportunities related to Cumberland Region's tourism offering. Some areas of need include growing mid-week and shoulder/winter season offerings, nightlife assets such as restaurants that stay open later, Indigenous tourism assets, cultural tourism assets, etc. Another way to foster a memorable visitor experience is by creating a sense of place. When done successfully, this reminds visitors that they are somewhere special. Placemaking is often achieved through the installation of physical infrastructure like public art and signage that is connected to the destination narrative being shared.

20. **Support industry in strategically expanding existing and developing new tourism product** (e.g. focus on product that extends tourism season, fills gaps, reflects a destination narrative and brings this to life, etc.)
21. **Undertake signage review and strategy** to make navigating the destination simpler without access to mapping tools. There is an opportunity for gateway, wayfinding, and interpretive signage to align with a single destination brand and amplify the destination narrative.
22. **Lead/support placemaking initiatives** in alignment with marketing plan and signage strategy (e.g. murals, public art, signage, etc.)

Recommendations: Marketing levy considerations

Once a strong tourism foundation is set through the implementation of the above recommendations, confirming a levy will be possible moving forward. Although it is likely that through the foundation-setting work, new insights will emerge to further inform decisions around implementing a marketing levy, there are many learnings that can be applied from the research conducted for this project. These are compiled via the recommendations below across two areas: 1) Leadership, structure, and governance, and 2) Oversight and transparency. Within each area, recommendations are largely

chronological, however, depending on staffing capacities and budgets, some recommendations can likely be undertaken simultaneously. When a marketing levy is adopted for Cumberland Region, being adaptable and flexible across the roll out will be strategic. Consistent and ongoing monitoring and evaluation of the implementation process will allow for changes to be made as needed.

Leadership, Structure, and Governance

Currently no destination marketing leader, equipped with the necessary skills, expertise, and resources to lead destination marketing for Cumberland Region, has been identified. Instead, a landscape of diverse industry-facing organizations and destination marketing organizations has emerged. With this context in mind, it will be important for the partner municipalities to continue acting as leads and rallying industry around the potential to implement a marketing levy, as well as strengthening and clarifying direct connections with key partners like Tourism Nova Scotia to ensure that Cumberland Region is being presented in a way that reflects destination realities and builds up brand recognition.

Moving forward, two possible governance approaches emerged through the research for managing a future marketing levy:

- The partner municipalities work together to manage marketing levy funds internally. This would likely require hiring an experienced destination marketer and support staff. Within this context, the Municipality of the County of Cumberland and the Town of Amherst would co-lead destination marketing via the work of the destination marketer, acting as a shared staff person. The destination marketer would be responsible for tracking and operationalizing marketing levy funds through pre-approved destination marketing initiatives identified in the tourism marketing plan. Additionally, their role would likely also involve destination development initiatives that would require funding through alternative sources, as marketing levy funds would not apply.
- Alternatively, or potentially in harmony with the first governance approach, marketing levy funds would be governed and tracked by the partner municipalities to fund grassroots and collective marketing initiatives led by industry and local organizations. These initiatives would need to align with the tourism marketing plan to ensure that efforts are building on a shared direction.

However, in future, after creating the destination development and management plan and the tourism marketing plan, new insights on how to approach marketing levy leadership may emerge. At that time, alternative leadership approaches to consider include:

- Creating a new Destination Marketing Organization for Cumberland Region: This is the process that several regions in Nova Scotia, like Truro and Colchester, are exploring. However, this would require a strong foundation of connected tourism businesses, organizations, and community members in Cumberland Region before a new organization, and the expenses related to setting it up and making it operational are undertaken.
- Alternatively, marketing levy funds could be used to fund an existing organization, such as Cumberland Business Connector or Cumberland Chamber

of Commerce, to expand its mandate to take on destination marketing initiatives for the region.

When it comes to giving shape to the structure and developing strong governance processes for the marketing levy, in alignment with the leadership approaches illustrated above, several other recommendations are important for successful implementation.

23. **Engage with industry to inform timeline for levy implementation** (e.g. bylaw passed, existing reservations immediately subject to levy, grace period to ensure compliance, etc.)
24. **Strike a joint agreement/Memorandum of Understanding between all municipalities in Cumberland Region** that outlines intricacies of levy (e.g. processes and technology for remitting levy, use of funds in alignment with marketing plan, levy exemptions, communications approach/channels, and details of aligned bylaws, etc.) to ensure municipalities are moving forward in unison and with a shared approach.
25. **Establish a committee to inform and guide the use of levy funds** according to the tourism marketing plan. The committee should include representation from diverse accommodation providers (e.g. resort, hotel, B&B, short-term rental), and other tourism businesses and organizations (e.g. Tourism Nova Scotia, Nova Scotia Indigenous Tourism Enterprise Network, Cliffs of Fundy UNESCO Geopark, Fundy Discovery Site, Sunrise Trail Magazine, Ski Wentworth, etc.) Representation should also be geographically dispersed across Cumberland Region.
26. **Establish levy structure in alignment with provincial norms** (e.g. set marketing levy at 3%, charge interest on overdue levies ranging from 12-15%, confirm timeframe of the levy introduction and grace period.)
27. **Facilitate direct online payments through one common channel** across all municipalities to support industry in adopting the marketing levy. Make the payment process as simple as possible and potentially have the levy be collected by one municipality in the region for regional spend.
28. **Strengthen relationships with industry-based and network organizations** that may be potential partners in future destination marketing efforts (e.g., Cumberland Business Connector, Cumberland Chamber of Commerce, etc.)

Oversight and Transparency

Concerns about transparency and effectiveness of levy spend are common amongst industry members, particularly accommodation providers, since a marketing levy is a fee that they would charge their customers directly but do not spend themselves. As such, ensuring that strong and clearly understood oversight and transparency processes are in place is beneficial to the overall success and support of a marketing levy. This requires the right information to be accessible to those who need it in the best format and place.

Oversight and transparency apply to all levels and all actors involved in levy collection, remittance, payment, and investment. One way to ensure aligned oversight is to prioritize marketing levy funds to resource the implementation of a publicly available tourism marketing plan.

29. **Develop a webpage about the levy process** so that information and updates are accessible and digestible (e.g. webpage that includes direct contact persons noted for each municipality, direct emails, newsletter, social media, etc.)

30. **Launch an awareness building campaign** directed to tourism industry to ensure general understanding of who is collecting the funds, who is receiving and actioning the funds, and how these are being spent (e.g. webinar, open house, one-pager on webpage, etc.).
31. **Develop additional information materials and resources that communicate key information for industry to understand why the levy is being implemented, what it is being used for, and how they can let their customers know about it and why it is being charged** (e.g., how-to report and remit guide, how-to guide for sharing information about the levy with guests, or why a marketing levy is charged in Cumberland Region webpage for travellers to the region, etc.)
32. **Host training session(s) with accommodation providers in-person, virtually, and asynchronously** with opportunities for follow-up conversations to ensure that all parties understand steps and roles in levy collection, remittance, etc.
33. **Phase in processes and related penalties with quarterly reporting and remitting** for the first year of implementation, where businesses need to remit and transfer marketing levy funds that they have collected to the collecting municipality on a quarterly basis but without penalties being applied for the first one to two quarters (i.e., first 3-6 months of implementation).
34. **Transition and shift to a bi-yearly or yearly reporting and payment process** for businesses to remit and transfer marketing levy funds that they have collected to the collecting municipality, starting in the second year after implementing the marketing levy.
35. **Confirm a levy introduction grace period** for tourism accommodations to learn about and adopt the required processes
36. **Create a levy reserve fund** where levy funds will be collected and to demonstrate that marketing levy revenues are being tracked separately and not folded into broader municipal budgets.
37. **Create yearly reports to be published publicly** that outline amount of funds collected, use/distribution of funds, and successes (e.g. economic impact, anecdotes from business owners, # people engaged, marketing campaigns or other initiatives from across Cumberland Region with businesses of different sizes, etc.)

