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blue sky  
festivalS  
tourism study

[ presented to ]  
Blue Sky Economic  
Growth Corporation

[ presented by ]  
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# BLUE SKY FESTIVALS TOURISM STUDY

Supported by:



## Background

In 2005, both the North Bay Heritage Festival and the Mattawa Voyageur Days Festival experienced a positive turnaround in their performance. Using a new format, paid attendance at the Heritage Festival increased by 57% over 2004. The Voyageur Days Festival increased wristband sales by 21% compared to 2004.

Both of these festivals are a positive contribution to the communities they serve, spurring economic activity and increasing community spirit and involvement.

Increased tourism is often cited as one of the benefits of both festivals. The objective of this Study is to identify:

- i) the level of tourism activity generated by both festivals,
- ii) opportunities to increase tourism by both festivals, and
- iii) opportunities to maximize marketing investments used to attract tourism.



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For tourists in Ontario in general, festivals and fairs are not a major reason to travel. Approximately 6% of all recreational person-visits within the province include attendance at a festival or fair. A previous study conducted by Impagination suggests that recreational travelers to the Blue Sky Region display a similar level of interest in festivals and fairs – about 6% of person-visits include attendance at a festival or fair on trips that include the Blue Sky Region.

Therefore, we can safely conclude that festivals and fairs are not a major tourism driver for the Region. However, there may be specific audiences that are attracted to the Region because of a festival or event.

The Region should not be offended by this conclusion. Experts in measuring tourism activity agree that this is unusual for regional festivals to attract a significant portion of their audience from outside their local community. The festivals that do attract significant tourism activity tend to be larger, are close to larger urban markets, have significant marketing budgets and target a specific audience or interest group.

This Study estimates that tourists (people who live more than 80km) from the festival site account for slightly more than 20% of all visitors to the Heritage and Voyageur Days Festivals. It also provides a ballpark estimate that 5 out of 6 of these tourists were already in the Region for other reasons when they attended the festival. In other words, we estimate that only 1 out of 6 tourists initiated their visit specifically to attend one of these two festivals.

In addition, the Study shows that the Region's festivals are best at attracting people north of the Region and particularly from areas that are within "day trip" distance from the festivals.

The Study concludes that there are three opportunities to increase the tourism impact of the Region's festivals and the effectiveness of investments in marketing:

- i) focus marketing on the high potential audiences identified by the Study (Sudbury and region, The Hwy 11 corridor, adjacent parts of Quebec),
- ii) combine and leverage the marketing investment (particularly the media buying power) of the Regions' festivals to maximize ROI, and
- iii) use the festivals to personify the brand of the Region – more traditional, outdoor adventure activity events

It is important to remember that the Study does not evaluate the positive community effects of the festivals. This includes retained spending within the community by the local population who may otherwise seek entertainment opportunities elsewhere and increases in community spirit and involvement generated by participating in the festival.



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## Summary, Recommendations and Conclusions

### General Festivals



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1. Festivals and events are not a significant reason why tourists, in general, initiate visits to the Region. According to the most recent data for Nipissing District<sup>1</sup>, festivals and events are not a critical component of most tourists' experience – only 6% of recreational person-visits to the District include attendance at a festival or fair.
2. The total number of person-visits to the District that include attendance at a festival or fair is approximately 55,000. Recreational visitors account for approximately 36,000 person-visits. Visitors whose primary trip purpose is business, visiting friends and relatives or other personal reasons account for the other 19,000 person-visits.
3. Since the Region's festivals do not appear to be important to a broad cross-section of the Region's visitors, marketing of the Region's festivals and events to large, un-segmented, non-local, markets will be cost ineffective. The corollary to this conclusion is that festival marketing must focus on targets that show a "high potential" to attend the Region's festivals.
4. There are three possible relationships between the Nipissing District festivals and its visitors (with our estimate of size).
  - a. Visitors that do not attend festivals – 1.36 million person-visits (96% of total).
  - b. Visitors that attend festivals to enhance a pre-existing trip – 50,000 person-visits (3.6%).
  - c. Visitors that attend festivals as their primary trip purpose – 5,000 person-visits (<0.4%).
5. In the case of tourists that enhance their pre-existing visit by attending a festival, we assume that spending at the festival offers little Regional economic impact, as the visitor spending at the festival is not incremental – they likely would spend a similar amount on other activities within the Region.

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<sup>1</sup> Both the Heritage Festival and Voyageur Days Festival are located in Nipissing District.



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6. Based on our estimate of incremental person-visits generated by the festivals (~ \_\_\_\_\_), we recommend that caution be used when considering large financial investments in the Region's festivals with incremental tourism as the justification.
7. Since the Region's festivals are more likely to be tourism enhancers than initiators of new visits, the marketing of the festivals to tourists, the message, media selection and timing of delivery should reflect the role of a trip enhancer.
8. From an existing or potential visitors' perspective, the type and content of the Region's festivals and events could either strengthen or undermine the Region's brand, whether the visitor attends the festival or not. The tourism impact and value of the Region's festivals as "brand builders" may be a more important role for festivals than the direct economic impact of the incremental visitors. We recommend that future investments that use tourism as a justification, should only be made in "brand positive" festivals or events.

### Heritage Festival

9. The 2005 Heritage Festival had 23,362 fee-paying attendees – 81% advance ticket sales and 19% on-site sales.
10. The Heritage Festival is predominantly a local festival with a small regional component to its audience - 60% of attendees live within 25km of the Festival site and 20% live between 25 km and 150 km of the site. North Bay is the primary market for the Festival. The distribution of advance and on-site ticket sales supports the conclusion that the Festival is a local event.
11. Outside of the local market, the Heritage Festival is strongest in markets that lie north of the line formed by Hwy 17 and the French River. The "best" regional markets for the Festival appear to be Nipissing District, the Sudbury region and the Timmins region. These areas account for more than 75% of all festival visitors and should be the focus of future marketing efforts aimed at attracting incremental visitors whose primary or major trip purpose is attending the Festival.
12. While the sample size is limited, northwestern, rural Quebec appears to be a good market for the Festival.

13. Urban southern Ontario and the United States do not appear to be good markets for the Heritage Festival. Despite media spending (contra from Rogers) in urban southern Ontario markets, the Heritage Festival experienced lower than expected penetration in these markets (based on typical regional travel patterns).
14. The tourism role of the Heritage Festival is predominantly a visit enhancer.
15. We estimate that a maximum of 16% of attendees from outside Nipissing District (<6% of all attendees) visited the Heritage Festival as the primary or major purpose for their trip to the Region. In other words, the Festival acted a tourism initiator for less than 1 in 6 tourists who attended the festival and reside more than 75km from the festival site. The “festival initiated” attendees are estimated to 1,500 of the 23,362 attendees. The tourists whose primary trip purpose is attending the festival are most likely to come from the northern markets mentioned above.



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### Voyageur Days Festival

16. The 2005 Mattawa Voyageur Days Festival attracted 3,582 fee-paying visitors – 44% by advance sales and 56% on site. It should be noted that the Festival includes a substantial number of “free” events and attractions, so actual attendance cannot be estimated.
17. The Voyageur Days Festival is a regional festival with a strong local component – 47% of attendees live within 25km of the site and 33% live within 25km and 150 km of the site. It attracts a significant proportion of its attendees from North Bay and this is what makes the distribution of its audience more “regional” than the Heritage Festival.
18. The festival’s primary non-local markets are North Bay, other parts of Nipissing District and the Sudbury Region. It also appears to have some market strength in Pembroke.
19. Despite a small sample of visitors from Quebec, it appears that rural, northwestern Quebec may be a good market for the Festival.
20. Future marketing spending that uses incremental tourism as a justification should be focused on North Bay and other parts of Nipissing District, Sudbury, southeast along the Ottawa River and perhaps Quebec.
21. The tourism role of the Voyageur Days Festival is predominantly a visit enhancer.

22. Like the Heritage Festival, we estimate that a maximum of 16% of attendees from outside Nipissing District visited the Voyageur Days Festival as the primary purpose for their trip. In other words, the Festival acted a tourism initiator for less than 1 in 6 tourists who attended the festival. These tourists are most likely to come from the northern or eastern markets mentioned above.

### Shared Marketing

23. It is clear that the Heritage and Voyageur Days Festivals share common “high potential” tourism markets such as Sudbury and region, northwestern Quebec and other parts of Nipissing District. Since both products and markets are similar, we recommend that the two Festivals combine future marketing investments.

### Vertical Market Events

24. Our hypothesis, at the initiation of the Study, was that vertical market events will be more effective at:
- a. acting as tourism initiators, and
  - b. attracting tourists from the Central Ontario market that is the core of Blue Sky Regional tourism.
25. The data is not available in sufficient sample sizes or quality to allow us to test this hypothesis.



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## Objective

The objective of this study is to evaluate the tourism potential and marketing opportunities of existing Blue Sky festivals and events. By “tourism potential,” we mean the ability to attract additional visitors from beyond each festivals’ or events’ local area. The study is exclusively an examination of the tourism potential of the Region’s festivals. It is not an examination of the recreational, social or cultural contribution of festivals and events to local communities and their citizens.

## Background



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The study was conducted based on data collected during the summer of 2005. It is primarily an evaluation of the North Bay Heritage and Mattawa Voyageur Days Festivals. It also includes some analysis of the Step and Fiddle Festival in Sturgeon Falls, the Mattawa ATV Rallies and the North Bay to Mattawa Canoe Race. There was no specific reason for the selection of these events other than data was available or could be collected within the timeframe of the study.

It is obvious that the festivals and events (F&E) in the Blue Sky Region attract a number of visitors and enhance the visits of many tourists already in the Region. This fact is not in question. The question really is: “Is it reasonable to expect that further investment in marketing of festivals and events outside of the Region can attract additional visitors in sufficient numbers to justify the investment?”

## Three Possible F&E Relationships with Visitors

We believe that visitors to the Blue Sky Region have three possible relationships with the Region’s festivals and events:

1. attend festivals and events to enhance a pre-existing trip,
2. attend festivals and events as their primary or major trip purpose, or
3. do not attend festivals and events while on a trip to the Region.

### **Relationship 1: Attend Festivals to Enhance A Visit**

Intuitively, we know that some portion of attendees use the Region's festivals and events as additional recreational or entertainment opportunities during a trip to the Region. These attendees may be in the area visiting friends and relatives or enjoying a recreational visit made for other reasons such as a lakeside family vacation.

Festivals and events as trip enhancers can be a critical element of a Region's tourism "experience." A good festival experience can provide additional "content" for a trip and, as a result, can affect the timing of a trip or repeat trips in future years. A lack of festivals or other sights and activities can leave visitors feeling that there is nothing to do in the Region.

The study does not examine the value of the existing festivals and events as contributing to the "density" or quality of the Region's travel experience. The objective, as stated previously, is to examine the potential of the Region's festivals and events to attract additional tourists to the Region. However, stakeholders in the Region's festivals and events must not forget that festivals and events contribute to the content of tourism experience even if they don't initiate new visits.

The Study does not examine the potential for increased attendance by the Region's existing visitors through more effective marketing to this audience.

Marketing of festivals as tourism experience enhancers can increase attendance from tourists who are in the market at the time of the festival or event. Obviously, increased "tourism enhancement" attendance will improve the economic performance of the individual festivals. However, as this report will discuss, increased attendance by existing visitors will not generate substantial incremental economic impact for the Region, as a whole, due to spending substitution effects. Marketing of festivals as tourism enhancers should focus on delivery of the message at the accommodation, restaurants, bars, marinas and other recreational facilities frequented by visitors or on websites and in media used by visitors to plan their vacations.



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## **Relationship 2: Attend Festivals as the Primary Reason For Trip**

Some portion of the festival attendees will travel to the Region with the primary or major purpose of attending a festival or fair. It is this role of festivals and events – as initiators of new visitors - which this Study is attempting to measure.

This distribution – between “tourism enhancer” (Relationship #1) and “tourism initiator” (Relationship #2) – is really the crux of the problem and should determine the types and frequency of future marketing programs. If attendance at festivals and events is predominantly an enhancement to an existing visit – then marketing to increase attendance should focus on visitors that are in the Region during the time of the festivals and events. If festivals and events initiate new trips, then the marketing of festivals and events should focus on those markets that show the highest propensity to make attendance at a festival or event the primary or major reason for their trip.

## **Relationship 3: Do Not Attend Festivals**

A visitor may choose not to attend any festival or event while visiting the Region. Festival non-attendance could result, for example, from a lack of relevance of the festivals and festival content to visitors’ travel experience, lack of willingness to travel additional distances to the festival site, or simply a lack of awareness of festival content. As mentioned previously, it may be possible to convert some portion of existing visitors’ non-attendance to attendance, but that is outside the scope of the Study.

The challenge is reaching a balance between the needs of the local audience and the visiting population. The local audience provides the largest group of attendees and revenue for the Region’s festivals and events. The selection of content and also the choice of messaging and channel selection in marketing programs to reach the local audience may not be effective at reaching the visiting population. Conversely, content that would appeal to the visitor may generate minimal interest among the local population.

This is a possible conundrum faced by each of the Region’s festivals and events. If the event generates strong attendance from the local community, attempting to modify the content and marketing to increase attendance by visitors may diminish the event’s appeal and attendance by the local population.

## A Perspective on the Tourism Impact of Blue Sky Festivals

Using the data generated by the Blue Sky Marketing and Economic Impact Study (Impagination, 2004), we know that the vast majority of visitors to the Region do not attend a festival or fair. The previous study estimates that only 4% of all person-visits to the Region included attendance at a festival or fair<sup>2</sup>. For Blue Sky recreational visitors, the average festival participation was 6%.

The Blue Sky Region is about the same as the rest of the province in this respect. Approximately 6% of recreational visitors within the Province of Ontario attend a festival or fair while on their trip. In absolute numbers, the total number of person-visits that include attendance at a festival or fair in Nipissing District accounts for approximately 55,000 person-visits per year.



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Impagination's previous analysis of Blue Sky tourism revealed that "attending festivals and fairs" was only 20<sup>th</sup> of 29 activities engaged in by recreational visitors during a trip that included the Region. In contrast, 38% of the Region's recreational visitors went sightseeing, 36% fished and 28% went boating.

The relative lack of importance of festivals in the mix of visitor activities suggests that festivals are not, in general, broad-based tourism initiators to the Region and, therefore, marketing of festivals to large, non-segmented mass markets will not be cost effective. Impagination suggests that future marketing and advertising expenditures must focus on targeted markets that show a much higher than average propensity for festival attendance.

From the previous study, we know that persons who express their primary reason to visit as "business", "visiting friends and relatives" and "personal reasons," account for roughly one-third of person-visits (or 19,000 person-visits) that attend festivals and fairs. In these cases, attendance at a festival is clearly made as an enhancement to a trip made for other reasons. Of the District's approximately 1.37 million annual person-visits only 55,000 include attendance at a festival or fair, and a maximum of 36,000 person-visits could possibly be made for the primary purpose of attending one of the District's festivals or fairs.

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<sup>2</sup> The technical definition for participation in an activity is "participated in the activity while on a trip that included the Region." This means that festival attendance may have occurred outside of the Region. In other words the visitor may have attended a festival in Pembroke and then traveled on to Blue Sky. Therefore, the numbers reported represent the "best case" for the Region and actual attendance may be lower. However, for the purpose of this Study, the potential error generated assuming all festival attendance takes place within the Region has little impact on the Study's conclusions and recommendations.



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It is more likely that the 36,000 person-visits are split between tourists attending festivals to enhance their visit and people who are visiting with festival attendance as the primary purpose of their visit. The study attempts to estimate the proportion of the Festival attendees in each of these groups.

To keep the tourism value of Blue Sky Region's festivals in perspective, a soon to be released guideline<sup>3</sup> for evaluating the economic impact of festivals within regions, suggests that the economic impact of festivals from tourism is usually overstated because substitution effects of spending at festivals are not usually considered.

When a visitor is already in the area and enhancing their visit by attending a festival or event, their spending at the event should not be considered as incremental spending in the Region generated by the event. It is a substitution for other spending within the Region. In other words, tourists would probably have spent a similar amount of money on some other form of entertainment or activity and purchased food or souvenirs at another location within the Region that they are visiting, had they decided not to attend that particular event.

If a festival or event is predominantly a trip enhancement for visitors, then the incremental economic impact from tourism is minimal. If a festival or event can demonstrate a high level of trip initiation – the festival or event is the primary or major purpose of attendees' visits – then there will be a commensurate amount of incremental economic impact.

### Other Important Roles For Festivals

We have already mentioned that the Region's festivals and events may benefit their local communities in ways other than increased tourism that we did not examine in this Study. For example, a festival may:

1. Retained spending by residents in local community
2. Opportunities for community involvement
3. Adding to the "density" of possible visitor experiences.

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<sup>3</sup> The partners producing this guideline include the Canadian Tourism Commission, Dept. of Canadian Heritage and the Ministries of Tourism from a number of provinces including PEI, Ontario, Yukon, Alberta and B.C. The draft guideline may be available by the end of 2005.

There is one other potential role of the Region's festivals. The value of the festival or event as personifying the brand of the Region. The existing or potential visitor, whether they attend a festival or not, will gather an image of the Region's brand from the marketing of the Region's festivals and events. In our opinion as marketers, this benefit can be more pronounced and have greater long-term tourism impact than the festival does as a standalone entity. Upon examining the spectrum of festivals and events in the Region, we are of the opinion that some events and festivals strongly support and personify the Region's brand, others neither harm nor benefit the brand and there are others that would strongly diminish the brand's value if they were marketed alongside the Region's "brand positive" festivals and events.

In conclusion, if future investments are made in festivals and events using tourism as a justification, the most reasonable justification other than pure economic benefit, is that the festival or event adds to the value of the Region's brand. The corollary to this is that festivals or events that do not add to the brand – and can't be proven to generate direct tourism traffic into the Region – probably should not be the focus of investment using tourism as a justification.



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## General Audience Festivals

The study examined two “general audience” festivals – the North Bay Heritage and Voyageur Days Festivals.

### The North Bay Heritage Festival

The Heritage Festival is held on the Civic Holiday long weekend. For 2005, the Festival required a wristband for all events and activities except for the Midway that operated outside of the main festival grounds. Total wristband sales for the Festival were 23, 653; 19,089 (81%) in advance and 4,564 (19%) at the gate. Impagination, with the help of Festival volunteers, collected 2,856 usable postal codes from a random sample of attendees over the age of 18. The “wristband only access” was new for 2005 as was the elimination of the festival’s air show – a feature of the festival for many previous years.



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### Local Festival

The Heritage Festival is predominantly a local festival with a regional component to its attendance – 58% of attendees live within 25km of the festival and 80% of attendees live within 150 km of the festival. The primary market for the Festival is North Bay itself. The distribution of advance and on-site tickets sales appears to confirm the “local festival” nature of the Heritage Festival.

Table 1 – Heritage Festival Distance Impact Analysis

Band	Radius	Attendees	%	Cumulative	%
1	0 - 25 km	1657	58.02	1657	58.02
2	25 - 75 km	287	10.05	1944	68.07
3	75 - 150 km	287	10.05	2231	78.12
4	> 150 km	625	21.88	2856	100
Total		2856	100		

More than 97% of Heritage Festival attendees reside in the province of Ontario and 1.6% of all attendees reside in the Province of Quebec. The visitors from Quebec reside primarily in the rural, northwestern region of Quebec. With the exception of the visitors from Quebec, the festival does not attract substantial numbers of visitors from other provinces or the United States.

## North/South Bias

We examined the north/south bias of the of attendees to the Festival by drawing an imaginary line along Hwy 17 and the French River and then determining the percentage of the sample who lived north or south of the line. Only non-local residents were included in this analysis, defined as people who live more than 25 km from the Festival site. Our analysis shows that 38% of all “non-local” attendees live north of the line and 62% live south of it.

Table 2 – Heritage Festival North/South Distance Impact Analysis

Band	Radius	Attendees	%	Cumulative	%
1	North	497	38.12	497	38.12
2	South	623	61.88	1120	100
Total		1120	100		



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On the surface, this analysis may suggest that the Festival is better at attracting “southern” visitors. However, only 6% of all the households in the province are located north of the line and 94% are south of the line. The Festival has a much higher penetration of northern markets – 38% of non-local attendees reside in an area representing only 6% of households.

## Target Markets

The household penetration of Heritage Festival sample was calculated at the Forward Sortation Area<sup>4</sup> (FSA) level. The highest levels of household penetration – the largest ratios of attendees per household - represent the “best” markets for the Festival.

The best three markets for the festival based on household penetration are North Bay itself – once again confirming that the Festival is predominantly a “local” festival.

All of the top 10 markets for the Festival, representing 70% of the sample, are local or are located north of the Festival. All of the top 25 markets, with one exception, are local or located north of the Festival. The top 25 represent 82% of the sample. This analysis confirms that incremental tourism opportunities for the Festival will most likely be found in

<sup>4</sup> FSAs are represented by the first 3 letters/numbers of the postal code. The province is divided into approximately 500 FSAs.



adjacent regional markets located north of North Bay. However, the predominant market strength of the Heritage Festival is as a local rather than tourism event.

Table 3 – Heritage Festival FSA Market Penetration Analysis (Top 15)

Rank	CODE	AREA NAME	Heritage Festival Sample	Households	Sample Penetration (%)
1	P1C	North Bay	86	487	17.66
2	P1A	North Bay	509	7123	7.15
3	P1B	North Bay	936	14798	6.33
4	PoH	North Bay Rural	329	12957	2.54
5	P2B	Sturgeon Falls	44	3244	1.36
6	P2N	Kirkland Falls	21	3102	0.68
7	P4R	Timmins	6	923	0.65
8	P3Y	Lively	15	2825	0.53
9	P3A	Sudbury	50	9608	0.52
10	P4P	Timmins	4	848	0.47
11	PoJ	Sudbury	35	8421	0.42
12	P3N	Val Caron	13	3290	0.40
13	P3B	Sudbury	26	6616	0.39
14	P3L	Garson	13	3341	0.39
15	P3P	Hanmer	17	4582	0.37



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We also analyzed the Heritage Festival sample at the Census Division<sup>5</sup> (CD) level. The same pattern emerges. The best market for the festival is the local area followed by adjacent regions to the North.

Table 4 – Heritage Festival CD Market Penetration Analysis (Top 8)

Rank	CD Code	CSD Name	Heritage Festival Sample	Households	Sample Penetration (%)
1	3548	Nipissing District	1844	34900	5.28
2	3549	Parry Sound District	88	17450	0.50
3	3554	Timiskaming District	63	13803	0.46
4	3553	Greater Sudbury Division	233	66178	0.35
5	3556	Cochrane District	88	33426	0.26
6	3551	Manitoulin District	11	5292	0.21
7	3552	Sudbury District	19	9369	0.20
8	3544	Muskoka District Municipality	16	22199	0.07

<sup>5</sup> Ontario is divided into 49 Census Divisions.

We plotted the data from the sample on the map of Ontario shown on the following page. While this “dot distribution map” provides an interesting visual presentation of the range of locations of attendees, it is misleading if used as a method to identify high potential markets. The map appears to show a high concentration of attendees from Southern Ontario. First, this distribution is low when considered in the context of the total number of households in Southern Ontario and second, the map resolution means that the dots representing attendees in high-density markets overlap – i.e. not all dots are visible in North Bay and region.

### Conclusion



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The Heritage Festival is predominantly a local festival with a modest regional component. From a tourism perspective, it has the greatest success at attracting visitors and from adjacent areas that are north of the Festival site. The split of wristband sales – 81% in advance and 19% on site – is, in our opinion, a further indication of the local focus of the Festival since “locals” have a much higher likelihood of purchasing in advance.



**Legend**

- Highways
- P1B2T5
- Heritage Festival Visitors



58.0 Km

September 2005

**CUSTOMER DISTRIBUTION MAP - HERITAGE FESTIVAL  
IMPAGINATION**



## The Mattawa Voyageur Days Festival

Mattawa Voyageur Days Festival is held during the last full weekend in July before the Civic Holiday weekend. It immediately precedes the North Bay Heritage Festival. Voyageur Days includes a “for fee” festival area that features bands in the evening, special events for children during the day and an outdoor beer tent. Attendees must purchase wristbands for entry to this area. Voyageur Days also includes a number of “un-gated” or free events such as buskers, vendors and street events including the lumberjack competition and the finish of the North Bay to Mattawa Canoe Race.

Wristband purchases for this year were 3,582; 1592 or 44% in advance and 1m 1,990 (56%) on-site. This represents a 21% increase in wristband sales over 2004. There is no accurate measure of attendance by visitors who only attended the “un-gated” portion of the festival only.

Postal codes were collected randomly from 2,311 fee paying and non-fee paying visitors (i.e. attendees at the un-gated events).

### Local/Regional Festival

The Voyageur Days Festival is a local/regional festival with a stronger regional component than the Heritage Festival – less than half of the sample, 47%, live within 25km of the festival. Regional visitors – those that live between 25km and 150 km represent 29% of the sample and 24% of the sample live more than 150 km from the festival.

While the primary market for the Festival is Mattawa itself, it appears to have a somewhat stronger regional (i.e. “tourism”) component to its audience.

Table 5 – Voyageur Days Festival Distance Impact Analysis

Band	Radius	Attendees	%	Cumulative	%
1	0 - 25 km	1080	46.73	1080	46.73
2	25 - 75 km	494	21.38	1574	68.11
3	75 - 150 km	172	7.44	1746	75.55
4	> 150 km	565	24.45	2311	100
Total		2311	100		



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More than 94% of Voyageur Days' sample resides in the province of Ontario and 2.0% of the sample resides in the Province of Quebec.

### North/South Bias

The Voyageur Days Festival displays the same northern "bias" to its audience as the Heritage Festival - 40% of all attendees who live more than 25km from the Festival site, live north of the Hwy 17/French River line and 60% live south of it. This suggests that "northern" residents offer a much better potential market for the Festival.

Table 6 – Voyageur Days Festival North/South Distance Impact Analysis

Band	Radius	Attendees	%	Cumulative	%
1	North	461	40.19	461	40.19
2	South	686	50.81	1147	100
Total		1147	100		



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### Target Markets

The household penetration of Voyageur Days Festival sample was calculated at the FSA level. The highest levels of household penetration represent the "best" markets for the Festival.

The best market for the festival based on household penetration is the rural area that includes Mattawa and a large part of Nipissing District – confirming that the Festival is predominantly a "local" festival. The next three "best" markets are North Bay. In total, the Mattawa region and North Bay represent 69% of all attendees to the Festival.

The top 10 markets for the Festival represent 76% of the sample. These markets are local or are located north of the Festival with a single exception – Pembroke. When the top 25 markets are examined, representing 83% of attendees, the markets follow a similar local and northern regional focus as the Heritage Festival. Of note is the fact that Voyageur Days does appear to have some market penetration in the Ottawa Valley (Pembroke and Petawawa) and in Waterloo Region.



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Table 7 – Voyageur Days Festival FSA Market Penetration Analysis (Top 15)

Rank	CODE	AREA NAME	Voyageur Days Sample	Households	Penetration Sample (%)
1	PoH	North Bay Rural	1242	12957	9.59
2	PrC	North Bay	14	487	2.87
3	PrB	North Bay	225	14798	1.52
4	PrA	North Bay	108	7123	1.52
5	K1P	Ottawa: Centretown	2	250	0.80
6	P2B	Sturgeon Falls	23	3244	0.71
7	K8A	Pembroke	49	8148	0.60
8	P3P	Hanmer	20	4582	0.44
9	PoL	Timmins	41	9489	0.43
10	PoA	Newmarket	20	7193	0.28
11	PoJ	Sudbury	21	8421	0.25
12	P5A	Elliot Lake	14	5622	0.25
13	K8H	Petawawa	10	4290	0.23
14	P3A	Sudbury	22	9608	0.23
15	K4R	Russell	3	1814	0.17

At a broader level, when the sample of attendees is analyzed at the Census Division (CD) level, the same pattern emerges. The best markets for the festival are local and regional areas to the North. In addition, it appears that the Renfrew County may be a strong market for the Festival.

Table 8 – Voyageur Days Festival CD Market Penetration Analysis (Top 8)

Rank	CD Code	CD Name	Voyageur Days Visitors	Households	Penetration Sample (%)
1	3548	Nipissing District	1553	34900	4.45
2	3549	Parry Sound District	78	17450	0.45
3	3547	Renfrew County	96	38841	0.25
4	3556	Cochrane District	64	33426	0.19
5	3554	Timiskaming District	21	13803	0.15
6	3552	Sudbury District	13	9369	0.14
7	3553	Greater Sudbury Division	89	66178	0.13
8	3551	Manitoulin District	7	5292	0.13

## Conclusion

The Voyageur Festival is predominantly a local/regional festival based on its strength in attracting visitors from the North Bay area. From a tourism perspective, it has the greatest success at attracting visitors from adjacent areas that are north of the Festival site and in the Ottawa valley. The split of wristband sales – 44% in advance and 56% on site – is, in our opinion, a further indication of the local/regional status of the Festival.



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**Legend**

- Highways
- Mattawa
- Mattawa Voyageur Days Visitors



58.0 Km

September 2005

**CUSTOMER DISTRIBUTION MAP - MATTAWA VOYAGEUR DAYS  
IMPAGINATION**





## Shared Marketing

As the following map shows, the two Festivals share many common high potential markets. Since both festivals offer a similar product and attract audiences from common markets, it makes sense that future marketing investments should be combined in order to achieve maximum impact for the investment.

The U.S., the GTA and adjacent portions of the Province of Quebec are often identified as strong potential markets for Blue Sky tourism.

In the case of the Region's "general interest" festivals, it is clear that the GTA and southern Ontario do not offer "high potential" markets and should not be targets of marketing investments. The Heritage Festival received contra radio advertising from Rogers in Toronto and other urban centres in southern Ontario. As the data shows, this advertising appears to have had little impact in terms of attracting attendees to the Festival. In contrast, both the Heritage and Voyageur Days Festivals spent money on advertising in adjacent northern communities and this spending appears to have delivered some incremental attendees. Mattawa Voyageur Days also invested in advertising in the Ottawa region and this spending appears to have had a successful spillover effect in Renfrew County (Pembroke and Petawawa).

The number of U.S. visitors in the combined sample for both festivals was insignificant (>0.1%). When you consider that U.S. visitors represent roughly 5% of recreational visitors to the Region, it suggests that U.S. residents have little interest in the Region's festivals.

The number of Quebec visitors in the sample was significant (~2%) and the vast majority of these attendees reside in locations concentrated in the adjacent northwestern portion of Quebec. While the analysis is not definitive, it suggests that Quebec residents from these areas may be good targets for future marketing efforts.



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## Tourism Initiator versus Visit Enhancer – An Estimate

For the roughly 30% of visitors that come from outside Nipissing District to the Festivals, it would be interesting to be able to identify the proportion that attended the Festivals to enhance a pre-existing trip and those that attended as the primary purpose of their visit. As discussed previously, the role of the Festivals as tourism enhancer or tourism initiator is critical to understanding both the Regional impact and the type and level of future marketing investments.

Impagination applied one approach to estimate the tourism initiator versus trip enhancer role of the festivals. **Our approach is not definitive.** It is an estimate that we believe provides a reasonable indication of the role of the Festivals. We also believe that it identifies the most likely markets for visitors whose primary or major trip purpose is the Festivals.



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We compared, by location, the percentage of festival visitors to the average percent of recreational visitors to Nipissing District (2002 to 2004 data). The analysis is presented in the following two tables. Our assumptions are as follows:

- a. If the percent of festival visitors is disproportionately higher than the average percent of visitors from a location (factor  $>120$ ), we assume that some of that difference is a result of Festival visitors whose primary trip purpose or a major reason for their trip is visiting the festival. In other words, the festival acts a tourism initiator for some proportion of visitors from the location.
- b. If the percent of festival visitors is about the same as the average percentage of visitors from a location (factor  $>80$  and  $<120$ ), then we assume that the Festival is simply a trip enhancement for the majority of visitors from that location.
- c. If the percent of festival visitors is disproportionately low from a location, we would say that the festival acts as neither a trip enhancement nor trip initiator.

We excluded Nipissing District itself from the analysis. We have shown that Nipissing District is the primary market for both Festivals. We also excluded census divisions where less than 1.0% of all festival visitors or less than 1.0% of the location of origin of visitors since the small sample sizes could lead to spurious results.

## Heritage Festival

Based on our methodology, the most likely markets for tourists that may initiate a trip for the primary purpose of visiting the Heritage Festival are Quebec, CD 56: Cochrane District, CD52: Greater Sudbury, CD53: Sudbury District and CD54: Timiskaming District.

Table 9 – Comparison of Voyageur Days Attendees to Average Nipissing District Visitor Composition

Rank	CD Code	CD Name	Heritage Festival Visitors (%)	Nipissing District Visits (%)	Factor	Potential Initiator Market
		Quebec	5.0	1.7	294	Yes
5	3556	Cochrane District	9.4	3.3	280	Yes
4	3553	Greater Sudbury Division	24.8	14.8	167	Yes
6	3552	Sudbury District	2.0	1.5	132	Yes
3	3554	Timiskaming District	6.7	5.4	125	Yes
19	3523	Wellington County	1.8	1.5	119	Yes
36	3539	Middlesex County	1.4	1.4	100	
10	3557	Algoma District	2.1	2.2	99	
32	3518	Durham Regional Municipality	2.6	2.6	98	
15	3506	Ottawa Division	4.7	4.8	97	
24	3526	Niagara Regional Municipality	1.9	2.0	95	
8	3547	Renfrew County	1.8	2.0	90	
17	3530	Waterloo Regional Municipality	2.5	2.7	90	
2	3549	Parry Sound District	9.4	10.7	87	
33	3525	Hamilton Division	1.5	2.0	76	
37	3521	Peel Regional Municipality	3.2	4.8	67	
14	3543	Simcoe County	2.8	5.1	54	
45	3520	Toronto Division	4.3	9.9	43	
35	3519	York Regional Municipality	2.9	7.0	41	
		United States	1.2	6.3	19	

In contrast, it appears that visitors from CD 19: York Region, CD 20: Toronto, CD 43: Simcoe County, CD21: Peel Region CD 25: Hamilton and the United States have limited interest in the festivals and it is unlikely that significant numbers of people from these areas initiated a trip for the primary purpose of attending the festival.

As a ballpark estimate of total tourism initiation by the Festival, Impagination assumed that all of “above average” visits were initiated with the primary purpose of attending the Heritage Festival, this would account for approximately 16% of all visitors from outside the Region. In other words, we estimate that less than 1 in 6 Festival attendees who reside more than 75 km from the site, have attended the Festival as their primary trip purpose.



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This calculation is just an indicator and is an order of magnitude estimate of tourism initiation due to the Heritage Festival. However, it suggests that the role of the Festival is local/regional and that the tourism value is as a visit enhancer rather than a trip initiator.

## Voyageur Days

The Voyageur Days Festival displays a slightly different mix of “potential initiator” markets than the Heritage Festival – CD 47: Renfrew County, Quebec, CD 56: Cochrane District, CD 6: Ottawa, CD 30: Waterloo Region, CD 57: Algoma District and CD 52: Sudbury District.

In contrast, the Festival appears to be of limited interest to persons visiting from CD 54: Timiskaming District, CD: 21 Peel Region, United States, CD20: Toronto and CD 19: York Region.

Again, using our ballpark methodology, we estimate that the same percentage – 16% - or 1 in 6 visitors who reside more than 75km from the Festival site initiate their visits for the primary purpose of attending the Festival.



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Table 10 – Comparison of Voyageur Days Attendees to Average Nipissing District Visitor Composition

Rank	CD Code	CD Name	Voyageur Days Visitors (%)	Nipissing District Visits (%)	Factor	Potential Initiator Market
8	3547	Renfrew County	13.7	2.0	681	Yes
		Quebec	6.0	1.7	353	Yes
5	3556	Cochrane District	9.2	3.3	273	Yes
15	3506	Ottawa Division	9.6	4.8	199	Yes
17	3530	Waterloo Regional Municipality	3.7	2.7	136	Yes
10	3557	Algoma District	2.7	2.2	126	Yes
6	3552	Sudbury District	1.9	1.5	121	Yes
24	3526	Niagara Regional Municipality	2.3	2.0	113	
2	3549	Parry Sound District	11.2	10.7	104	
36	3539	Middlesex County	1.4	1.4	103	
14	3543	Simcoe County	5.0	5.1	97	
33	3525	Hamilton Division	1.9	2.0	94	
4	3553	Greater Sudbury Division	12.7	14.8	86	
3	3554	Timiskaming District	3.0	5.4	56	
37	3521	Peel Regional Municipality	2.3	4.8	48	
		United States	2.4	6.3	38	
45	3520	Toronto Division	2.7	9.9	27	
35	3519	York Regional Municipality	1.4	7.0	21	

## Conclusion

The objective of this study is to evaluate the tourism potential of the Region's Festivals. On the basis of the evaluation of the Heritage Festival and the Voyageur Days Festivals, it appears that these Festivals act as enhancements to pre-existing visits rather than initiators of new visits.

Using our estimation methodology, we will assume that 16% of the 36,000 annual recreational person-visits to Nipissing District that include attendance at a festival are initiated with Festival attendance as the primary reason for the visit. This amounts to roughly 5,400 annual incremental person-visits that can be attributed to the Region's festivals.

The evaluation also shows that marketing activities have the best potential to initiate new visits from areas that are adjacent to and just north of the festival sites – possibly including the northwestern portion of the Province of Quebec.

However, the investment in marketing of the festivals **with incremental tourism as the objective** should be approached, in our opinion, with caution. This project does not evaluate the potential community impacts such as retained spending and community involvement.

As mentioned previously, we believe that the “brand building” potential of the Region's festivals is of greater value than the “initiated visits” component of the equation. Therefore, we would suggest that future investments in marketing be evaluated based on a combination of the two criteria – “brand building” potential and the ability to initiate new tourism visits.



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### A Note about the Quebec Market

The sample size for Quebec is too small to conduct meaningful household penetration by CD or CSD. However, for both Festivals, visitors from Quebec accounted for more than 5% of attendees from outside of Nipissing District. This is in contrast to the less than 2% of all visitors to the Region who originate from Quebec suggesting, at the very least, that Quebec residents may show an above average interest in the Region's festivals and may represent a potential market. Of the 115 Quebec households captured in our sample, 64 originated from the rural FSAs "JoX" and "JoZ", suggesting that these rural FSAs could be the target of future potential marketing opportunities.



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## Vertical Markets

“Vertical market” festivals or events are those activities that attract a specific audience that shares a common activity or interest. Examples of the Region’s vertical market events are the North Bay to Mattawa Canoe Race, The Lost in the Rocks and Trees Bike Race, the VMUTS ATV Rallies and the Sturgeon Falls Step Dance Festival.

Our hypothesis, at the initiation of the Study, was that vertical market events are more effective than general interest events at:

- a. Acting as tourism initiators, and
- b. Attracting tourists from the Central Ontario market that is the core of Blue Sky Regional tourism market.



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We received data collected by the organizers of the Canoe Race, the ATV Rallies and the Step Dance Festival. However, the data is a “mixed bag” of postal codes. The Canoe Race postal codes are from the forms completed by participants. The ATV Rally postal codes are from a mailing list aggregated from more than one rally and the Step Dance data is postal codes of RV owners who park in the Festival’s campground. In addition, the number of postal codes is small – Canoe Race (66), ATV Rallies (508) and the Step Dance Festival (876).

The data from these lists suggests that a much higher percentage of attendees (> 30%) come from outside the region when compared to attendees at general interest festivals. It could also be argued that a tourist attending an ATV Rally or Canoe Race, for example, must have the Rally or Race as his/her primary reason for traveling, as the equipment and clothing required is specialized and not easily available for rent locally. The Step and Fiddle “circuit” is well established and there is a strong contingent of RVers that travel the circuit from event to event. Logically, it would seem that the “vertical market” events are better tourism initiators and the data suggests that they are better at attracting visitors from markets other than adjacent northern markets. However, we cannot test this belief based on the available data.