

# **Penticton Wine Country Visitor Centre Evaluation & Recommendations**

March 2016

## **Final**

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## Executive Summary

In light of pending changes to infrastructure, increased technology opportunities and evolving visitor needs, consultant and former Destination BC executive Margaret McCormick was engaged to review Penticton's current visitor servicing operations and make recommendations on future services in keeping with provincial perspective.

An in-depth review and analysis of available research was conducted and key personnel, industry stakeholders and experts were consulted. From the analysis, key findings were developed and commentary on the opportunities along with concrete examples from a variety of jurisdictions is presented.

In addition to general consumer trends which indicate visitors are finding alternative ways to access information, the most critical findings were the rate of visitation decline and the disproportionate budget assigned to visitor servicing with limited measurable return. Counter balancing these findings is the tremendous opportunity for a new and exciting program embracing outreach activities as the operation is founded on excellent customer service staff and a strong co-located partner interested in participating in a restructure.

The result of the work is an overarching recommendation supported by eight key strategies.

**Develop a Visitor Services Strategy that maintains the core function of a bricks and mortar visitor centre and increases reach through a combination of mobile, social and technologies applications.**

### Strategies:

1. Explore the opportunity to develop a deeper partnership with the VQA
2. Increase mobile, street & social media presence
3. Explore technology support systems
4. Transition non-core or duplicative activities
5. Restructure staff management
6. Expand recruitment & training strategy
7. Ensure all activities align with brand
8. Set measurable targets

The success of this approach relies on all partners willing to change the way that business is being conducted and embrace uniquely differentiating roles that will create incremental growth for the destination.

## Project Overview

Penticton has been executing a visitor servicing strategy that was developed as part of the provincial Visitor Centre Network established several decades ago and while it is felt that some elements of the vision may still be relevant, many of the strategies and tactics within the plan need to be updated. A pending location move for the current Penticton Wine Country Visitor Centre (PWCVC) was the impetus for a review of current operations and the development of a new plan in line with the updated provincial mandate. The Network's revised direction presented in October 2015 maintains the importance of consistent service delivery while encouraging communities to expand their operations to address the impact of social media and the opportunity to reach out to visitors through alternative means in addition to traditional bricks and mortar.

## Approach

The City hired consultant Margaret McCormick to evaluate the opportunity and provide expert opinion and recommendations on the following:

- Service delivery approach including potential locations and/or service type
- Viability of wine store as one of or the exclusive bricks and mortar location
- Operating hours and seasonality
- Staffing including potential for volunteer program
- Training requirements
- Transition from the current model

The project was broken into four segments

- *Information & Research Review*
- *Stakeholder Input*
- *Analysis*
- *Recommendations*

## Information & Research Review

A wide variety of information was sourced included all existing historical data for the PWCVC, visitor statistics and profile; a review of fourteen case studies and twenty-eight pilot projects produced by Visitor Centres throughout BC with a focus on modernizing the delivery of visitor servicing.

Case studies ranged from Tourism Langley who have closed their “bricks & mortar” operation and operate solely through social media and a mobile van to Powell River who

implemented roving ambassadors and a mobile unit and maintained a street front. Penticton's pop up information centre executed this summer was also reviewed.

Pilot projects also provided a wide range of new visitor servicing applications including interactive touch screens in Kimberley, Kaslo, Rossland, Nakusp and Prince George.

*"Global Innovative Servicing Project November 2015"*, produced for Destination BC which focused outside of the provincial border to understand how other destinations around the world are evolving their visitor services function was reviewed. Within this document sixty-three communities were explored and twenty-six tourism professionals from all over the world provided input resulting in seventy pages of findings in six broad category areas.

Additional papers and reports including; "Is the Smart Phone Killing the Visitor Centre" submitted to Tnooz, Feb 1, 2015 by Doug Lansky, Tourism Consultant and "The Future of Visitor Services", Bronwyn White, Travel & Tourism Market Researcher, Sydney Australia were reviewed.

The consultant spent 1.5 days in Penticton with Tourism Penticton Executive Director Kelly Hopkins and Visitor Centre Manager Marsha Morrish understanding current business practices and conducted a site visit of the current location as well as other potential locations.

Interviews were conducted with industry & marketing experts:

- Laura Kowalchuk, Penticton Wine Centre Manager
- Kathleen Harvey, Manager Visitor Services, Destination BC
- Karen Tunkara, Manager, Visitor Centres Destination BC
- Miles Prodan, BC Wine Institute
- Kira Howard, Certified Folder Brochure Distribution Services
- Chelsea Stoelting, ReThink
- Nancy Cameron, CEO Tourism Kelowna
- Deborah Kulchiski, Executive Director, Tourism Langley
- Krista Morten, Align Consulting

## **Stakeholder Input**

Phone interviews were conducted with local tourism businesses as identified by Tourism Penticton. Participants were asked six questions focusing on their perceived value of the current operation and what services they would like to see in future. Conversations ranged from fifteen to thirty minutes.

- Lyndie Hill, Hoodoo Adventures
- Gord Ferguson, Patio Burger & Ice Cream (formerly Ramada Inn)
- Miles Karn, TopCat Tours
- Katherine Mackenzie, Red Rooster Winery
- Laura Hunt & Paul O'Beirn, Penticton Trade and Convention Centre
- Heather Glynes, Bench Market
- Sheila Perapalkin, Penticton Sandman
- Chris Bower, former CEO Tourism Penticton & Okanagan Outdoor Adventures

The following is a summary of stakeholder responses. Note focus of interview was on Visitor Servicing and not Tourism Penticton broader marketing mandate:

1. q. Do you find value in the Penticton Visitor Centre?  
 a. *All participants answered yes (anecdotal rather than measured). Quality of staff providing service was mentioned several times and having a bricks and mortar location of some kind was a consistent response.*
  
2. q. If yes, what program or services do you find of MOST value and why?  
 a. *Referrals to business was the most common response followed by opportunity to direct their guests to the VC either by phone or in person to act as a concierge service for further information; great welcoming and representation of the city and region was acknowledged*
  
3. q. What additional services would you like to see?  
 a. *This question provided the most variety of responses ranging from more engagement with businesses at their operations, more participation in fam tours and site visits, greater opportunity for increased cross training, greater collaboration with Penticton Indian Band (retail), extension of outreach programs (some knew about the pilot projects previously executed) and suggested a hotline for industry direct access. Increased site-specific event support programming was also mentioned.*
  
4. q. Do you know how many referrals you receive from the Visitor Centre?  
 a. *Three businesses had a tracking mechanism to understand what business was derived from the Visitor Centre using codes and coupons. One business stated that the VC provided a significant number of referrals and in addition to paid advertising was the in the top two of tracked referrals.*
  
5. q. What type of visitor centre should Penticton have in future?  
 a. *General response was more outreach and engagement with visitors and industry, higher use of social media and digital technology. All acknowledged there is no perfect location and VC likely only serves a small percentage of visitors to Penticton but that a storefront of some*

*kind is important. Discussion with additional stakeholders further supported the need for a bricks and mortar location and acknowledged there are likely many ways to create additional efficiency and to increase outreach. Most mentioned the importance of maintaining the human touch and authenticity of the service.*

6. Does it matter to your business if the new VC is co-located with the Wine Centre?
  - a. *Generally participants liked and understood the value of co-locating with the Wine Centre but had no strong opinion if it continued to do so from their business perspective. Anecdotally it was commented that bringing friends and family to a co-located facility was appreciated and it was speculated that the two services had client synergies.*

Final Comments:

*All were pleased to be asked to participate and concurred that a review of operations with a focus on the future was a good idea.*

## **Analysis**

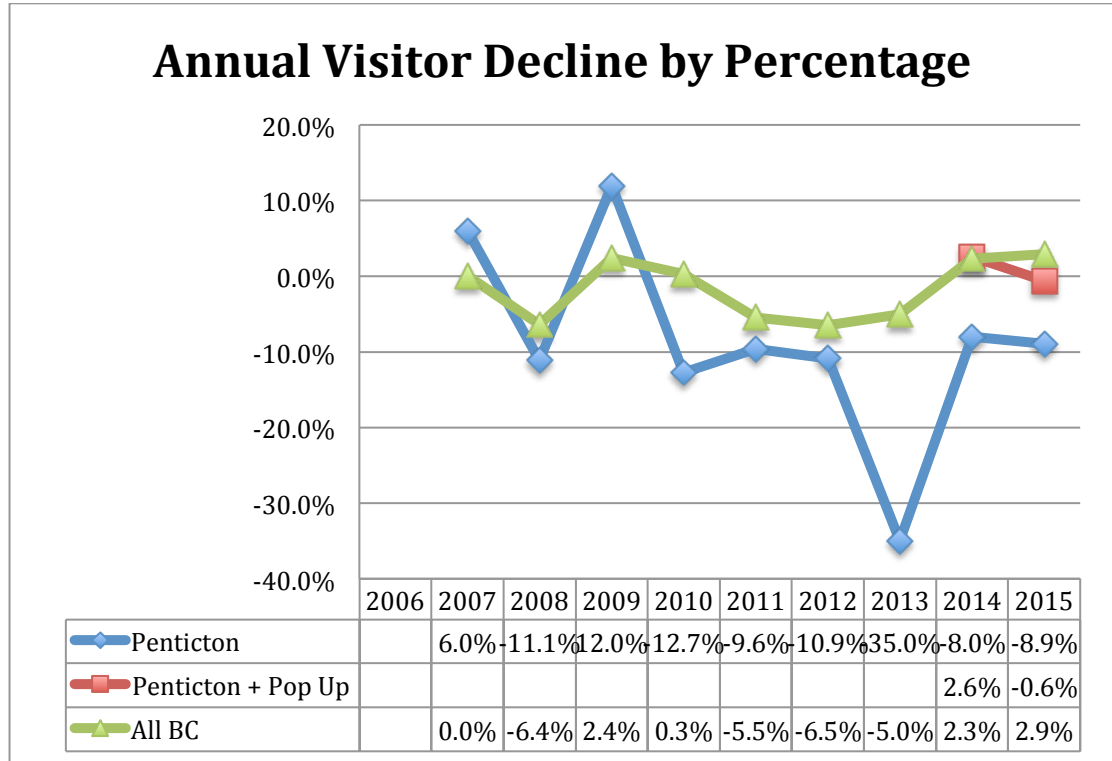
A detailed analysis of historical visitor centre statistics and comparative analysis to aggregated provincial trends and regional operations was conducted. Key learnings from *BC Visitor Centre Case Studies & Pilot Projects* and the *Global Innovative Servicing Project* that matched the Penticton opportunity were identified. A SWOT (Strengths, Weaknesses, Opportunities, Threats) conducted by previous Tourism Penticton management was reviewed and Tourism Penticton's budget for Visitor Servicing was examined. *In Destination Trip Planning Research commissioned by Destination BC 2014* was sourced for foundational information regarding Visitor Servicing and Centre trends.

## **Key Findings from Analysis**

- 1. Visitors to the PWCVC have declined at a rate higher than the provincial average.**

Identified through all research reviewed, visitation to visitor centres worldwide is in decline as visitors find alternative ways to access information. The PWCVC experienced a **44%** decline in visitation between 2010 and 2015 compared to a 16.5% decline provincially. Reviewing overall visitation to visitor centres in British Columbia, the average decline was most noticeable in 2013 (possible correction due to change in management\*) and continued at a significant rate higher than the provincial average in 2014 (Penticton -8.0% BC average +2.3%) and 2015 (Penticton -8.9% BC average +2.9). Fortunately the introduction of the roaming

visitor centre staff at events in 2014 and the pop up visitor centre in 2015 returned visitation decline percentage closer to the provincial average.

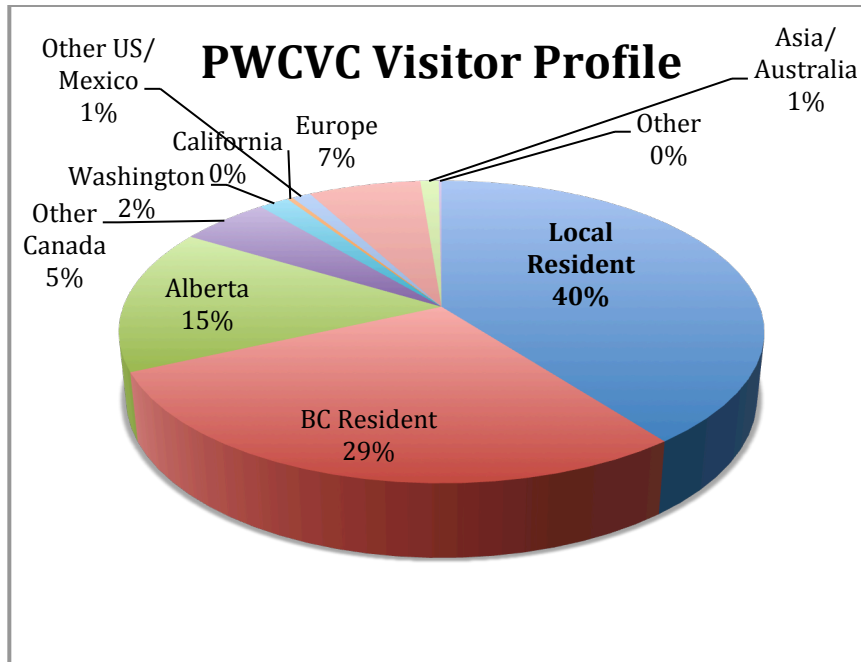


*\*While the consultant is unable to firmly establish reasons, some of the decline may be attributed to the correlation between tracking visitation and funding from Destination BC. However it should be noted that this funding methodology was applied province wide*

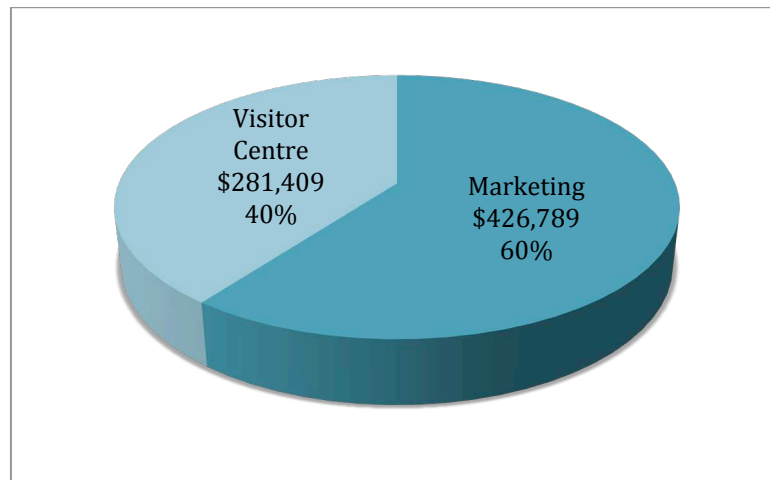
In contrast, the Wine Centre manager anecdotally reported annual growth in business indicating that while visitors are finding other ways to access information, the retail sales opportunity for wine products is growing.

Looking at overall visitation, the PWVCV centre itself (not including pop up) served 31,571 thousand visitors in 2015 with 15,342 (50%) served in June, July & August. This represents a -16.4% decline from the same period in 2014 and the highest percentage of decline for all quarters in 2015.

While overall visitation numbers indicate there remains a viable need for a bricks and mortar location, it is interesting to note local residents represent the highest percentage of 40% of annual visitation. Dependent on the mandate, this indicates the opportunity re-evaluate operation activities.



- 2. Expenses for the Visitor Centre represent 40% of Tourism Penticton Budget and services approximately 23%\* of visitors to Penticton which represents a disproportionate expenditure to visitation.**



Source: Budget 2016 City of Penticton

*\*this number could actually be lower as 23% is the provincial average taken from 2014 "In Destination Trip Planning" research conducted by Destination BC. In another study "The Future of Visitor Services" by Bronwyn Wright average visitation at Eurobodalla, the percentage is quoted as between 5-14%. The consultant found no reports of the actual number of visitors to Penticton to verify.*



The current Visitor Centre budget shows building lease and expenses such as utilities and janitorial is the 2<sup>nd</sup> largest expense at 40% after salaries. This includes a significant space for retail and ticketing services. It should also be noted that within the current model, the City provides free maintenance service and does not collect taxes therefore expense costs are conservative.

Based on the current operation and visitor volume, the average cost per enquiry is \$12.57 (*average costs can be in the low range of \$3 and medium range \$5 to \$7*). One contributing factor could be the high number of operating hours the Visitor Centre is open. If current suite of services offered and volume decline continues, it is expected the cost per enquiry will increase and the visitor centre % of overall budget will increase decreasing the value of overall investment (*based on current rate structure*).

**3. Operating Non Core Programs within the PWCVC take up over 50%\* of staff time and takes a higher priority than visitor servicing.**

*\*Visitor Centre management was asked to approximate the amount of staff time used to support ticket sales. Note this figure is for ticket selling only and does not include time ordering, stocking, conducting inventory or selling of retail, considered for this report a non core activity.*

The PWCVC currently provides a wide range of services with various objectives that sometimes conflict with its primary purpose. The **primary objective** of a visitor centre should be to connect visitors with tourism businesses resulting in extended stay and increased expenditures. Over the past number of years, in addition to providing information, trip ideas and recommendations to visitors, revenue-generating programs were introduced including ticket and retail sales. Observing the Visitor Centre operations for several hours during the site visit, it was noted the extraordinary length of time expended to sell tickets for events including those not taking place in Penticton. One guest was in the centre for over an hour for Vancouver concert tickets (which could be accessed online). Generally staff estimated the average time to sell a ticket could be as much as thirty minutes. The commission to the VC on ticket transactions for Ticketmaster is 1%. While not tracked, it can be assumed that the high percentage of resident traffic (40%) uses the ticketing service.

During the site visit it was also noted and confirmed by management that phone calls and in person visits for tickets take priority, as ticket requests can be time sensitive. It was also noted that there are tickets sold for local productions but each activity has its own method (some manual) and all are time consuming.

It is understood that selling tickets was introduced several years ago by management looking for ways to increase revenue and offset expenses. It is this consultant's opinion that while locals have come to enjoy this very customized service, the time and expense does not support the activity. The ticket sales program is cumbersome, time consuming and returns approximately \$2,000 in gross revenue. Given there is box office service with regular business hours provided at the South Okanagan Events Centre, this service could be considered duplication.

Retail sales of souvenir and other items have expanded over the years and now take up a significant footprint within the centre. The Visitor Centre manager manages inventory and product ordering manually. Retail sales return approximately \$20,000 in gross revenue (not including staff time or operating costs/space).

#### **4. The current value of the co-location of the BC VQA Wine Information Centre and the PWCVC is nominal but has tremendous untapped potential.**

Both Visitor Centre and Wine Centre management were interviewed and asked their opinion on the co-location of services. As previously noted, industry members were also asked their opinion. While there is no hard evidence to support, anecdotally all believe there are synergies with common clients and there is a logical conclusion that because the destination has such a strong wine product, those coming to the centre to buy wine or get information have similar interests.

From an operational perspective, it can be assumed there are cost savings on shared services such as washroom facilities and parking.

This consultant observes that current operations simply share common space with no integrated approach. There are however areas of duplication that if addressed could further enhance operations from both efficiency and customer satisfaction level.

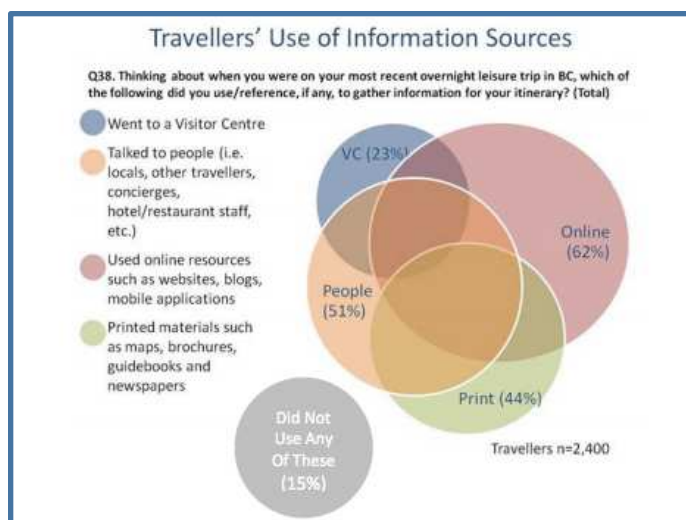
As an example, currently wine staff redirect their customers to the visitor centre when asked about local information including wine touring. This approach requires the visitor to complete their experience in the wine centre then repeat their request to visitor centre staff.

Further areas that could benefit from integration include:

- Retail; display, inventory system, point of sale system, purchasing
- Staffing; management, site staff
- Information display
- Technology

- To meet consumer demand and maximize influence, it is practical that Penticton visitor services expand beyond bricks-and-mortar to take advantage of the ability to connect with visitors via new digital information and servicing opportunities.

“In Destination Research Report” identified that online is the most common information source for visitors while **in-destination**. In fact, 62% of visitors surveyed noted that they gathered information online for their itinerary while in-destination. Talking to people and print publications were also popular sources of in-destination information (51% and 44%, respectively). **Less than 1-in-4 (23%) visitors went to a visitor centre while on their last trip to British Columbia**. This figure is expected to further decline as additional sources of information and technology evolve.



British Columbia Visitor Services  
Research Summary & Situation Analysis, June 2014

## **Social Media**

Being accessible and providing a personalized, human touch to visitors is still essential. But what has changed is how we communicate. With the growing use of mobile devices and social media in daily life, these are often the first place visitors go to when they need information, recommendations, and directions, or to problem-solve on the road. Currently, Tourism Penticton supports its social media activity through its marketing department. Due to operational obligations, the Visitor Services team does not have capacity to support social media. The marketing outreach efforts have a solid foundation regularly sharing beautiful images about the destination targeted to key demographics on their

various channels but there is potential to increase activity should greater capacity become available.

Destination BC has a vision for visitor servicing in a digital world that sees *“the digital visitor to BC supported by a network of customer service specialists to add maximum value to the destination experience”*. Or in other words, leveraging the strength of the visitor centre network to create a “digital visitor servicing network”.

Destination BC is undertaking a Pilot Project in which social media technology enables visitor centre participants to engage with visitors interested in their community and provide digital “concierge” services.

Communities participating in the pilot project:

Vancouver	Whistler
Victoria	Kamloops
Radium Hot Springs	Dawson Creek
Vernon	Langley
Kelowna	Tofino

Tourism Penticton could be well positioned to participate in the next program phase.

### **Mobile**

Moving out into the community to engage visitors is a trend becoming more widely accepted by the Visitor Network and supported by the Destination BC Visitor Services strategy.

In 2015, Tourism Penticton participated in a Case Study funded by Destination BC that reached an incremental 2,172 people in July and August through placement of an inflatable Pop Up Visitor Centre in strategic locations throughout Penticton. This figure represents an incremental 17% in visitor engagement and was deemed a success by the stakeholder. Many lessons were learned and this pilot is a good stepping-stone for future program development.

The twenty-eight pilot projects and 13 other case studies actioned by Visitor Centres throughout BC in 2015 represented a similar range of projects in effort to mobilize visitor servicing into communities and had successful results and a wide range of learnings.

This approach is further supported globally with examples:

**Mobile Visitor Centres:**

*Banff – Lake Louise Alberta, Spokane Washington, Toronto, Ontario, Cape Town South Africa, Eugene Oregon, Arlington Virginia, and Louisville, Kentucky*



*Toronto's "Info To Go" Mobile Units*

**Ambassador & Greeter Programs:**

*Juneau Alaska, Toronto Ontario, Brighton Chester Kent and London England, New York, New York, Salem Oregon, Ireland and Guam*

Locals who love their community are willing to share it with visitors. For example, volunteer ambassador and greeter programs are popular and growing. There are 15-20 Oregon communities in the process of developing greeter programs.

Tourism destinations are also using locals to provide visitors with accurate, detailed and authentic information about their community. More and more, visitors are looking for experiences that are off the beaten tourism track, are personalized and are tailored specifically to them. Programs that engage locals to provide that information respond to consumer demand by providing authentic, personalized advice either on the web during preplanning or in destination. Often called "Ask a Local", these volunteer programs can be highly successful however it must be noted that volunteer recruitment and management is one of the most difficult tasks when coordinating local engagement programs. Oregon has been successful in implementing this program on-line.

Profiles of Ask Oregon expert Amy Whitley.  
<http://traveloregon.com/ask-oregon/experts/>

ASK AN ASK OREGON EXPERT  
<http://traveloregon.com/ask-oregon/question/>

A screenshot of the 'Ask a Local' website. On the left, there is a profile for Amy Whitley, a Southern Oregon expert, with a photo and a short bio. On the right, there is a question box titled 'ASK AN ASK OREGON EXPERT' with a dropdown menu for 'What kind of question do you have?', a text area for 'What's your question?', and fields for 'Email' and 'Name'. At the bottom, there is a small section titled 'Are you a real tourist? We believe you, but...' with a link to 'ASK A LOCAL'.

In addition to increasing the mobility of Visitor Centres through Pop Up Visitor Centres, Mobile and Street Teams, community Destination Marketing Organizations are exploring the use of technology such as interactive kiosks to reach visitors when a human interaction is not possible or cost effective.

Online research shows that kiosks are used in or outside visitor centres and at busy locations throughout the community. Visitor information kiosks were found at destinations worldwide including Africa, Vietnam, Australia, Europe, the United States and Canada. A smaller community may have one or two kiosks whereas larger cities can have a series of 10- 40 kiosks spread throughout the city

Considerations as developed from Case Study and Pilot project key learnings include:

- Lease rather than purchase units. Kiosks like new cars depreciate the moment you take possession and leasing eliminates the need for a large capital outlay.
- Ensure the technology provider is committed to maintenance and upgrades. Nothing worse that “out of order” signs on your marketing and information service!
- User friendly interface is critical – fast and easy or visitors will not use it or worse, use it and have a bad experience
- Repurpose content – any solution considered must utilize existing content and not require customized sourcing which is time consuming and expensive
- Consider the kiosk as an extension of the visitor centre and ensure in design that it must provide that “expert opinion” not readily available on the visitors phone or via “Google”.
- Transaction capability (coupon/ticket/reservation) that can be uploaded to the visitors phone is a value-add service and closes the sale. Printing capability is not recommended
- Make sure any solution provides excellent and timely analytics and provides a way to continue the conversation (email or phone number acquisition)

Tourism Prince George and Tourism Rossland engaged the services of a technology vendor to build touch screen kiosks providing real time visitor information designed to improve visitor experience. Both projects were deemed a success by their organizations and plans are in place to increase and expand the service.

Tourism Golden is conducting research on the value of kiosks and this information will be available within the next few months.



Prince George Digital Kiosk Initiative

Live chat applications are designed to provide online assistance to website users. The software provides instant help to visitors on a website. There is usually a button on the main page that allows people to ask questions of customer service staff. There are a wide variety of software applications and the business model usually involves a monthly subscription rate ranging from \$11 to \$44 per month. Tourism Saint John, NB and Tourism Winnipeg have been successfully using Live Chat on their destination websites for the past several years to provide “Live Concierge” services and feel for the low cost there is a solid return and ability to further connect with the visitor and gain retention. Tourism Langley is poised to roll out Live Chat within the next few months.

If Live Chat is not an option, email online outreach is the simplest way to further engage visitors and is predominantly used during the pre-planning stage. Ensuring the destination website is fully operational and inviting to visitors to ask questions is important and personalizing the experience often increases engagement. Tourism Chilliwack and Tourism Langley are two good examples of personalized email outreach offers.

## **6. Penticton geography determines there is no “perfect location” for an iconic visitor centre.**

When evaluating visitor servicing, every destination marketing organization strives to find that perfect spot. The one that effortlessly receives high volumes of the right kind of visitor primed to be influenced to participate in all the great tourism products the community has to offer. This perhaps is the single most difficult decision and every community struggles with it.

- a. To be on a highway or main corridor where the greatest traffic volume exists? Lots of volume but often not the right kind. Merritt is probably the best example of potential for a great location but the visitor is not the right kind. That visitor centre has resulted in extremely high cost in providing rest area services and very low return to regional and provincial tourism and provides virtually no return to the local community.
- b. To be downtown in the heart of the community? Many communities have many hearts and while the downtown is a central location, it is not always the best for visitor servicing due to lack of parking, access, high cost of facilities. Visitors have many opportunities to ask questions of store, hotel and restaurant staff and often don't feel the urgency to use a visitor centre.

Penticton's geography clearly provides a challenge in site selection. Visitors cluster in several areas on and between Skaha and Okanagan Lake. In reviewing multiple potential locations it was difficult to identify one that is the sweet spot. For Penticton, the opportunity to change the model from one central location to a type of hub and spoke approach appears most effective.

In this model, a smaller more efficient bricks and mortar visitor centre location is chosen and satellite operations in key locations and in many forms augment the service.

## **7. Rebranding exercise is timely**

In light of the upcoming merge of Tourism Penticton and the Penticton Hospitality Association, the two groups decided to move forward with some help from a creative agency. ReThink from Vancouver has been hired and is working on new positioning and branding. The Visitor Centre needs to align with this new brand, and depending on the outcome of the decision where to relocate could also need to consider branding with the wine centre and the casino.

Furthermore, there is tremendous opportunity to extend the new brand outside of the bricks and mortar facility through outreach engagement activities.



## **8. High retention staff with good skills can be better utilized**

Online reviews such as Trip Advisor indicate staff at the Wine Centre and Visitor Centre provides excellent service (these services are not seen by visitors as mutually exclusive). Both managers interview indicated the importance of a strong customer service culture. Staff retention rates are good with many staff returning for multiple seasons and this has been noticed and appreciated by industry. This is a fabulous foundation to work from.

On the flip side, focus of effort is on visitors to the centre and on non-core activities leaving no time to provide support to the marketing team in terms of responding to the growing need within social media or other opportunities including outreach engagement. The learned expertise within the Visitor Centre needs to be capitalized on which will likely require additional training and may alter the recruitment strategy.

## **9. Partnerships are key to success.**

Development of partnerships to deliver consistent visitor information and services is essential. The operating costs of a stand alone Visitor Centre exceed the return on investment and there are many other viable options that can reduce duplication and extend reach. There is potential to explore partnerships to deliver connectivity, access software, change distribution methods, provide mobility and collaborate in service delivery.

Partnerships continue to be a driving force for visitor services. As identified in “Global Trends in Visitor Services”, two of the most common kinds of partnerships include those where:

- ✓ Visitor centres share a location with another organization. These partnerships are popular because they share infrastructure costs, draw more visitors in to the space and are convenient for visitors, and
- ✓ Visitor services staff work with software businesses to provide digital information for visitors.

A visitor centre does not necessarily have to be the anchor tenant. A collaboration between Macy’s Herald Square store and New York City resulted in a brand new state of the art Visitor Centre within the store that has the opportunity to reach Macy’s 6 million visitors.

Visitor Centres can also be extended via partnership to other businesses. In Vermont, an Ambassador program has over 50 private sector businesses

designated as Ambassador Information Centres who after going through a training program are certified and branded to provide travel information and assistance to their customers.

From a technology perspective, Travel Oregon works with Trip Advisor, Google Field Trip and Roadtrippers.com and NYC & Company partnered with Google Maps to power the Visitor Center's interactive kiosks map and directions function, providing tools for visitors to more easily navigate the City.

Early to market launched in 2013 and something to monitor, beacon technology (low energy transmitters that emit a signal that interacts with a mobile device when within range) is being tested in a number of tourism destinations most recently Queensland Australia who installed 150 i Beacons at airports, visitor centres, parks and attractions.

## Recommendations

There is excellent opportunity to revise operations to be much more effective. Declining visitation with an over valued percentage of local resident use combined with increased and disproportionate expenses offset marginally by programs not part the organizations mandate indicate a real need for change.

### Overarching Recommendation:

**Develop a Visitor Services Strategy that maintains the core function of a bricks and mortar visitor centre and increases reach through a combination of mobile, social and technologies applications.**

### Strategies to Achieve:

#### 1. Explore the opportunity to develop a deeper partnership with the VQA

Recent developments with changes to VQA licensing have opened the door for dialogue with the BC Wine Institute and BC Liquor Board to explore a deeper collaboration and integration of services between the Wine Store and the Visitor Centre previously not possible due to legislation and differing mandates.

With the introduction of the new Cascades Casino project, The BC Wine Institute is interested in expansion to further showcase wine and culinary offerings rather than simply replicating their current operation. The following is taken from a paper crafted in 2007 and is the foundation for the concept.

*“Develop a flagship facility designed to promote and embody the physical and cultural experience of wine country, highlight the economic health of the province’s wine, food and agri-tourism industries, and provide a destination spot for local consumers to learn about, taste and celebrate what the region has to offer”.*

Already listed as the “#1 thing to do in Penticton by Trip Advisor” a flagship facility providing an even wider variety of programming will be a further draw and could easily expand its services to provide seamless representation on all aspects of the destination and the wine sector. Destination information in the form of publications and displays (including digital) could be incorporated into the overall footprint (rather than separated as they do now) and staff schedules could be integrated to ensure that operational objectives are properly supported. This location would act as a hub for Tourism Penticton programming but by adjusting onsite staff presence makes way for increased mobile and social media activities. This opportunity supports the natural synergies already identified by the partners and stakeholders, reduces duplication and increases reach.

Retail would be centralized and managed by the Penticton Wine Centre expanded their current selection to include local souvenirs and memorabilia and magnifying

the new brand. Retail could also include a greater representation of First Nations art and product.

This concept is in the early exploratory stages but has the positive endorsement of the BC Wine Institute who has had initial discussions with Gateway Casinos.

## **2. Increase mobile, street & social media presence**

Expand on the success of the first Pop Up Mobile Visitor Centre by increasing hours, locations and approach. In a second phase, explore feasibility of a partnership to provide a branded and sponsored mobile visitor centre (likely phased in once branding is completed) to provide additional presence and season extension.

Purchase a second tent and mobile equipment to double exposure and allow for one at each end of town and at events (Farmer's Market, Gran Fondo etc.).

Beyond the Mobile Visitor Centre, create a Street Team (branded name to come) who will visit Penticton tourism businesses reaching out to guests to provide concierge services as well as social media content on the experience.

For example, the Street Team staff person visits Penticton's new climbing wall, chats with a family enjoying the experience and offers to provide information on further activities in the area. From a tablet, the Street Team staff sources bike rentals and makes the reservation, takes a photo of the family, tags it with the business and Penticton marketing hash tags and sends it out through social media.

Participate in Destination BC's Digital Visitor Servicing strategy to harness extensive visitor servicing experience across social media channels.

Increase social media presence for events by reaching out to delegates pre event to offer concierge services. Work with event planners to engage delegates and provide support.

## **3. Explore technology support systems**

When implemented correctly, digital technology has the potential to be an affective and efficient way to provide information and content as well as extend brand. This strategy requires considerable research and evaluation outside of contract scope but has the potential to increase engagement and extend reach..

### *Kiosks*

There are many companies who provide this service and further investigation is required to determine the appropriate solution for Penticton. Should the integration between the VQA and the Visitor Centre take place, an effective kiosk

could be of great benefit providing general information to visitors while staff are engaged in detailed enquiries and sales.

Additional locations could include the Airport and the Event Centre. Depending on the solution and the package, stakeholders may be interested in hosting.

As previously noted, research underway in Golden may provide some further insights

#### *Reservation & Activity Ticketing Systems*

While the majority of visitors to Penticton have already made their accommodation reservations, there may be the opportunity to provide activity bookings on behalf of stakeholders. It is recommended however that the process to manage and select a system be the responsibility of the private sector and Tourism Penticton does not enter into any development or management of a system. Rather, should the private sector provide a solution that represents multiple stakeholders, Tourism Penticton could consider using the application to close the sale and as a result increase efficiency and customer/stakeholder satisfaction. During stakeholder interviews two systems were identified as under development.

Used by Top Cat Tours and Landsea Tours, Zau Software <http://www.zau.com/> provides the ability to book transportation, tour and ticketing capability. Okanagan Adventures <http://okanaganadventures.com/> is also developing ticketing software and Rezgo <https://www.rezgo.com/> is a Vancouver based company who provide ticketing to a wide variety of clients throughout North America.

This may be an area for new partnerships with existing providers.

#### *Live Chat*

While the scope of this project was for in destination visitor servicing only, this consultant felt it was useful to offer this recommendation as it not only provides proactive visitor engagement but also is a service that could easily be provided by the Visitor Counsellors, especially in the off season when in destination traffic is low and visitors are actively trip planning.

#### *Ask a Local*

Also out of scope for this project and a significant investment in time and resources, this program could have some excellent returns and could be considered in a future phase.

#### **4. Transition non-core or duplicative activities**

Transition ticket sales to another supplier. For the staff time and minimal return, there is a negative return on investment. To reduce local resident angst another

vendor should be sourced. It is noted that a box office with regular business hours already exists and the South Okanagan Events Centre.

If the partnership between the VQA and the Visitor Centre continues, transfer retail responsibility to VQA. While it is acknowledged that retail brings a financial return to the Visitor Centre, the time, space and effort required takes away from activities that could have a better return to building tourism business and the VQA is better positioned to operate that program.

Brochures will continue to be a good source of information for visitors but the maintenance, storage and management is costly and time consuming. Decrease out of region brochure display and explore 3<sup>rd</sup> party contract for brochure distribution to reduce time and space requirements. Certified Folder Display Service <http://www.certifiedfolder.ca/> currently provides brochure distribution in at several locations in Penticton and initial discussions with them indicated an interest in providing distribution services. The concept would be that CFD would provide complimentary storage, inventory and stocking in return for racking space for their clients. The British Columbia Visitor Centres and BC Ferries are two of Certified Folder Display clients.

#### **5. Restructure staff management**

Currently two Managers operate independently with little collaboration or integration run the VQA and the Visitor Centre. It is recommended that responsibilities be redistributed to reduce duplication and provide strategic direction for both operations. The VQA Centre Manager could oversee onsite operations with a major focus on product sales and off season in-store visitor counselling. The Visitor Services Manager could oversee peak season visitor counselling and mobile operations including pop-up, vehicle, street teams as well as manage social media and content development in the off season. Details on specific areas of responsibility to be determined.

#### **6. Enhance recruitment & training strategy**

As the Visitor Services role will be much more proactive and engaging, the current recruitment strategy may need adjusting to find staff who are comfortable in approaching strangers and conversation starting. In addition to the traditional recruitment sources such as tourism program students and summer students, drama students who are trained to tell “stories” and create “personas” are a possible source for staff. Recommendations from *Tourism Squamish’s Street Team* project included *“Recruit, hire and retain highly motivated, self-starters with an entrepreneurial skill set and allow them to take the lead and ownership of the project. Must be outgoing!”*

Develop a cross training program with VQA staff. All basic training for both operations should be consolidated to optimize resources and expand reach.

Get staff social media savvy. While Destination BC's Digital Social Media strategy will provide some training, getting ahead of the curve and ensuring that staff are comfortable and knowledgeable in social media is important and should be considered when recruiting.

## 7. Ensure all activities align with brand

It is paramount that all activities support the new brand. For example, as learned in the Tofino and Powell River case studies, – a mobile solution needs to be more than a wrap with a logo but must reflect the brand in its entirety. Tofino's mobile centre is a retrofitted VW Volkswagen Van named Chestervan (Chesterman Beach is one of the local iconic beaches) and the van reflects Tofino's persona of laid-back surfing and chilling environment.



## 8. Set measurable targets

One of the challenges in the project was the lack of measurable data. Changing the model from reactive to proactive also changes performance metrics, or in this case need to be defined and executed. Currently the PWCVC statistics form the basis for targets and numbers are dependent on visitation to the centre of which the VC really doesn't have any influence. In a proactive engagement model, staff must outreach and the ability to influence is significantly increased based on the extent to which staff are comfortable engaging visitors. It is recommended that targets for outreach (per hour, per day) be developed.

The key purpose of visitor servicing is to influence visitor behaviour resulting in extended stay and expenditures. While the actual influence value can be complex to measure, connecting the experience at the visitor centre with the participation in destination activities can be tracked. Stakeholders reported interest in greater measurable engagement such as the visitor centre distributing introduction cards (discounts etc.), "Show your Badge" programs for event delegates.

#### Overall Visitor Servicing Measurements:

1. Volume – number of engagements (visitor centre, social media, mobile, email etc.)
2. Satisfaction – did the visitor receive what they were looking for (benchmark) and more (elevation/influence goal)?
3. Profile – who is the visitor servicing program targeting? (increasing % of visitors vs. resident engagements)
4. Cost per enquiry - current operation cost per enquiry is approximately \$12.57. Increasing volume and decreasing expenses will reduce this cost.
5. Net Promoter Score – this is a relatively new measurement and was introduced by to the industry in BC by Destination BC in their 2014 Corporate Strategy <http://www.destinationbc.ca/Resources/Monitoring-and-Evaluation/Net-Promoter-Score.aspx>. The Net Promoter Score is a simple metric that helps organizations monitor the engagement of their customers. It reflects the likelihood that customers will recommend a product/company/place to friends, family or colleagues and fits well within the context of the tourism industry. Within the next few weeks, Destination BC will be releasing two pieces of work; Introduction to Net Promoter Score and How to Measure Net Promoter Score in BC Communities. Should Penticton execute a NPS project, including Visitor Servicing measurements in NPS research is advised.

#### Timing & Transition

Key to this strategy is the adoption of a new partnership with the BC Wine Institute and the Penticton VQA Society. It is recommended that discussions begin immediately to determine if the concept in principle is acceptable to the parties.

A memorandum of understanding or letter of intent will need to be drafted outlining the roles and responsibilities of each partner.

The interim solution provided by Gateway for a new location this summer for both the wine store and the Visitor Centre provide the opportunity to “test” this concept more fully acknowledging there may be limitations in the short term. The majority of strategies 2, 4, 6 and 8 can be activated this summer with some adjustments to current operations. It is understood that the interim location will be provided rent-free allowing a greater opportunity to re-direct resources.

A detailed budget for the envisioned outcome needs to be developed.

Depending on timing of the brand work, Strategy 7 will be implemented as new programs are introduced (i.e. mobile execution).



Strategy 3 is a mid term project to which research can begin as soon as resources are allocated with the goal of activation next spring.

All strategies should be in place in time for the opening of the new facilities in March 2017.

**Key Milestones**

Interim Plan for 2016 is developed and approved	May 2016
Draft three year Strategic Plan including budget is developed	May-Sept 2016
Communication Plan is developed and delivered	June 2016, Fall 2016 & Spring 2017
New programming tested	Summer 2016
Testing evaluated and results form basis of final Strategic Plan	Fall 2016
Strategy is approved, Partnership is approved	Fall 2016
New build complete, new operation commences	Spring 2017

**Options**

Should the full value of the opportunity defined in Strategy 1 not be realized, it is recommended the visitor centre continue to operate with the VQA and attempt to eliminate areas of duplication and non core activity while transitioning to an outreach strategy.

Prior to learning of the BC Wine Institute’s interest in expanding their operation, the determination was made that co-locating with the VQA was in the best interests of all stakeholders. This recommendation is made due to the synergies of the two operations and the value the VQA brings as the anchor tenant which provides the Visitor Centre the greatest flexibility to transition as consumer trends continue to migrate to alternative models.

A secondary but less viable option is to co-locate within other tourism businesses. Criteria for success with this model would be to ensure that the Visitor Centre is not the anchor tenant but rather rents space that can be scaled as necessary and that it is a financially viable alternative not requiring the VC to participate in projects that could be considered out of scope.

Considered was the option to co-locate with the Penticton Trade & Convention Centre, Library/Museum or the Art Gallery. Over the next ten years the City of Penticton Facilities Master Plan, Phase 2 identifies the need for massive upgrades and possible consolidation. Due to the extended length of the project and multiple unknowns as well

as the need for a timely solution, the consultant was unable to properly evaluate these as viable alternatives.

This consultant does not recommend a stand-alone Visitor Centre bricks and mortar operation in any circumstance.

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While perhaps a bit extreme in his thinking, final comments quoted from a recent article authored by tourism consultant Doug Lansky on the viability of stand alone Visitor Centres.

*Cities and regions keep building and maintaining tourist offices and visitor centers, but do these buildings serve a necessary function, especially in urban areas? Or are destinations just running them out of habit? ...*

*...If the tourist office is not a destination-driver, nor a top experience, nor a necessary resource for sharing information ... how important is it? In fact, if we hadn't invented the tourist office concept before, would we be able to justify creating one today?*

## SOURCES

### Destination BC

1. Visitor Services Network  
Consultation Evaluation  
Phase II: Summary of Consultation Session Findings  
Overall Community Review June 2015
2. Global Trends in Visitor Services  
Visitor Services Network November 2015
3. Case Studies & Pilot Projects 2015
4. In Destination Trip Planning  
Research Summary and Situation Analysis June 2014
5. Visitor Network Statistics Program 2010-2015 Annual Data

### Tourism Penticton

1. Tourism Penticton Budget 2016
2. SWOT Analysis (date unknown)
3. Penticton Pop Up Visitor Information Centre Case Study 2015
4. Schedule A Visitor Information Services Agreement with City of Penticton
5. Penticton Visitor Centre Statistics

### Other

1. Destination Marketing Organization Websites  
Travel Oregon  
Tourism Winnipeg  
Tourism Toronto
2. Articles  
Is the Smart Phone Killing the Visitor Center?, Doug Lansky, Tourism Consultant, Tnooz, February 1<sup>st</sup> 2016
3. Presentations  
The Future of Visitor Services  
Bronwyn White, Travel & Tourism Market Researcher, Trend Watcher, Futurist, Sydney Australia November 23 2015