

To: Board of Management

From: Jennifer Tracey, Senior Director
Marketing, Communications & Partnerships

Subject: **2015 ADVERTISING EXPENDITURE**

Date: 2015-04-02

Summary:

This report outlines the proposed media plan and expenditures related to the 2015 advertising campaign as provided for in the 2015 Operating Budget. The paid advertising will complement the public relations and event strategy to ensure we are reaching our target audiences in the Greater Toronto Area and beyond, and that we are communicating the right messages.

Recommendations:

It is recommended that the Board approve the following:

- 1. Expenditures to reimburse Cundari Group Limited for any outsourced production costs related to advertising programs as required for the Zoo brand, not the production of creative as required for the promotion of the Zoo brand, not to exceed \$229.0 thousand, plus HST; and,**
- 2. Expenditures with ZenithOptimedia Canada Inc. for media purchases related to the 2015 advertising campaign, not to exceed \$956.0 thousand, plus HST.**

Financial Impact:

There are no financial implications related to approval of these recommendations as the related advertising expenditures are included in the Operating Budget for 2015.

Background:

The Toronto Zoo set out the following strategic objectives to drive the Marketing, Communications & Partnerships planning for 2015:

1. Meet or exceed 1.4 million visitors with a positive net revenue;
2. Highlight the Zoo as a 'must-see', fun and engaging experience for all ages with a particular focus on new exhibits and events;

3. Highlight the work the Zoo does to save and protect species, particularly Canadian species, and their habitats at home and abroad through conservation, education and research programs;
4. Engage and leverage partnerships (including city, Pan Am/Para Pan Games, tourism outposts and public and private);
5. Continue to build a strong public relations and social media campaign to attract visitors from Toronto and beyond.

Each year, the Toronto Zoo endeavours to maximize the advertising budget with the greatest reach to our identified target audience. In 2014, based on information from our onsite visitor survey and postal code data collected from our visitors we are able to better target our key market segment. In 2015, with updated and more robust information, we will not only utilize the data from the visitor survey and postal code information but also leverage the Pan Am/Para Pan Games and a new temporary exhibit at the Toronto Zoo to reach our attendance and revenue targets. Our attendance target will be achieved in a number of ways including through the annual advertising campaign, consumer and visitor promotions, membership acquisitions, torontozoo.com, social media platforms, Toronto Zoo publications and collateral, media and corporate partnerships, education programs, public relations, special events and exhibits.

The annual paid advertising campaign will be integrated with the communications and public relations plan to support the strategic objectives and will include television, radio, out of home, online, print, social and digital media as well as leveraging our partners to promote and market the Zoo and continue to promote the Giant Panda Experience.

Target Markets:

Attendance to the Zoo in 2014 was strongly local with 58.0% guests coming from the City of Toronto and the surrounding Greater Toronto Area. In 2014, 27.6% of total surveyed are from the City of Toronto, with Scarborough residents representing 40.2% of the total from the area.

The Greater Toronto Area is defined as the central City of Toronto, and the four regional municipalities that surround it:

1. Halton – including the city of Burlington, and the towns of Oakville, Milton, and Halton Hills;
2. Peel – including the cities of Brampton and Mississauga, and the town of Caledon;
3. York – the regional municipality from Lake Simcoe in the north to the city of Toronto in the south. Its eastern border is shared between Durham Region, to the west is Peel Region, and Simcoe County is to the northwest;
4. Durham – the regional municipality located in Southern Ontario, east of Toronto including the Cities of Oshawa and Pickering, Towns of Ajax and Whitby, municipality of Clarington, and townships of Brock, Scugog and Uxbridge.

Excluding guests from the City of Toronto, over 30.4% of the Zoo's guests come from the various cities surrounding the City – making up the GTA with Durham having the highest percentage of visitors with 11.5%, followed by York at 8.9%, Peel at 6.4% and Halton at 3.5%.

Visitors from outside the GTA, but from Ontario account for 24.6% of visitors with the top communities being Stoney Creek, Hamilton, Port Perry, Penetanguishene, East Gwillimbury, Uxbridge, Alliston, Innisfil, Orangeville, Collingwood and Wasaga Beach at 22.2%. Ottawa, Nepean, Kanata and their surrounding areas make up 20.9%.

In total, 82.6% of 2014 Zoo visitors came from Ontario. A total of 6.8% (5.8% in 2013) are from outside the Province of Ontario with the top three provinces being Quebec at 44.0%, followed by Alberta and Prince Edward Island, both at 11% while USA residents accounted for 4.9% of visitors and international residents accounted for 5.7%.

Target Audience:

While the Toronto Zoo certainly appeals to a broader audience, our target audience continues to be young families with children under the age of 12. The parents are typically 24 – 44 years of age with children ranging in age from 3 – 12 years. The mother continues to be the key decision maker/influence for a zoo visit and moms are motivated to visit the Zoo primarily because it is a family outing (58%), followed by seeing a special exhibit (18%). Of those 18% who indicated a special event/exhibit as the main reason for a visit, 88.0% of them identified the giant pandas as the main draw

Word of Mouth

In 2012, word of mouth was noted by only 5% of our visitors as a source of influence in the decision to visit the Zoo. This increased to 22% in 2013, and in 2014, 'word of mouth' overtook the mainstream medium of television as the most influential information source at 35%. This continues to be a very important area for us as we know if we provide an excellent visitor experience this will influence their friends and families to visit the Zoo. We will continue to contribute to a positive visitor experience by hosting special events on site this year including Easter activities with Parks Canada, Mother's and Father's Day activities, animals days, giant panda birthday parties, Halloween and holiday events as well as member only events. Building on the success of our onsite programs, this year we will pilot a new project with the introduction of the "Zoo Crew." This team will ensure continued customer satisfaction on Zoo grounds by engaging our guests with games and fun and educational activities that will appeal to visitors both young and old.

Marketing, Communications & Partnerships – 2015

Due to the weather forecast for January and February we did not execute a paid advertising campaign. Instead, we focused our efforts on earned media opportunities to keep the Zoo top of mind and we had considerable success with this approach. In January we celebrated the one-year birthday of Nneka, our baby Western lowland gorilla with a media event in advance of her actual

birthday. Also, at the end of January we held a joint news conference announcing a collaboration with Crime Stoppers, the Ministry of Natural Resources and the Zoo to bring attention to the illegal activities in the turtle trade. These two events as well as our weekly media send-outs generated an earned media value of over \$275,000 with a circulation of 18.9 million readers.

In February we focused on raising awareness to the plight of polar bears with several onsite events including a 1k and 5k walk/run through the Canada Running Series called *Move your Paws for the Polar Bear Cause*. We also said goodbye to Humphrey with a media event that included a visit from His Worship, John Tory, Mayor of Toronto and Councilors Paul Ainslie and Raymond Cho. We also celebrated the birthday of Hamlet, the world's oldest wombat. Our earned media for February was \$219,000 with a circulation of 7.5 million. The Toronto Zoo also participated in an offsite opportunity with the Toronto Symphony Orchestra's "*Musical Antics with Animals*" performance. The Zoo brought the giant panda mascot and an interpretive station to the lobby of Roy Thompson Hall to educate attendees and Zoo animals were also featured in the musical performance.

In March our efforts were focused on ensuring the Zoo's March Break activities were promoted through a number of channels including digital ads with the Toronto Star on www.thestar.com and taking advantage of the kids 12 and under ride free on the TTC with the Zoo being promoted on TTC monitors throughout the GTA. As well, we worked again this year with Disney to promote their new movie called *Monkey Kingdom* with a one minute video promotion in Cineplex theatres across Canada featuring Maria Franke, Curator of Mammals educating the audiences on monkeys and the role the Toronto Zoo plays

Media Partnerships

The Toronto Star has been the official daily newspaper of the Giant Panda Exhibit since 2013. We are confident we will continue with our media partnerships in 2015 and are grateful for the extensive support from the Toronto Star and CTV Toronto/Bell Media. We will continue to pursue these media partnerships as well as identify additional partnerships to support our campaign and target markets.

Hotel Partnership and Consignment

After a competitive process, the Delta Toronto East was chosen as the Official Hotel of the Toronto Zoo. In 2015, we are working with the Delta Toronto East to promote Zoo packages to tourists year-round as well as visitors staying at the hotel during the Pan Am games. As the largest hotel closest to the Toronto Zoo with a lot of amenities that are very appealing to families, the Delta Toronto East is very well positioned to promote a Zoo visit to their guests as a high volume of their visitors arrive by car and can easily drive to the Zoo. In addition, the hotel promoted a March Break/Toronto Zoo package as well as promoted our daily March Break activities to all of their hotel guests.

We are also working to enhance the consignment ticket process to encourage more hotels in the GTA to promote Toronto Zoo ticket sales. Hotels that participate in our program receive 20% off regular price admission.

Reaching Students and Promoting Field Trips

The Toronto Zoo's Great Lakes and Aqua Links Programs are two excellent programs that go into elementary school classrooms to promote conservation initiatives. In 2015, each student who participates in one of these programs will receive a coupon for a free visit to the Zoo to thank them for their efforts to save and protect wildlife and their habitats. More than 18,000 students participate in these programs and are already keen about protecting biodiversity. We continue to work closely with the Education Branch at the Zoo to promote field trips to elementary and school age children through revised brochures, prominence on torontozoo.com and support for the Teachers' Appreciation Days which are held twice a year (spring and fall).

The Marketing, Communications & Partnerships Division continues to support the Zoo's Education Branch with a newly designed school programs brochure, high profile placement on torontozoo.com and new materials will be developed to promote the new temporary exhibit as a great field trip destination. The Zoo will also be hosting two Teachers' Appreciation weekends in the spring and early fall where teachers can visit the Zoo for free to see firsthand the learning opportunities for their students and how a field trip supports the curriculum being delivered in the classroom.

Public Relations and Events

We will continue to support and promote a year round calendar of events onsite and offsite that fit into the following four categories*:

- Conservation – event supports a conservation program or activity (i.e. Cheetah Awareness Day, Red Panda Day etc.)
- Added value – event or activity that complements our existing offerings at no additional cost to the visitor and may increase attendance (Kidomo Saturdays)
- Revenue generating – Zoo events that are an additional or special ticket price on top of admission (Members' Christmas party, Oasis Zoo Run, Move Your Paws), corporate or private events, or third-party events hosted at the Zoo (Cystic Fibrosis Walk, CIBC Run for the Cure)
- Increased attendance – events hosted by the Zoo with a discounted promotion to encourage attendance (Valentine's Day, Family Day Weekend, Boo at the Zoo, Seniors' Day, Remembrance Day, Treats Walk, etc.)

*Some events may fall into more than one category.

We are very excited to have a partnership with Kidomo this year which will provide the Toronto Zoo with nineteen days of activation with some of the most popular children's programming including SpongeBob, Spiderman, Captain America, My Little Pony, Thomas and Friends and

many more. These activations will take place on every Saturday during the summer as well as Father's Day, Halloween and a special activity centre during our holiday events around Christmas.

Augmented Reality Experience Special Exhibit

In the fall of 2014, Toronto Zoo staff began researching temporary exhibits to enhance the visitor experience. We wanted to ensure this experience would not only complement our existing exhibits and programs, but also appeal to a new demographic of visitors including individuals who will be travelling to Toronto for the Pan Am and Para Pan American Games, (which are expected to attract more than 250,000 individuals in July and August of 2015). Additionally, the Toronto Zoo Board of Management recently approved the new 2015-2020 strategic plan that defines the new direction that we will be taking as an organization. Within this plan is a strong emphasis on strengthening our role as a true conservation-based organization and the importance of species preservation methodologies to ensure that we are protecting wildlife and the spaces they inhabit. We also had to ensure that any new special exhibit allowed us to clearly communicate this messaging and provide educational opportunities for our visitors.

We strive to provide experiences that engage our visitors and that will also be attractive to a young audience, as we want to ensure that we are providing educational opportunities that will resonate well with this demographic. Additionally, we wanted to utilize this temporary exhibit to help us also attract individuals who do not necessarily fall within our "typical" visitor demographic. We also wanted to find a 'Canadian first' that would set us apart from other Toronto attractions and elevate the Zoo to a new level as a 'go to' destination.

We have identified a potential new temporary augmented reality exhibit and are currently exploring the opportunity to be the first venue in Canada to host this unique experience. This innovative technology combined with an educational photography exhibit and hosted on the Zoo site, where visitors can see live animals that they have just interacted with through the augmented reality experience, will help to create a truly unique and integrated visitor experience. There is no better way to bring attention to these incredible species than demonstrating to our visitors the juxtaposition between photographs of animals taken in the wild and the Augmented Reality presentation, which will illustrate that if humans do not act now to protect these animals and their habitats, this technology may be the only way for future generations to see wildlife, providing our visitors with the stark realities facing endangered species today.

Pan Am/Parapan Am Games

With Ontario hosting the largest sporting event ever held in Canada in the summer of 2015, the Toronto Zoo is well positioned to ensure we are top of mind for visitors coming to the GTA from around the world.

Beginning in April, the Zoo will be represented at the Toronto Attractions Council event called Toronto Attractions Marketplace which is in partnership with the City of Toronto and Tourism

Toronto. This event is a key opportunity to promote attractions and to connect with a large number of the tourism information providers in the City (including hotels), particularly in advance of the games. We will also be promoting the Zoo's hotel consignment program.

Just prior to the games starting, the Toronto Zoo will be one of the locations for the Torch Run on 2015-07-05. We are planning a day of activities at the Zoo to maximize this opportunity.

During the games, we will have a presence at the Athletes Village, media centre and we will also be working with Tourism Toronto as they promote Toronto attractions to visitors. The Toronto Zoo will be one of only a few attractions featured on an exclusive map being created by the City of Toronto specifically for the Pan Am Games and will include a discounted admissions offer to encourage attendance to the Zoo. We are also participating in the Minicards Program which will be available at more than 135 hotels in the GTA as well as some municipal venues. While the CN Tower is the only official tourism partner for the Pan Am/Para Pan Am Games, the Toronto Zoo participates in the CityPass Program with the CN Tower, Ontario Science Centre, Casa Loma, and Royal Ontario Museum. CityPass will be promoted throughout the Pan Am Games due its popularity and value and we are hoping to see a lift during the Pan Am Games as a result.

The Toronto Zoo will also be participating in the "Ontario Celebration Zone" at Harbourfront Centre which is a multi-week festival to promote the best Ontario has to offer to visitors during the Pan Am/Para Pan Am games. At the "Ontario Celebration Zone", visitors be offered a full range of diverse programming, live entertainment, tourism experiences, award-winning cuisine and beverages, interactive displays and experiential programming. The Zone will be open to the public, with free admission and representatives from the Zoo as well as the giant panda mascots will be there to promote the Zoo as a 'must see' destination while visiting Toronto. We anticipate a number of local residents also attending this festival which is another great opportunity to keep the Zoo 'top of mind.'

At the Toronto Zoo, we have embraced the Pan Am Games and this year's animal show in the Waterside Theatre will be called the Pan-Animal Games. Also, during the games we will highlight some key and highly popular animals to garner earned media including:

- African Penguins – Swimming and diving
 - Aquatic competitions start Tuesday, July 7 until July 18
- Giraffe – tallest land animal
 - Basketball competition starts July 16 until July 25 – focus on tall players/height of giraffes
- Cheetah - fastest land animal
 - Track and Field Events start July 21 until July 25

Comments / Discussion:

Advertising creative for 2015 will be provided by Cundari Group Limited on a pro bono basis. For the peak season, we have asked Cundari to design a campaign that is innovative, creative and with surprises that will make people look twice and get them talking about the Toronto Zoo. Essentially, we want a campaign that will stand out from the clutter and get people's attention during a very busy year in Toronto and the GTA. We will use a mix of television, outdoor, digital and print for this campaign.

Media:

In 2015, paid advertising will include TV, Digital, Print, Radio, Out of Home inclusive of participation in the City street flag program, magazine and selected tourism publications (print and digital). Media partnerships with The Toronto Star and CTV will provide additional media coverage and on-going awareness. Although our advertising recall was down to 33.6% in 2014 compared to a record high of 55.7% in 2013, 45.3% of our visitors who did recall our advertising specifically mentioned television and out of home (bus shelters, subway), followed by 19.5% that mentioned ads on poles, light standards, billboards, highway signs, radio and newspaper.

a) Television:

Television continues to be one of our primary mediums as it is cost-effective, has a high impact with our Zoo visuals, provides us with flexibility to focus on different regions of the province and enables us to purchase advertising of programmes of high increase to our target groups.

The television advertising spend for this year will begin in June and will include brand sell, snipes and closed captioning on targeted and highly rated shows on CTV, Rogers and Shaw Media. Targeting approximately 150 GRP's weekly for 8 weeks, we will strategically distribute this through our highest season – June, July and August.

The Zoo's partnership with CTV, Canada's #1 station, includes on-going broadcast presence with live remotes with CTV personalities at the Zoo, CP24 Weather Box and CP24 in addition to the Zoo's advertising spend.

b) Out of Home:

Given the strong visuals of the Toronto Zoo animals, we will continue to promote our greatest assets as part of our overall campaign to encourage a visit to the Zoo. Out of Home may include outdoor billboards in highly visible and strategic locations in the GTA. Some of the advantages to using Out of Home is that you have a captive audience that cannot "turn it off" or "throw it away" and provides frequency to the audience in its vicinity.

Online (Pre-roll, Companion Ads and Display):

The use of social media and online advertising campaigns continues to increase as a significant medium to reach identified target audiences. A continuing online presence for the Zoo is necessary as it is an important source of generating increased reach and awareness. Our partnership with CTV includes pre-roll and companion ads and iPad pre-roll. Pre-roll may also be purchased throughout the peak season to complement the television advertising.

During this same time-frame, the Zoo will be using online display advertising to reach our identified target audiences. These sites may include:

- Canadian Living
- Astral Digital
- Corus Entertainment
- Rogers Digital Media
- Toronto Life
- Torstar Digital
- The Weather Network

Tourism Advertising:

The Toronto Zoo identified key tourism publications to ensure we target tourists to Toronto;

- Where Magazine advertising - full page ads for June, July, August and editorial content: 75,000+ hotel rooms
- Attractions Ontario Summer Passport advertising and editorial content (April) 1,100,000 distribution)
- Tourism Toronto Visitor Guides: 1,000,000 distribution
- Toronto Zoo Minicards which are distributed throughout the year in GTA and Southwestern Ontario hotels

Outdoor Advertising:

City of Toronto Flag Program:

In keeping with the banner program last year, we will identify key locations around the city which will feature Toronto Zoo animals and we are currently scheduled to be in market for the May long weekend. We will target streets with high volumes of traffic particularly during the Pan/Para Pan Am Games.

Social Media and Toronto Zoo Website:

The Toronto Zoo continues to engage our visitors and the general public through social media. This past year, our Facebook page exceeded 52,000 fans with the addition of 24,282 new fans – a 74% increase over 2013. Our total reach was just shy of 25 million and our total engaged users were 1.85 million. We will continue to build our Facebook community and engage them with interesting content and contests. This is a very cost effective way to engage a large group of people and continues to be an important vehicle of positive ‘word of mouth.’

The Toronto Zoo's website continues to be one of the primary sources of information for potential and interested visitors. In 2014, we saw 2.25 million visits overall and our onsite visitor survey showed a satisfaction rating of 98.2% of good to excellent with 61.2% of those who visited the site have used it to plan their day at the Zoo. As in past years, we will integrate our advertising campaign into our website and Facebook to keep our fans engaged. In 2014 we also expanded our social media presence to include Instagram and Pinterest

CityPass:

The Zoo will be continuing to participate in CityPass and this will be more broadly promoted this year with the Pan Am Games. This is a time sensitive discounted ticket booklet which features five Toronto attractions and is aimed at travellers visiting Toronto. It is sold at locations around Toronto and is also available for purchase on the CityPass website as well as at the Toronto Zoo.

Weather Sensitivity:

Given the significant impact extreme weather has had on the Toronto Zoo over the past two years, we are exploring ways to maximize ideal weather condition days. As a result, we are working with our media buying and advertising agency to determine the most cost efficient and effective ways to reach our target audience when short and/or long term weather forecasts are most ideal for a Zoo visit. The channels we have identified that provide us with the most flexibility are radio, print, digital and social media.

Giant Panda Sponsors:

FedEx:

The Toronto Zoo continues to benefit from the partnership with FedEx and the two branded giant panda trucks continue to be spotted around the GTA. FedEx also added the Giant Panda logo to their weigh bills for customers throughout the GTA and southern Ontario which continued to promote the Zoo throughout the year. This will also continue throughout 2015 and we will work with FedEx to identify other joint opportunities to promote the Giant Panda Experience.

Mandarin Restaurants:

The Toronto Zoo is very fortunate to have Mandarin Restaurants, Federal Express Canada, the Government of Ontario and the Toronto Star as the sponsors for the Giant Panda Experience. In 2015, Mandarin Restaurants will be distributing a Toronto Zoo promotional coupon to all of their customers during April and May. In addition, the giant panda mascots will be visiting the Mandarin Restaurants locations around Ontario and during these visits will also be distributing free child admission coupons.

Toronto Star:

The official daily newspaper of the Giant Panda Experience is the Toronto Star. They came onboard as a key partner in 2013 and provided extensive in-kind advertising throughout the year to support not only the giant panda exhibit but other key exhibits and events including Family Day Weekend activities and the farewell to Humphrey, our polar bear cub. We continue to be very grateful for their ongoing support.

Zoo Channels:

The Zoo will continue to use our own channels to promote the Giant Panda Experience as well as the new temporary exhibit that will open later this year. These channels include: NewsPrints, a quarterly newsletter/publication and a re-branded magazine (formerly called Collections). In the past, this magazine was sent to all members via mail three times a year. Moving forward, this publication will become the official magazine of the Toronto Zoo and will be distributed free to members but will also be available for purchase in our retail stores and sent to our key stakeholders and partners. We will continue to use the Zoo's on-site televisions to promote activities to visitors.

The creative budget is allocated for creative production including TV, radio, online/website, out of home and print. We will also continue to utilize social media channels as a cost-effective way to promote the Zoo.

Jennifer Tracey, Senior Director
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