BRAND NEW:
Building brand equity with new Canadians

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OVERVIEW

Building brand equity with new Canadians[1] is becoming a strategic imperative for marketers. With immigration quotas at a steady flow of about 250,000 annually, Canada's mosaic of visible minorities is flourishing, as are the marketing opportunities.

This paper begins with an analysis of the demographic shift that is occurring. We report on recent CMA research that gives us insight into new Canadians' and their perception of brand and how brand relationships begin and are shaped. The authors offer recommendations for approaches to multicultural marketing, with a review of the key elements that form the foundation of an enduring marketing program. We also look at what some of Canada's leading organizations at the forefront of multicultural marketing are doing, and the barriers marketers generally face.

Chinatown, Vancouver BC

[1] In this paper (excluding case study), we generally refer to new Canadians as those who have been living in Canada five years or less.

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Immigration Trends in Canada

Dr. Doug Norris
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Introduction

The population of Canada is slowly increasing, however, most of the growth is a result of immigration, a fact that is not surprisingly prompting marketers to increase their focus on understanding and reaching out to Canada's newcomers. Here, we'll look at recent trends in immigration and the resulting characteristics of the newcomer population over the past five years.

Although many researchers rely on the 2006 census for a portrait of newcomers, there have been some important changes to immigration patterns since the last census. Data from Citizenship and Immigration Canada[2] provide useful information on these more recent trends.

Who are the Newcomers?

Often discussions of immigration focus on what are termed "permanent residents". These are people who have been granted permanent resident status in Canada. At any given time, there are also a substantial number of people lawfully in Canada as "temporary residents". Although in Canada for only a short period of time, while here, they require many of the goods and services for everyday living. This group includes foreign workers, foreign students, the humanitarian population and other temporary residents. For the context of our discussion, we'll look at the size and characteristics of both permanent and temporary immigrants.

Permanent Residents

The number of permanent residents to Canada is largely a result of the Federal Government's immigration policy that includes an annual plan for the number of permanent residents to be admitted in the coming year. In recent years, the number of permanent residents has fluctuated around 250,000 per year, although preliminary data for 2010 show the number of permanent residents increasing to a high of 280,000. Plans for 2011 are for the level to remain in the 250,000 range.

Permanent immigrants can be broadly classified into four main categories: family class, economic immigrants, refugees and other. Note that in each class there are "principal applicants" and their spouses and/or other dependants. For the period 2006-2010, close to 60 per cent of permanent resident immigrants were economic immigrants and an additional 26 per cent were family class immigrants, the major-

[2] Citizenship and Immigration Canada, Facts and Figures, http://www.cic.gc.ca/english/resources/statistics/menu-fact.asp

ity spouses/partners or children of earlier immigrants. In the economic class, marketers in the financial and other industries may be particularly interested in the approximately 3,000 annual entrepreneur or investor class immigrants who have a high net worth and are required to make a substantial investment in Canada in the years following their arrival.

Overall, permanent resident immigrants are young and well educated. In 2009, nearly half were aged 25-44 and only 16 per cent were over the age of 45. In contrast, in the general population only 28 per cent were aged 25-44 and just over 40 per cent aged 45 and over. In terms of education, 55 per cent of immigrants aged 25-44 had a university degree compared with 30 per cent in the general population.

An analysis by individual country of origin shows that over the past decade there has been a shift in the origins of immigrants. In particular there has been a dramatic increase in immigrants from the Philippines; in fact, it was the top country of origin in 2010. Much of this increase was due to an increase in live-in caregivers and their dependents, as well as a new provincial nominee immigration program that attracted immigrants from the Philippines to Manitoba and Saskatchewan.

Historically, nearly half of all permanent residents in Canada settled in the Toronto metropolitan area. Over the past decade, there also has been a shift in the destination of immigrants. In 2010, one-third of all permanent residents settled in Toronto - down from 50 per cent in 2001. By contrast, there was a substantial increase in the number of immigrants settling in the western metropolitan areas of Winnipeg, Edmonton, Calgary, Regina and Saskatoon. There also have been sizeable increases in the number of immigrants settling in small towns and rural areas. In 2009, this represented 9.1 per cent of all permanent residents—up from 4.1 per cent in 2000.

Overall, permanent resident immigrants are young and well educated.

Temporary Residents

The majority of temporary residents to Canada are foreign students, temporary workers or refugee claimants. They may reside in Canada for several years, and some eventually become permanent residents. In 2009, there were close to 70,000 persons who transitioned from temporary resident to permanent resident status.

Since temporary residents may be in the country for a number of years, a better measure of the market size for temporary residents is the number of temporary residents in Canada on December 1, each year. This information is provided annually by Citizenship and Immigration Canada. In 2009, there were 643,000 temporary residents in Canada, up from 347,000 in 2000.

Nearly 44 per cent of all temporary residents are foreign workers, 30 per cent are foreign students and 16 per cent are refugee claimants. The large increase in temporary residents over the 2000-2009 period is mainly due to increases in foreign workers (up 214%) and, to a lesser extent, foreign students (up 72%). Although occupational information is not available for all temporary workers, the data suggest that about half are in managerial, professional or skilled/technical occupations.

The origins of temporary workers and students are somewhat different from permanent residents. In 2009, the top countries that were the source for foreign students were China, Korea and the United States. In recent years, the highest increases in foreign students occurred in Saudi Arabia, India, France and

Although occupational information is not available for all temporary workers, the data suggest that about half are in managerial, professional or skilled/technical occupations.

China. Not surprisingly, students are concentrated in the urban areas where large educational institutions are found. Over half of all foreign students are found in Toronto, Montreal and Vancouver. Over the past decade, there have been increases in the number of foreign students in all geographic areas.

In 2009, the Philippines accounted for the highest number of foreign workers (51,000) followed by the United States (30,000) and Mexico (22,000). Temporary workers are distributed much more widely across Canada than permanent residents. In fact, the 10 top areas that account for 84 per cent of permanent residents account for only 52 per cent of temporary workers. Temporary workers are much more likely to be found outside the large urban areas, particularly in the resource producing areas of Alberta and British Columbia. In recent years, there have been substantial increases in foreign workers from most countries.

Over half of all foreign students are found in Toronto, Montreal and Vancouver.

Figure 1 • Permanent and Temporary Residents in Canada, 2009 by Geographic Area

	Permanent Residents	Foreign Students	Foreign Workers	Refugee Claimants & other Humanitarian	Total	Percent
	2005-2009	December 1, 2009				
Toronto	468,800	40,356	44,887	38,786	592,829	32.3%
Montréal	195,675	23,864	22,675	20,456	262,670	14.3%
Vancouver	180,855	39,550	37,876	3,233	261,514	14.3%
Calgary	60,990	6,094	20,236	2,970	90,290	4.9%
Ottawa - Hull	36,550	6,617	4,614	2,356	50,137	2.7%
Winnipeg	40,490	4,665	2,732	390	48,277	2.6%
Edmonton	35,035	7,065	15,757	1,711	59,568	3.2%
Hamilton	19,920	4,579	1,977	2,669	29,145	1.6%
Kitchener	15,215	2,209	1,318	763	19,505	1.1%
Windsor	11,830	1,274	618	3,233	16,955	0.9%
Other	184,700	59,865	129,504	29,658	403,727	22.0%
Total	1,250,060	196,138	282,194	106,225	1,834,617	100.0%

Source: Citizenship and Immigration Canada, Facts and Figures 2009

The Newcomers Market

To get some sense of the overall newcomer market size, we considered both permanent and temporary immigrants as of the end of 2009. More specifically, newcomers are considered to be permanent residents who have been in Canada for five years or less, that is, those who immigrated between 2005 and 2009;[3] the temporary immigrants are those in Canada as of December 1, 2009. Figure 1 shows the overall size of this newcomer market for the ten largest market areas. Overall, there were 1.8 million newcomers. Approximately two-thirds were permanent residents and one-third consisted of temporary residents. Close to 60 per cent were in Toronto (32%), Vancouver (14%) and Montréal (14%).

Figure 2 (on the next page) shows the origins (country of last permanent residence) of the newcomers. Overall, newcomers are a very diverse group with the top countries being China (12%), India (9%) and the Philippines (9%).

Summary and Conclusions

Newcomers to Canada represent a large group of new consumers and, increasingly, marketers are seeking them out. This group is very diverse and successful marketing initiatives need to identify and understand vari-

[3] Note that the total number of permanent residents who came to Canada 2005-2009 overestimates the number in Canada in late 2009. Some of those may have returned home, moved to another country or died by late 2009. The 2006 Census suggests 90-95% of the 2001-2006 immigrants were still in Canada at the time of the Census.

ous segments of this market. Although the national census provides considerable detail on the socio-economic characteristics of immigrants, the data quickly become dated. For example, the most recent census data were collected in 2006 and new data are not expected to be released until 2013.

Fortunately, some of the more recent immigration trends can be tracked using more up to date information from Citizenship and Immigration Canada. As reflected in this discussion, there have been a number of important changes in immigration trends over the past decade. Although the number of permanent residents to Canada has remained fairly constant, during the last five years fewer immigrants have settled in Toronto. There also has been a shift in the origins of immigrants, with particularly large increases in immigrants from the Philippines, making it the top source country for permanent residents in 2010. Finally, the decade has also witnessed a large increase in the number of temporary workers and students, often ignored when looking at the newcomer population.

Although the size and basic demographic characteristics of immigrants are important to consider, there is likely a great diversity in the consumer behaviour and preferences of newcomers. For example, permanent residents may have different needs and interests from temporary residents. Length of time in Canada is certainly an important factor to consider. Many new immigrants struggle economically as they seek jobs commensurate with their qualifications. For example in 2010, the unemployment rate for recent immigrants (5 years or less) was 15.8 per cent; 11.1 per cent for those in Canada 5 to 10 years and 8.2 per cent for immigrants in Canada more than 10 years. In comparison, the rate for the Canadian-born population was 7.5 per cent. Other immigrants quickly establish themselves as homeowners and have above average incomes. The country of origin may also be important to consider as preferences and values may vary.

Although some information is available on the demographic characteristics of newcomers, information on consumer preferences and behaviours is much more limited as most sources of data do not allow for much analysis by immigrant or ethnic group. In some cases, special survey work is used to gather information about specific target populations, although recruitment of representative samples is an ongoing challenge. Another approach is to use geodemographic techniques such as the PRIZM C2 consumer segmentation system to segment and learn more about the newcomer population.[4]

In summary, marketing to newcomers is still in the early stages of development. In some cases, existing analytic techniques can be used to understand the diversity. But new and innovative approaches and data sources will also be required.

Figure 2 • Permanent and Temporary Residents in Canada, 2009 by Source Country

	Permanent Residents	Foreign Students	Foreign Workers	Refugee Claimants & other Humanitarian	Total	Percent
	2005-2009	December 1, 2009				
China	160,760	49,905	10,664	6,040	227,369	12.4%
India	140,615	9,570	12,391	3,151	165,727	9.0%
Philippines	105,315	935	51,325	n.a.	157,575	8.6%
United States	51,600	11,275	29,970	8,626	101,471	5.5%
Republic of Korea	30,960	25,871	8,796	n.a.	65,627	3.6%
Mexico	14,840	4,067	22,308	20,667	61,882	3.4%
United Kingdom	39,340	2,796	15,487	n.a.	57,623	3.1%
Pakistan	49,710	1,745	595	2,346	54,396	3.0%
France	29,560	9,286	14,910	n.a.	53,756	2.9%
Iran	31,320	2,862	568	1,141	35,891	2.0%
Other	596,043	77,826	115,180	64,254	853,303	46.5%
Total	1,250,063	196,138	282,194	106,225	1,834,620	100.0%

Source: Citizenship and Immigration Canada, Facts and Figures 2009
n.a. Not available but less than 1000

[4] For an example of this approach see the article, "Donation Patterns of the Multicultural Population: Some evidence from geodemography" by Doug Norris at http://environicsanalytics.wordpress.com/

Marketing to New Canadians

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The first step in any strategic marketing effort directed to new Canadians begins with an understanding of the target group and their acculturation to life in Canada. Those newcomers to Canada who arrived after 1967 (when Canada's Immigration Act was revised) have been described as the "fifth wave"[5] of immigration; the majority of a visible minority, and more recently, from South Asia, China and the Philippines.

With over nine years connecting marketers with the growing diversity across the country, I'm in a unique position to offer both a business and consumer perspective on brand building - with the South Asian segment in particular. First, let's put diversity marketing under the microscope, and look at the issues facing marketers. A 2011 CMA outreach to Canadian marketers expands on this further. (See Appendix)

The Issues Facing Marketers

1. **Awareness:** While immigration has grown steadily over the past decade, the extent of diversity now concentrated in major census metropolitan areas has not yet been fully understood by leadership across organizations. Hence, senior management buy-in and involvement is lacking.

2. **Perceptions:** In a society generally dominated by mass mediated marketing and brands, mainstream marketers assume the mass mediated socialization of new Canadian immigrants is a virtual certainty. However, the consumption of mass media by new Canadians is different from those born or living in Canada over longer periods. It can take up to 10 years for a new immigrant to start mirroring the mainstream media consumption.

3. **Focus:** Marketers are hard pressed to prioritize and dedicate time, attention and resources to a "niche" segment.

4. **Lack of Resources:** Marketers lack in-house expertise to begin addressing multicultural marketing. Mainstream agencies are often in the same situation – leading to a resource vacuum. To slow down matters further, there are very few experts on the subject to guide business.

Engendering Brand with New Canadians

Immigrant Life Cycle

It's important to understand the immigrant life cycle stage from the moment they arrive until they assimilate into the mainstream. The

[5] www.wikipedia.org/wiki/Immigration_to_Canada

first five years are crucial in building brand awareness and then loyalty. Viewed in the context of Maslow's hierarchy of needs, the time frames are represented at Figure 3, below.

Elements of Diversity Marketing

1. Long-term investment approach

How long does an investment in a new market take to start producing returns? In reality, quite some time. And the investment in diversity marketing needs to be viewed in a similar manner. It requires senior management commitment and support to ensure that investments are given a 2-3 year period to show results. Diversity campaigns cannot be placed under the measurement scanner in the same time frames as applied to mainstream metrics and the results cannot be compared to mainstream benchmarks. The reasons for this are a result of the different lifecycle stages of these new consumers and the fact that many changes may be required throughout the organization which would take up both time and investment.

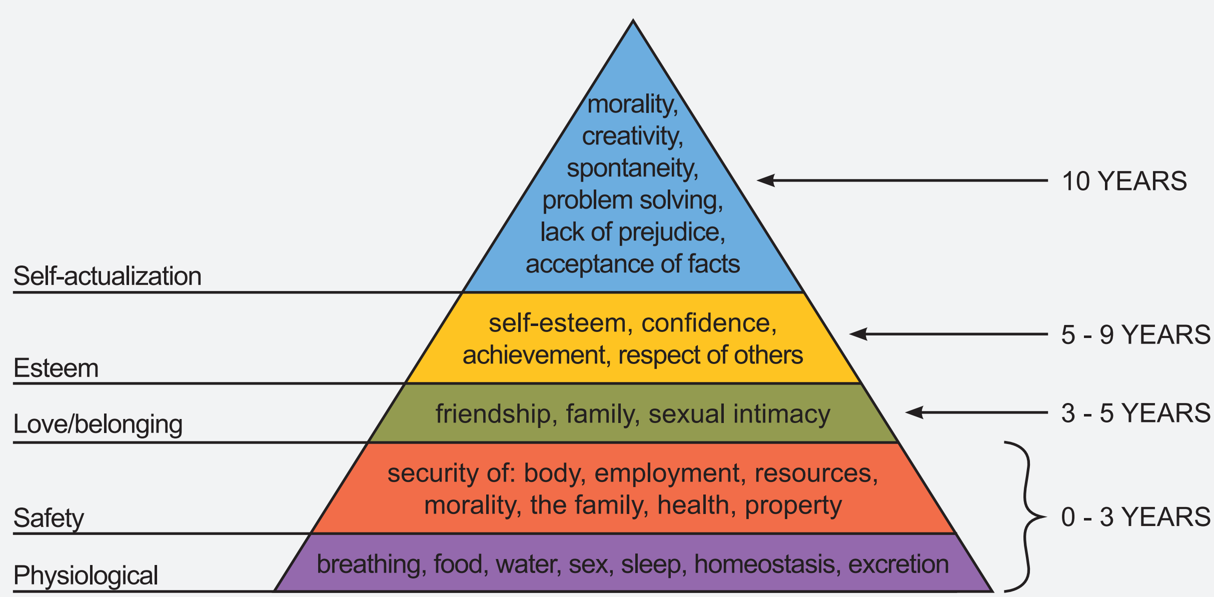
2. Product development and integration

Organizations may need to consider significant investments in product development before embarking on diversity marketing. Services and products tailored to mainstream consumers may not be compatible with the needs and requirements of newcomers and organizations may have to modify or develop new products to meet these needs. Examples of how some organizations have moved to recognize the needs of newcomers follow.

Financial Services

The financial industry has been at the forefront of diversity marketing. A scan of Canada's Big Five banks' websites reveals the extent to which banks are marketing to the newcomer segment. With a range of service offerings and/or by providing financial education, these banks are easing newcomers' transition. BMO, Scotiabank, Royal Bank, and CIBC offer newcomer programs that include services such as: free day-to-day banking for one year; free or cash-back offers on a rental safety deposit box; specially designed mortgages or streamlined processes to obtain one; access to a credit card without the normal credit history required; no-fee cash back credit card or other eligible cards, such as rewards; money transfer services - even incentives to purchase certain financial products, such as GICs. BMO also established an affinity

Figure 3 • Maslow's Hierarchy of Needs and Corresponding Immigrant Life Cycle Stages



card partnership[6] that reaches out specifically to the Asian community, through the Chinese Professionals Association of Canada (CPAC) – which serves as an advocate for immigrant professionals of Chinese decent.

TD Canada Trust's website focuses on providing financial education and driving its overall brand messaging that banking at TD Canada Trust is a comfortable experience. Meeting new Canadians' primary needs for comfort and safety during their first five years would resonate with the new Canadian consumer, as illustrated by the immigrant life-cycle diagram - and hence, an effective brand building strategy.

Food Processing

Maple Lodge Farms is Canada's largest independent, family-owned chicken processor. It is also one of the largest producers of Halal food products, marketed through its Halal brand, *Zabiha Halal*. Maple Lodge Farms offers a range of products that include deli meats, sliced packaged meats, breakfast strips, a variety of frozen meat selections and fresh poultry.

Kraft Foods is making a concerted effort to target South Asians in Canada with the hiring of Smita Chandra in 2009. Ms. Chandra is a chef, cookbook author and a designated "Kraft Kitchen Expert" who immigrated to Canada from India 25 years ago. She is encouraging new South Asian immigrants to use Kraft products when preparing their traditional dishes. "Her version of chicken korma, for example, replaces yogurt with Kraft Philadelphia cream cheese. Her tandoori shrimp recipe calls for Kraft creamy cucumber dressing, and her mango kulfi frozen dessert uses Kraft Cool Whip."[7] Kraft also recently hired celebrity chef Susur Lee as its new Chinese culinary expert.

JM Smucker's Golden Temple line of flours appeals to South Asian households in Canada. *Durum Atta* is a stone-ground wheat flour that combines wheat flour and some all purpose flour (maida) to create a soft dough. This low-gluten flour kneads easier and cooks quickly. Atta, as it is called in India, is used to make paratha, roti, chapati and puri breads. A number of mainstream supermarkets carry this brand.

Restaurant

Boston Pizza launched Halal meat as an option at select restaurants in Canada, in August 2009, catering to the growing Muslim community. While it does not appear to be heavily marketed currently, the offer is clear on various local chain websites.

Grocery Retailer

Loblaws has not only added a range of international foods to its shelves, in 2009 it acquired major Chinese supermarket T & T to ensure a major presence in the multicultural market.

According to Solutions Research Group Consultants, reported in a Canadian Grocer magazine article[8] in November 2010, "Chinese Canadians spend $136 on groceries weekly, 9 per cent more than the average shopper in Toronto and Vancouver". In this same article, grocery industry analyst Perry Caicco estimates that $4-$5 billion of Canada's $80-billion food industry is going to independent ethnic grocery stores – that the ethnic food sector is growing by 15-20 per cent a year.

3. Price & value strategies

In the initial three to four years most newcomers are under immense economic pressure after arriving in a new country. Products and services that offer a price break are welcomed. This

JM Smucker's Golden Temple Line of Flours

Golden Temple® Durum Atta | Golden Temple® No.1 Fine | Golden Temple® Wheat Atta

6 Canada Bound, "BMO Bank of Montreal launches banking package for newcomers", July 15, 2011 http://canadaboundimmigrant.com/helpfornewcomers/article.php?id=17

7 Globe and Mail, "Kraft calls on star chefs to capture immigrant market", by Wendy Leung, April 12, 2011 http://www.theglobeandmail.com/life/food-and-wine/trends/trends-features/kraft-calls-on-star-chefs-to-capture-immigrant-market/article1982379/

8 Canadian Grocer, "How to reach ethnic consumers", by Alicia Androich, November 23, 2010, http://www.canadiangrocer.com/top-stories/reach-and-retain-649

does not mean that newcomers would compromise on the quality, safety and reliability for the sake of lower prices. Western Union is a good example to illustrate this point.

By 2002 Western Union had been operating in Canada for over ten years, offering instant global money transfer services. However, with money transfers costing as much as $40 to send $1000, they were perceived as a premium service. When Western Union reduced the cost of the fees to send money to India by over 50 per cent, consumers switched in large numbers from competition which was "Free" but was not considered legal. They appreciated the price-value offered.

Wal-mart Canada, known for its price "Rollbacks", has found a devoted consumer in newcomers who not only enjoy the convenience of well located stores but rely on the price discounts. The rapid growth of Wal-mart can be attributed in part to the large footprint of the multicultural consumers who shop there. Demographic data show that as many as 38 per cent of local Wal-mart customers are of Asian heritage.[9]

Local Wal-mart stores also have the freedom to cater to their multicultural customers through the company's *Store of the Community* program[10] launched in 2006, where stores stock merchandise that reflect the needs of their local communities and customers. Examples include specialty items for the Chinese New Year, a line of authentic South Asian's women's clothing, called Bollywood Signature and a line for the petite Asian customer called Black Koi (launched prior to 2009).

4. Network development and diversity in the workplace

To succeed in diversity marketing, companies need to enhance their distribution network to ensure a positive experience at consumer touch points. Newcomers have a great need to feel comfortable in their shopping environment and tend to gravitate toward known retail experiences like ethnic groceries, auto repair shops, etc. Shiny steel and glass retail environments have been known to intimidate newcomers.

A number of companies have moved to expand and diversify their networks to make newcomers feel welcome and comfortable. Banks e.g., have identified areas with higher concentrations of newcomers, and accordingly, staff these local branches with increased diversity so that its representatives are able to speak in the language of newcomers. BMO and CIBC have ambassadors who welcome people inside their branch. And in 2010, for the second consecutive year, BMO was named one of the Best Employers for new Canadians[11] by Mediacorp Inc., publishers of Canada's Top 100 Employers.

Tim Hortons and Walmart have aggressively pursued diversity recruitment for their cashiers and merchandisers, real estate companies and car dealerships have also moved to enhance the diversity in their workforce. Consumer finance companies like Sun Life have a dedicated diversity recruitment division which works closely with their financial centres to recruit and train financial advisors.

The need for diversity in the workplace and customized network development underscores the fact that for an organization's multicultural marketing efforts to be effective, there needs to be a strong commitment from senior management to align key resources to create the necessary infrastructure. The approach of "let's add a multicultural dimension to our holiday campaign - tweak the creative and translate" is very unlikely to get the desired results.

5. Communication strategies

Newcomers tend to allow friends and families to influence their early decisions till they are able to start decoding the advertising messages and start becoming comfortable making their own decisions. Therefore, marketing directed at new Canadians should: Inform, explain, differentiate and engage.

A 2011 CMA survey of new Canadians (sample represents a student demographic) suggests that the media influencing this segment's intent to purchase or engage with a brand *the most* are: online search and good friends (66%); family members (52%) and a company's website (51%) – illustrated at Figure 4 (next page).

The study also examined the media in which this demographic get information about their preferred brands. While good friends generally rank first or second, there are some exceptions:

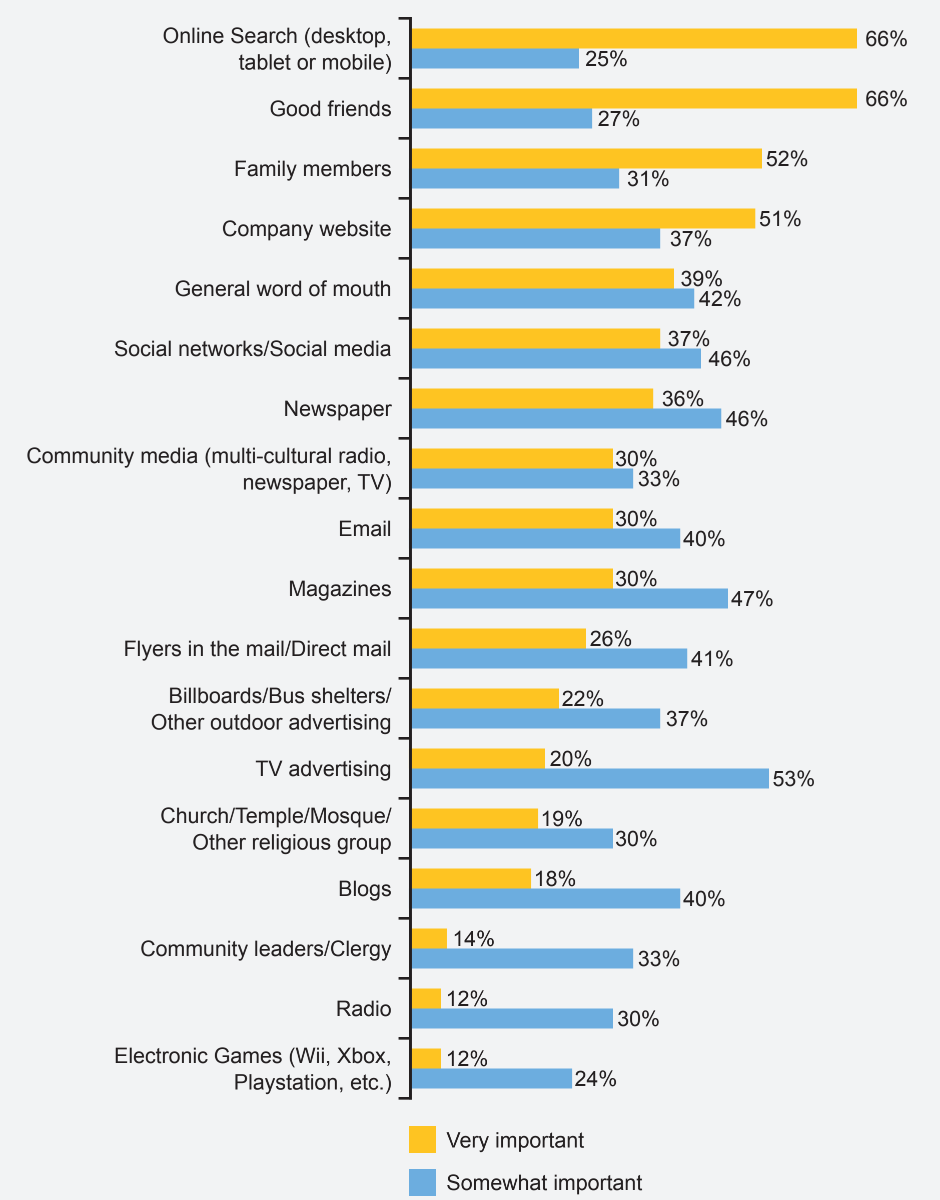
- Online search: Ranks number one in the mobile phone and automotive categories and number two in the electronics category.
- TV advertising: Ranks number one in both the electronics and personal care categories and ranks number two in the clothing and mobile phone categories.

[9] CNW, Wal-Mart Canada helps customers celebrate Chinese New Year, January 2009, http://www.newswire.ca/en/releases/archive/January2009/22/c9797.html
[10] *Ibid*.
[11] Canada Bound, "BMO Bank of Montreal launches banking package for newcomers", July 15, 2011 http://canadaboundimmigrant.com/helpfornewcomers/article.php?id=17

Traditional media has a role to play for some categories in particular, as evidenced in the study. Generally, TV, magazine and newspaper advertising are considered 'somewhat important' by almost half of the survey respondents (53%, 47%, and 46% respectively). Community media (includes ethnic radio), though not ranked high in the CMA survey - is an important medium to reach diversity markets generally, as evidenced by the Canadian Radio-television and Telecommunication Commission's (CRTC) latest financial results[12] for Canadian commercial radio stations. The CRTC reports that ethnic FM radio stations' revenue grew by 10.2 per cent from 2009-2010, to $17.9 million; in large part a result of targeted advertising to diverse segments. (By contrast, total revenues for AM and FM increased by 2.9%.)

How we communicate is equally important as the media in which it occurs. It's very likely that terms that we take for granted, such as "products and services" may be completely foreign to newcomers. And terms like "debit card", "checking account", and "double-double coffee" may not be part of the newcomers vocabulary before landing in Canada, just as our national passions like hockey and camping may not be shared by those new to Canada. Hence, marketers need to create elaborate "how to" communication pieces to address these needs as well as work toward engaging newcomers in "experiencing" services and products that are completely new to them.

Figure 4 • Media's Importance in Influencing New Canadians' Intent to Purchase or Engage with a Brand



Source: Canadian Marketing Association, "New Canadian Brand Study", 2011
Notes: n=107; Survey respondents living in Canada 5 years or less

[12]CRTC press release, July 13, 2011, http://www.crtc.gc.ca/eng/com100/2011/r110713.htm

The basic communication building blocks during a launch and post-launch phase of a campaign are illustrated below:

LAUNCH PHASE

Diversity recruitment

Welcoming environment

Referral program

Target language on POS material, on-site signage

Target language spoken at call centre, featured on website

Culturally relevant tone

Locational convenience

Diversity relevant contact information/ familiar sounding names (e.g., banks provide names and pictures of employees)

Key differentiator

Affiliations with home country institutions (if any) - will help build credibility faster

Company history - a 50/100 year history will immediately convey heritage and reliability

POST-LAUNCH PHASE

Partnerships with key community associations

Target language on POS material, on-site signage

Target language spoken at call centre, featured on website

Culturally relevant tone

Locational convenience

Diversity relevant contact information/ familiar sounding name

Key differentiator

Loyalty program

Promotions - will help incentivise trial and capture attention, especially in the Chinese community

Advertorials - will better serve the need for information as compared to an “ad” format

Testimonials - people from the community or new Canadians speaking about their experience with the service, product

Media Strategy

Newcomers are now forming self-help groups vis-à-vis social media. Marketers can join these groups and offer much needed advice and support. And as with mainstream media, it’s important to build a working relationship with the multicultural media, as they can help disseminate information and help build the brand in the community.

The average new Canadian tends to be very price sensitive and may not be willing to pay for media which is not “free to air”, as well they are still very attached to satellite TV which beam programs (and culture) from back home – giving them some comfort in a new environment.

Locally produced multicultural programs cannot compete on content and quality with these satellite TV programs beamed from home countries. The presence of this 'grey' viewership presents a challenge to marketers using television to reach mutlicultural audiences.

This quest for "free" information can be seen in the rapid adoption of Internet search by newcomers. Multicultural media has grown significantly and there are now hundreds of print newspapers, radio programs, and TV channels available to reach diverse segments across Canada. Despite the availability of media there remain two challenges to marketers: Mainstream agencies are not familiar with the diversity media and most of the multicultural media remain unaudited. This makes it very challenging for agencies and marketers to select the right media mix to reach target segments. To address this gap, there are multicultural agencies willing to work with mainstream brands and agencies.

6. Grass roots and events strategy

Given the lack of familiarity with product and services' usage and terminology, experiential marketing is an important part of the marketing tool kit to build awareness and induce trial. There are a number of established multicultural events and festivals across Canada that marketers can leverage to introduce their services to new Canadians. These are very helpful in providing an informal "no pressure" setting for consumers and marketers to establish contact and start a relationship. For established brands, it's important to build a connection and loyalty by being seen in the community. This sends a strong message to the new Canadians that they too are an important customer while it helps the community run the events with a little bit of financial support. For example, Dragon Boat[13] festivals are now celebrated worldwide. In Canada, President's Choice is the title sponsor of the Toronto 2011 festival (now in its 23rd year), and Canada Dry, the title sponsor of the 2011 Victoria festival (17th year).

The Scotiabank Caribbean Carnival,[14] a high-profile Toronto festival (formerly known as Caribana, now in its 42nd year), celebrates African/Black/Caribbean foods, arts, culture, music and dance. Scotiabank came on board as the festival's title sponsor in 2009 with a commitment through to 2012.

A brand needs to be visible for three to four years in the target segment to build a strong relationship with the diversity consumer, therefore it is important for marketers to sustain their grass roots involvement vs. a one-off event sponsorship.

7. Measurement and ROI

The key measures of investment in diversity marketing are no different than mainstream marketing: Sales numbers, market share gain by ethnic group and markets, awareness and usage numbers.

Marketers should avoid placing individual activities, such as an event sponsorship or a radio campaign under the measurement scanner. Rather, a long-term investment approach is needed, optimally, one that includes active participation from functional areas other than marketing, i.e., network development/sales, operations, human resources, and finance.

[13] Asian cultural festival. Most believe dragon boat festivals were established to commemorate a great patriot poet, Qu Yuan. They are traditionally celebrated on the fifth day of the fifth month of the Chinese lunar calendar. http://www.dragonboats.com/pages/history.html.

[14] CNW press release, April 21, 2011 http://www.newswire.ca/en/releases/archive/April2009/21/c3407.html.

Evolving Ontario Parks Marketing Strategy to Woo New Canadians
A test and learn approach

Liana Guiry, Vice-President, Marketing, Ontario Tourism Marketing Partnership Corporation

The Issue

Ontario Parks is one of the largest and diverse provincial parks' systems in Canada. It is the largest provider of outdoor recreation opportunities in Ontario. Ontario Parks is funded mainly through user fees. This fact is not well understood by the visiting public who are more likely to believe that parks are funded mainly through taxes. In order for Ontario Parks to be financially sound, visitation must be stable or potentially increase. This creates a marketing priority to retain existing core visitors and encourage new consumers to visit parks.

Foreign-born and first generation new Canadians represent an emerging market for Canada's parks and wilderness travel experiences, but their current vacation patterns suggest they lean towards urban experiences. Thus, the challenge is making Canada's parks and outdoor travel experiences more desirable destinations to this "new Canadian" segment or risk losing significant revenue and the ability to sustain the level of maintenance the parks currently enjoy.

Analysis

Many parks in southern and central Ontario are very close to their maximum capacity. Population growth in these regions will place increasing demands on these locations. Meanwhile, many parks in Northern Ontario have capacity to increase visitation but are challenged by low population growth and reluctance by visitors from the south to undertake long drives for their vacation experience. Visitor needs are also changing due to the demographic shift as older visitors may want gentler nature experiences while new Canadians who are not familiar with camping may need a more hands-on introduction to parks.

Fast Facts

- Just over a quarter (28%) of Ontarians reported camping in 2010; this is unchanged from 2006, but represents a 10 per cent decline from 1997 and 2000.
- The day trip market is stable; eight in ten reported outdoor walking/hiking/backpacking in the last year.
- While the segments that utilize Ontario Parks appear stable between 2006 and 2009, the core and active users of Ontario Parks' facilities has declined slightly from 2009.
- Growth usage is likely to slow in the next few years based on the fact that only 24 per cent of parks users say they expect to use Ontario parks in the next five years compared with 41 per cent saying this in 2006.
- Four-in-ten Ontarians say they would be more likely to use Ontario Parks more often if they "knew more about the parks and what they had to offer".
- Young people, Ontarians born in non-English speaking or a non-European country, day-trippers and those with children under 18 are especially likely to indicate a greater need for more information.
- Distance is the most oft-cited reason for not accessing provincial parks for day outings. Very few Ontarians are aware of how many parks actually exist: On average, Ontarians estimate that there are 68 provincial parks which is far lower than the actual 330 or more parks currently under the management of Ontario Parks.

A Strategic Approach to a Reluctant Consumer

Consumer research[15] undertaken by Ontario Parks from 2008-2010 is helping to shape Ontario Parks' marketing and communications strategies.

Insights from research

A key segment identified in the research are those Canadians who have an interest in being in an outdoor setting, may already participate in outdoor activities, but face barriers[16] to enjoying the park system. This segment is referred to as "Reluctants" and includes a high proportion of "new Canadians".

Target market profile

- People who don't have a family history of camping and visiting parks.
- People who may be intrigued by the natural environment but have little or no firsthand experience.
- New Canadians, either recent immigrants or first generation born in Canada, make up a significant component.
- Those with the greatest likelihood of becoming Ontario Parks' users are aged 25-44 – particularly families with children at home.
- The "reluctants" can be found anywhere, but the largest concentrations are in the major urban centres of southern Ontario – particularly the Toronto core.

Values

- The comforts of home; roofed accommodation, flush toilets, cell phone access, a feeling of safety.
- High-quality information about parks.
- Family – including the extended family.

Marketing Strategy: "Learn to Camp" Pilot Project

In summer 2011, Ontario Parks developed an acquisition strategy targeting the "reluctant" segment with a "Learn to Camp" pilot project which has become a cornerstone product. This new camping travel experience was launched in April 2011 with a media relations blitz targeting ethnic media outlets to generate the word of mouth that new Canadians could register for in-park sessions that delivered hands on camping skill training from Park leaders. Although good success was achieved utilizing media relations as the acquisition push, ethnic media still have a certain degree of discomfort promoting Ontario Parks due to lack of camping travel knowledge while mainstream media have a higher degree of knowledge and comfort. More groundwork is required to develop stronger relations with ethnic media and to make the "story pitches" more relevant to this audience.

Early learnings from the "Learn to Camp" project indicate that the product hit a sweet spot as in-park sessions quickly reached full capacity and the reasons provided by new Canadians for registering in the program validated objectives such as: "I wanted to better integrate into Canadian culture" and "We grew up in a country where camping was not safe".

The Ontario Parks pilot has three components: Web, in-community and in-park. Community training programs were delivered across the GTA at Toronto Public Libraries and local multicultural centres. The creative presentations provided to the new Canadians by Ontario Parks' leaders were designed to be fun, informal and highly engaging with hands-on activities such as seeing and touching a wide variety of camping equipment. The Ontario Parks' leaders also provided a wealth of information and skills training designed to overcome basic fears and educate these reluctant campers on the various Parks' services, how to get to Parks and how to use Ontario Parks, including equipment.

[15] Ontario Parks research explored the attitudes of Chinese and South Asian immigrant populations in Canada towards wilderness, camping and recreation in parks.
[16] Awareness, the need for comfort, perceived distance to parks and lack of "park" skills.

Other tactics that Ontario Parks identified as driving enrolment in the program include:

- An ad for *Learn to Camp* on the outside back cover of the "Fun Pass"[17] (circulated across all public elementary schools) reached over 1.5 million school children from kindergarten to grade eight. It appears to have given a boost to later June and early July registrations.
- A badge on the Ontario Parks' website homepage[18] helped to push visitation to the new *Learn to Camp* content.
- A google adword program as well as banners in two Ontario Tourism e-newsletters supported the outreach to those "reluctants" who may not be visiting the Ontario Parks' website.
- Heavy promotion in Toronto at Yonge-Dundas Square during a consumer event designed to kick off Tourism Week (June 6-12, 2011). BreakfastTelevision, broadcasting live 'on location', covered the *Learn to Camp* initiative.

An outcome of the project is a re-think about the types of images used to inspire camping in marketing communications. Historically, images used by Ontario Parks in their marketing communications showcased big, sweeping landscapes of open wilderness. In order to combat any fear of wilderness and intimidating shots of open spaces, images that portray families setting up tents, playing on beaches and enjoying campfires - which tend to be less threatening and more people-focused, are now used in addition to inspiring outdoor landscapes.

By the end of summer 2011, over 900 "reluctants" will have been taught how to camp. Blog postings about the program on Ontario Parks' blog[19] have been overwhelmingly positive - exuding a "hooked on camping" tone. New park users just can't get enough of the camping scene with the program, as Park leaders share their passion and love of camping to novices with genuine enthusiasm. One blog post in particular (summer 2011) exemplifies a family's experience with the pilot project: "Right from the first email we received till we folded our tents, it was flawless. We feel lucky to have been part of this program that is far beyond value for money. We hope that the program becomes permanent so more families get introduced to camping in this cost effective way. As for ourselves, we'd hope that next year, maybe a *Learn to Camp* 2.0 will be launched so that we can learn countryside and deeper area camping".

We hope that the program becomes permanent so more families get introduced to camping in this cost effective way.

What's next?

Continue to conduct ongoing consumer research

- Implement a survey of day users as part of the overall Parks Visitor Survey Program.
- Do further research with the "reluctant" audience to refine knowledge of desired experiences, motivators, incentives etc.

Capital investments in Ontario Parks

- Improve/enhance day-use facilities in parks within a two hour drive of this audience (major cities of southern Ontario).
- Increase the number of roofed accommodation units available, including accommodation that is more upscale or better outfitted.

New product development

- Develop a promotion program to market roofed accommodation as an experience.
- Use pricing incentives to encourage park use by "reluctants".
- Investigate e.g., the feasibility of offering a discount for first time campers or camp for free if they bring a new family with them.

Ontario Parks will continue to expand upon the Learn to Camp program.

[17] Pass allows elementary school age children accompanied by a paying adult admission to 20 Ontario attractions; offering up to $200 in savings.
[18] Website has over 4 million user sessions each year.
[19] http://www.parkreports.com/parksblog

ABOUT THE AUTHORS

Liana Guiry
Liana Guiry is Vice-President of Marketing at the Ontario Tourism Marketing Partnership Corporation (OTMPC) - an agency of the Government of Ontario, responsible for marketing the province as a tourism destination. Liana oversees the marketing and strategy development for Ontario tourism both in Canada and in over 10 international markets, and works closely with the tourism industry to create successful marketing partnerships.

Liana first joined American Express in August 1998 and led several marketing teams across the organization. She reported directly to the Global Head Office in NYC where she oversaw national marketing programs for the merchant division. Her accomplishments include launching a Canadian merchant website and new digital channels, driving $500M in new business development and launching several multi-national marketing campaigns.

Liana is an MBA graduate of The Richard Ivey School of Business and a B.A.Sc. from the University of Guelph. She also volunteers as a Board Member for the St. Clair Artwalk Network which includes the annual St. Clair Artwalk Festival and has raced several half-marathon and marathons.

Dr. Doug Norris
One of Canada's leading experts on social and demographic trends, Doug Norris is a Senior Vice-President and Chief Demographer at Environics Analytics. He joined EA in 2006 after nearly 30 years with Statistics Canada, most recently as Director General of Social and Demographic Statistics.

Currently, Doug assists companies, government agencies and not-for-profit organizations in using census and other statistical information for planning and marketing projects. An adjunct professor at Carleton University and the University of Alberta, he serves on several steering committees related to the use and development of census and social data.

Milind Shirke
Milind heads up Ethos Communications, a multicultural marketing strategy, media, PR and event management company. Clients include Wind Mobile and Scotiabank, to name a few.

Prior to his current role, Milind was the Director of Marketing with Western Union Financial Services – Canada. He Joined Western Union in 2000, in their Dubai office and held progressively senior roles in multicultural marketing across South Asia, the Middle East, the UK and Canada and has played a key role in the development of Western Union's marketing platform and corporate brand in Canada.

Milind achieved his Bachelor of Chemistry (honors) from the University of Bombay (Mumbai) where he went on to earn his MBA.

Actively involved in the community, Milind has been recognized by the City of Mississauga for his efforts in promoting multiculturalism and was the recipient of the 2009 award for promoting multiculturalism by the National Association of Indo-Canadians. Milind was selected to be one of the 14 recipients of the "Outstanding Asian Canadian Award" by the Canadian Multicultural Council, Asian's in Ontario, in May 2010.

APPENDIX

What Marketers Told CMA

A CMA questionnaire[1] probed Canadian marketers from across industry sectors[2] for their multicultural marketing best practices in a B2C environment. In doing so, marketers also expressed frustration with what they perceive as the barriers, namely: Lack of available research (current demographic statistics and media use/audience data) and a dedicated budget for multicultural campaigns.

Who are we marketing to?
Overall, marketers indicated that budget allocated to multicultural marketing range from under 5-10 per cent of total marketing budget, and is generally directed to the South Asian, Chinese and Southeast Asian segments.

Best practices

- Do primary and secondary research into multicultural segments vs. relying on one or two persons with a multi-cultural background at your organization.
- Budget/plan for multicultural marketing as a distinct segment, in which there may be a number of specific target segments.
- Focus on longer-term and integrated campaigns – avoid ‘one-offs’.
- Test mainstream creative with the target segment to determine if new creative is needed – this may be the case but isn’t always.
- When advertising and/or using collateral in a native language, ensure customer service representatives are available to respond as such.
- Don’t ignore unconventional marketing opportunities e.g., ads on travel itinerary jackets, restaurant menus or ‘table toppers’ communications.
- Events targeted to a specific segment will often attract other segments, particularly if covered by mainstream media – be prepared for such opportunities.
- Leverage individuals/influencers in the targeted community.

Insight

“The Asian consumer’s mailbox is considerably less cluttered than other ethnic segments; there are very high open and response rates for Asian direct mail (not uncommon for it to be double, especially with a price offer), strong close rates and a good shelf life”.

Interview subject

[1] The questionnaire was developed and conducted through CMA’s Integrated Marketing & Customer Experience Council in March - May 2011. Interviews were led by Margaret Bowman, of Bowman & Associates, Kaksha Mehta, Senior Marketing Manager, RBC, and Mona Sharkawy, Senior Partner, KISP Sales & Marketing Solutions.
[2] Twelve organizations within the following sectors were consulted: CPG, government, retail (grocery), business services (marketing/communications agencies), financial, not-for-profit, broadcasting and telecommunications.

Canadian Marketing Association

With more than 800 corporate members, the Canadian Marketing Association (CMA) is the largest marketing association embracing Canada's major business sectors and all marketing disciplines, channels and technologies. CMA is the marketing community's leading advocate on the key public policy issues affecting both consumer and business-to-business marketers. As well, the Association is the principal provider of knowledge, marketing intelligence and professional development opportunities for marketers; and catalyst for networking and business opportunities within the marketing community.

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