



City of Vaughan: Economic Development & Tourism

REPORT OF FINDINGS: BRAND CONSULTATIONS | OCTOBER 2019

TABLE OF CONTENTS

03	Introduction
04	Approach
06	Economic Development Key Findings
11	Tourism Key Findings
15	Economic Development Recommendations
17	Tourism Recommendations
18	Conclusion

INTRODUCTION

The City of Vaughan is seeking the development of an updated Economic Development and Tourism Branding Strategy and an industry-leading economic development website. These two initiatives will enhance and strengthen Vaughan's ongoing City Building process to be one of the leading cities in Canada and beyond.

Through these two initiatives, it is intended that Vaughan's transition from a small suburban city to an ambitious, up-and-coming urban center is reflected.

To help achieve this, Cinnamon Toast (CT) has engaged staff, the Vaughan business community, economic development partners, Council, and other important stakeholders in a series of phone and in-person consultation discussions. Together, ***these activities unlocked a better understanding of each groups' goals, interests, and priorities for the brand***, the outcome of which is outlined in the following pages of this report.

OUR APPROACH

Phone Consultation

To gain a better understanding of the City of Vaughan's vision for its future Economic Development brand and website, we conducted one-on-one phone consultations with key stakeholders including representatives from York Region, Vaughan Council, City Staff, Toronto Global, Vaughan Tourism Board, Toronto Real Estate, CEOs, and other community leaders. During each session, participants were guided through a series of questions outlining branding, core project objectives, and added value to the community.

In-Person Consultation

To gain a better understanding of the City of Vaughan's vision for its future Economic Development brand and website, we also held a number of in-person engagement sessions to accommodate various groups and schedules. Participating stakeholders included representatives from Vaughan Attractions Council, the Hotel Industry, a Multiplicity Group, and the Economic and Cultural Development Department Team. During each session, guests were given the opportunity to participate in a number of activities (outlined on the next page) paired with guided conversation outlining branding, core project objectives, and added value to the community.

Participant Profile

25

stakeholders participated in
Phone Consultations

4

In-Person Consultations
were conducted where a
wide-range of stakeholders
attended and participated

OUR APPROACH

Exercise One

To engage and provide context for attendees, CT provided a detailed explanation of what a brand is (vs. what it is not) and how a brand serves and enhances a community. We began with a persona building exercise, asking participants to outline the target audience of who Vaughan should be targeting to achieve its future economic development goals.

Exercise Two

After Exercise One was complete, we ran a word association activity with participants to help establish the City of Vaughan's unique differentiators as compared to nearby places. This activity's primary goal was to dig deep into Vaughan's personality while gaining a full understanding of participants' perceptions of not only current-day Vaughan, but also future Vaughan – particularly in regards to the growth of its economic development. As an open discussion, we built a list of their top descriptors.

Exercise Three

The third exercise was a round table activity where we asked participants to work with "We Are" and "We Are Not" statements to build the identity of the economic development and tourism industries of Vaughan.

Exercise Four

The fourth and final exercise required the participants to discuss their "wishlist" for the new Economic Development department website. The discussion covered current pain points and new features that participants were interested in seeing implemented on the new site.

ECONOMIC DEVELOPMENT

KEY FINDINGS

Vaughan's Strengths & Values

Location

Cited by most participants as a key strength of Vaughan and a factor in businesses choosing to locate there (reflected in key sector strengths in manufacturing and logistics/distribution).

- / Vaughan has access to three subway stations, two commuter train stations, two railway yards, two bus systems, Toronto Pearson International Airport and Ontario's 400-series highways 400, 407, and 427.
- / The Canadian Pacific (CP) Railway Vaughan Intermodal Terminal is connected to nine North American rail terminals and four major overseas shipping ports. The Canadian National (CN) MacMillan Classification Yard is one of the largest in Canada and reaches 75 percent of consumers across North America.
- / Whilst it can be argued that all locations in the GTA are well located, Vaughan has a competitive advantage over these areas as it is much better connected relative to the other areas in the GTA.

Talent Pool

Vaughan is home to a highly educated and talented workforce.

Proximity to multiple higher education institutions, both in and around Vaughan, means businesses have access to a skilled workforce.

- / 70 per cent of Vaughan's residents between 24-65 attain post-secondary education – significantly higher than the Canadian average. However, much of this well-educated talent commutes out to other municipalities for work, while lower-skill workers commute in.
- / There are 8 colleges and 7 universities within a one-hour drive of Vaughan.

Economically Diverse

Vaughan is an amalgamation of many communities, therefore it harnesses the strengths of each of those communities (eg. different skills, traditions, and practices).

- / Vaughan is very diverse in terms of the sectoral composition of businesses. It has a solid base on traditional goods-producing sectors such as manufacturing, but is also home to an emerging, vibrant urban community of services and innovative businesses. In terms of employment, the main sectors are manufacturing (22 per cent or 51,300 jobs), construction (13 per cent or 30,300 jobs), retail trade (11 per cent or 25,700 jobs) and wholesale retail (10 per cent or 23,300 jobs). The main sectors in terms of the number of businesses include real estate (15 per cent or 10,100 businesses), construction (13 per cent or 8,600 businesses), professional, scientific and technical (12 per cent or 8,000 businesses) and finance/insurance (8 per cent or 5,300 businesses), with emerging growth in healthcare related businesses. This displays a strong mix of goods producing and service businesses.
- / An additional measure of sectoral strengths is the index of specialization (or location quotient), which shows how concentrated a sector is relative to the average (above 1 = higher than average). Relative to Ontario, Vaughan has specialisms in construction (2.4), manufacturing (1.9) wholesale trade (1.9), transportation and warehousing (1.3), and management of companies and enterprises (1.3).
- / Small businesses are still the heart of Vaughan's business community (81 per cent – or 9,800 businesses), but there is a healthy presence of large businesses (+100 employees): around 400, 184 of which are national or regional HQs of companies.

Agile and Rapidly Transforming

- / Vaughan has experienced rapid growth – 2 per cent per annum in population (+6,500 residents per annum), 4 per cent per annum in average annual economic growth since 2010 (+\$0.8bn per annum)
- / Major physical transformation and investments in infrastructure (VMC, VEZ, subway, Mackenzie Vaughan Hospital) has positioned Vaughan for future growth.
- / Vaughan has a large amount of physical space/employment land that can be developed to support future expansion. However, it should be noted that this land is essentially all owned with little for sale. The City also has traditional industrial space that can be transformed into offices for a different type of offer for service based/ office occupier businesses.

High Quality

- / In terms of skills, reputation of the workforce, and businesses, Vaughan is exceptional.
- / In terms of the built environment eg. high quality public realm, access to green space, as well as planning and development controls, developments are of a high quality and standard.

Distinctiveness of Vaughan's Economy

Connectedness	High Quality
Transportation	Quality of Life
Location	Green Space (Park, Downtown)
Smart Tech	Multicultural (Inclusion, Language, Culture)
Opportunity to Build	Education

WE ARE Polished (High Quality)

WE ARE Loyal (Long-Loved Retention)

WE ARE Clean

WE ARE Ambitious

WE ARE Disruptors

WE ARE Creators

WE ARE Resourceful

WE ARE Warm

WE ARE Kind

WE ARE Evolving

WE ARE Curious

WE ARE Calculated (Thoughtful)

WE ARE NOT

Stagnant

Slow

Narrow

Suburban

Arrogant

Short-Term Thinkers

Quitters

East/West

Trends and Drivers

As part of this study, we have assessed recent trends and future drivers of Vaughan's economy. Key findings include:

Vaughan is one of the leading contributors to the GTA's regional economy and the largest centre of business and employment in York Region, and a higher growth rate compared to the York region average (2 per cent per annum in population, 4 per cent per annum in economic growth.)

- / Growth is projected to slow down but still remain rapid: c. 500k residents and 322k jobs by 2041.

Vaughan's economy is diverse, and therefore a range of sectors are projected to drive economic growth.

- / The VMC currently has 392,932 square feet of office space, and aims to have 1.5 million square feet by 2031.
- / Construction businesses due to strong projected residential and non-residential growth in Vaughan. Significant population growth and the development of employment land will drive the need for the development of homes and offices/employment space. This will in turn require the services of construction business.
- / Land extensive uses, which refers to the Goods Movement sector (wholesale distribution centres, warehouses, freight terminals). These uses/activities all require a large amount of land, and access to nationally/internationally significant transit nodes, both of which Vaughan has. This sector is evolving and growing in response to consumer demand (eg the rise of e-commerce, demand from rapid population growth) and is therefore going to require further development of employment space, which will drive economic growth in Vaughan.
- / Advanced manufacturing is increasingly requiring integrated operations on larger sites. These integrated facilities often accommodate a combination of office, research and development, warehousing and logistics, and on-site manufacturing. Vaughan has an advantage in that it has ample space to expand and grow, and therefore develop these campuses.

- / Growth in the knowledge-based economy across the GTA is driving demand for bespoke and/or large R&D facilities.
- / Flexible working space is an increasing trend amongst new commercial developments – allowing occupiers the flexibility in the use and allocation of space according to operational needs. This is occurring amidst many sectors in the economy.
- / Vaughan has, and is projected to continue, to benefit from the spillover of economic activity from downtown Toronto. In particular, as Toronto becomes built out and rents/development costs rise, Vaughan could represent a credible alternative.
- / Many international companies will have a secondary and/or larger office in Vaughan (given the relatively lower cost and potential space available), and a smaller presence in Toronto. This is something that we have observed in other areas close to built-out international cities.

TOURISM KEY FINDINGS

Vaughan's Strengths & Values

Location

Vaughan is one of the most accessible locations for both domestic and international visitors.

Visitor Attractions

The number, status, reputation, and visual prominence of Vaughan's visitor attractions are a key strength of its tourism offer.

- / Canada's Wonderland, Vaughan Mills, the Kortright Centre for Conservation, the McMichael Canadian Art Collection, LEGOLAND Discovery Centre, Reptilia and the main streets and village cores of Kleinburg, Thornhill, and Woodbridge are all attractions that are perceived to be nationally significant and of very high quality/reputation.
- / The attractions are very visually prominent and not hidden away. You can see many of them as you arrive into Vaughan (depending on what routes are taken) which is an important component of a gateway arrival.

Diverse Resident Base

Vaughan is an amalgamation of many communities. This is a key strength for tourism as it exposes and allows visitors to experience a wide array of stories, customs, traditions and history of many different cultures and religions.

Food, Drink, & Retail Offer

Given Vaughan's diverse resident base, it has excellent food, drink, and entertainment offerings.

- / Vaughan is a popular special event centre destination in the GTA for weddings, fundraisers, meetings, and more. This results in a significant VFR (visiting friends and relatives) and corporate market.
- / Vaughan has a vast selection of cuisines to choose from in a relatively small geographical area (especially in comparison to Toronto).
- / Vaughan's retail offering is well-known in the region – it is the destination in York for a high quality shopping experience.
- / As Vaughan is relatively geographically small, the majority of its services/amenities can be accessed relatively easily in comparison to other areas in the GTA (although accessibility without a car can be difficult).

Very Strong Sense of Civic Pride

Individual communities within Vaughan – and increasingly, the City of Vaughan overall – are displaying a strong sense of civic pride. This is important as people want to visit places where residents are proud.

Distinctiveness of Vaughan's Tourism Industry

Connected

Location of Attractions

Big Opportunities

Eat, Shop, Premium Nature

High-End

Strong Anchor

Community Pride

First to Market

Multicultural

WE ARE Accessible

WE ARE Safe

WE ARE Polite

WE ARE Forward-Thinking

WE ARE Welcoming

WE ARE Urban

WE ARE Energetic

WE ARE Risk-Takers

WE ARE Multicultural

WE ARE Polished

WE ARE Entrepreneurial

WE ARE Clean

WE ARE Family-Oriented

WE ARE NOT

Boring

Lazy

Polluted

Afraid

Complacent

Crowded

"Just Roller Coasters"

Toronto

Stagnant

Trends and Drivers

Vaughan has made significant investments into its cultural assets over the past few years, including:

- / \$165m in outdoor recreation and parks
- / \$355m in indoor recreation facilities
- / \$46m in libraries
- / New initiatives and investments have been made by area attractions to ensure they are appealing over multiple seasons. For example:
 - **Creative** – a Cirque du Soleil family entertainment centre opening in Vaughan Mills in 2019
 - **Yukon Striker** – the longest, fastest, tallest dive roller coaster in world at Canada's Wonderland
 - **Winterfest** – a festival opening in Canada's Wonderland during winter and featuring outdoor skating and other activities

Based on the literature review and consultation findings, we identify the following key future trends for Vaughan's tourism offer:

- / **Increase in mini and weekend vacations:** Over half of global travellers (53 per cent) report that they plan to take more weekend trips in 2019. However they still expect authentic experiences that are personal, rewarding, and tailored to their interests which could potentially mean a large amount of expenditure available for local businesses and communities to capture.
- / **Combination of different trip purposes:** Travellers are increasingly combining the purpose of their trip, for example, 'Bleisure' – the combination of business and leisure trips. This involves extending business trips to incorporate leisure time and/or bringing additional family members on business trips. This is very popular amongst millennial travelers (surveys suggest around 70-90 per cent of millennial business travelers will extend their trip to incorporate leisure time). This will increase as millennials account for a larger share of the workforce (and

have access to business trips early in their careers).

- / **Increase in trips focusing on experiences & storytelling:** Visitors are increasingly wanting a more authentic and tailored tourism experience, rather than something generic and impersonal (or mass tourism). This is expected to manifest itself in various ways.
 - **Local experience:** Travellers are choosing to become more immersed in the local culture when visiting a destination. They want to do what the locals do and eat where the locals eat (one of the many reasons for the rise in Airbnb).
 - **Social media driving culinary/food tourism:** Food is an inherently social and emotional experience, making it an important pillar in experience-based travel. Social media (particularly Instagram) has helped food and drink-based experiences and destinations gain exposure.
- / **Focus on adventure tourism:** Visitors are increasingly interested in a trip that includes a physical activity, a cultural exchange, or an activity in nature. These trips are not necessarily about adrenaline, but can be an experience-based holiday and added value as travelers learn and interact with local populations and connect with their core values. This also covers sports tourism.

ECONOMIC DEVELOPMENT RECOMMENDATIONS

Target Audience

Vaughan has a diverse business base and it is important to preserve this, not only so that Vaughan can continue to benefit from the variety of employment opportunities it provides, but also to ensure it is not too reliant on one sector for growth. Bearing this in mind, the evidence points to three potential types of businesses/investors the brand could target.

- / Vaughan has important clusters of manufacturing, logistics, education/health and professional services businesses. These should be further developed to gain the benefits that enhanced clusters could deliver, such as knowledge spillover and productivity benefits. This could be done by focusing on **businesses that can add value in the existing sectors** where Vaughan already has strengths. Examples include businesses that can implement new technologies, research, and processes across these sectors. So a gradual shift from manufacturing to advanced manufacturing, health/medical technology and life sciences, new forms of logistics/distribution.
- / Small businesses are the backbone of Vaughan's economy. The brand needs to focus on **start-ups and small businesses** (both those that could be new to Vaughan and those already in Vaughan). It should highlight to these businesses how they can grow in Vaughan.
- / **Large, national and international businesses** across all sectors – but particularly in professional services – should be targeted. This is, in the first instance, likely to focus on businesses having a second/satellite office in Vaughan with their main presence in downtown Toronto.

Message and Focus

The brand needs to portray that:

- / The city is high quality and polished – in terms of the built environment, green space, public services, and the workforce.
- / Vaughan is one of the most strategically located cities in Canada. The brand needs to outline where Vaughan is and its proximity to major transport nodes.
- / The city is future proofing itself for expansion. Vaughan has undergone a

significant growth spurt, and is rapidly transforming in terms of its physical environment (eg. building its downtown, new transit investment). The City has a track record in being dynamic/agile and getting things done to a high standard and will continue to develop. It has a relatively significant amount of space and land that can be developed.

- / There is an opportunity to focus on the development and implementation of smart technology across all sectors in the economy. The physical development that is planned and is taking place in Vaughan presents an opportunity to ensure the right infrastructure and factors are in place for this to happen. Vaughan also has access to a highly talented workforce (both currently, but also in the future through inward migration, and graduate skills from the numerous higher education institutions in the vicinity of Vaughan) that can help to implement these technologies.
- / The rarity, uniqueness, and opportunity that such a significant city in North America is building its downtown from scratch, and is truly future proof.
- / Mixed use nature of development, encompassing high quality bespoke employment space, residential development, and a vibrant leisure offer.

Economic Development Website Wishlist

Key features and messages that consultees have requested for the website include:

- / Links and information on the support that is available to businesses
- / Case studies and examples of successful/notable businesses in Vaughan
- / Economic Data dashboard highlighting key economic metrics
- / Needs to have a spatial element to this too – interactive maps
- / Needs to highlight the availability of land and property
- / Information on key assets and investments in Vaughan (current and planned)
- / A place to highlight companies who have contributed funding or resource for initiatives, paid for advertising etc.
- / More prominent information on news, events, and workshops, including a calendar feature
- / Effective search functionality
- / High quality photos and visual images that are consistent with the high quality/polished perception of Vaughan as a community

TOURISM RECOMMENDATIONS

Target Audience

Domestic families

- / There is a perception that many Canadians, especially in Ontario, have not explored Vaughan. Vaughan has lots to offer families given its easily accessed food and attractions.
- / Vaughan is not well known enough in its own right on an international scale (yet) – to an international audience it is difficult to distinguish it from Toronto.

Business visitors/multi-purpose experience – The focus should be on:

- / Extending the length of business trips in Vaughan to include leisure (for example, if a visitor is visiting for 3 days on a business trip in Vaughan, aim to extend their dwell time/spend in Vaughan by focusing on the culinary & retail offer, sports activities, and tourist attractions).
- / Attracting the smaller/mid-sized conferences and events that do not require the space or location of downtown Toronto.
- / Sports & activity/experience-based tourism (focusing on connecting with and learning about Vaughan's communities – Fits with the assets and activities that can be done in Vaughan (eg. lots of green space, sports facilities etc.) especially relative to Toronto)

Message and Focus

The brand should focus on:

- / The cluster of nationally significant tourist attractions that offer activities for all of the family, year round. These attractions are relatively well known, especially to a domestic audience, and so this should be capitalized on.
- / The array of communities in Vaughan and the different experiences and stories that are on offer, with a particular focus on culinary tourism and retail, given the diversity, high quality, and accessibility of the food and retail offer. In addition, the messaging should focus on stories and experiences to be had in each of the communities/neighbourhoods. Possibilities include highlighting key facts, history, and bucket list/checklist of things to do and see in each area to bring the experiences to life.

CONCLUSION

The phone and in-person consultations were extremely beneficial in providing **different perspectives from the City of Vaughan's key stakeholder groups**. The insights collected will provide CT's team with the essential inspiration and direction required to achieve the look and feel of the City's brands and sub-brands.