

ISSUE #6:

IMPACT, GROWTH & CHANGE IN OOH

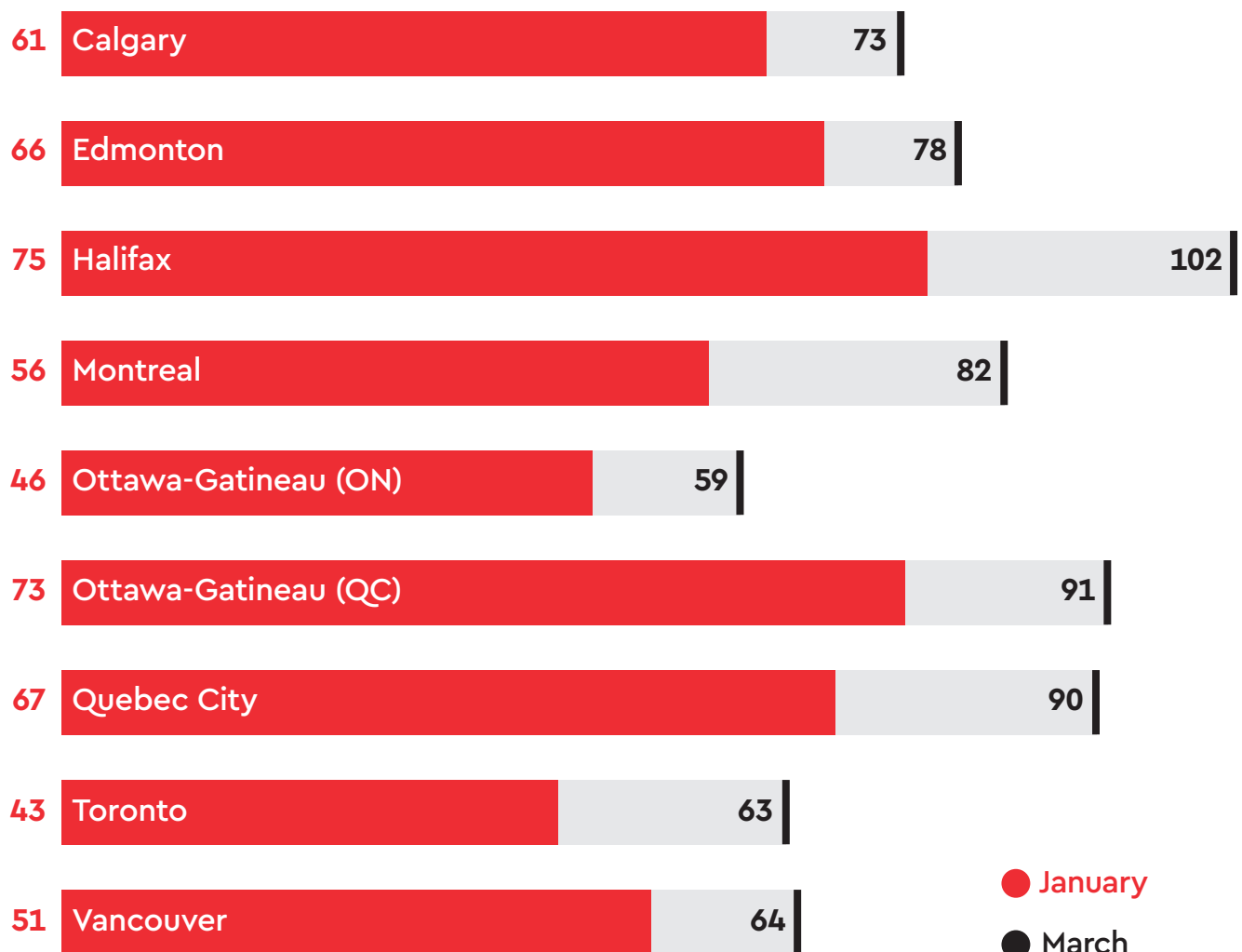
May 2022

A bird's eye snapshot of market-by-market OOH activity across Canada

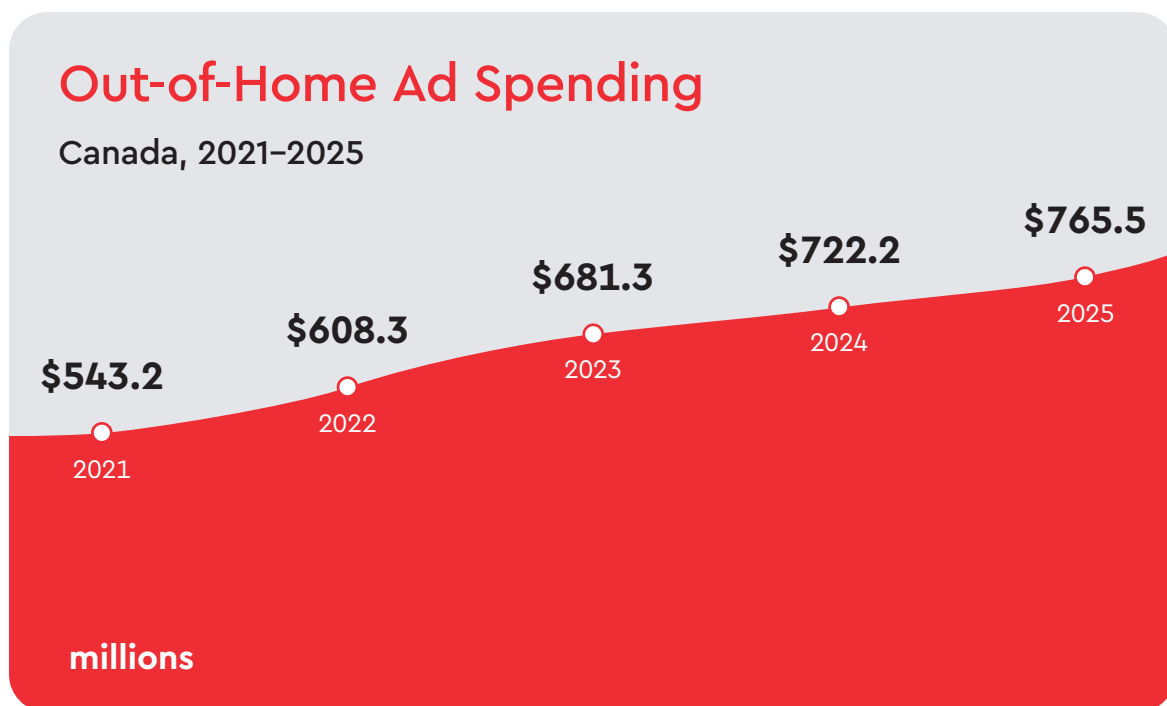
As depicted in the graph below, every market area registered sizable increases in OOH activity in the first three months of 2022, as compared to the same period in 2021. Truly impressive gains were documented in Montreal (+26 points), Quebec City (+23 points), Toronto (+20 points), and Halifax (+27 points). Other regions witnessed slightly more tempered, yet sizable increases. Clearly, reopening across Canada has had a significant impact on OOH activity nationwide.

2022 Market Overview – Outdoor

Activity Index vs Pre-COVID | January and March



Still more promising news stems from an October 2021 publication by eMarketer, a business intelligence firm that focuses on changes in consumer behavior. Indicating a return toward pre-pandemic levels of OOH ad spending, 2021 witnessed a fulsome increase of 20% over 2020 levels. Projections for 2022 forecast yet another bump on the magnitude of 12% over 2021 levels. So, while economic recovery has felt at times like a dizzying roller coaster ride, consensus is building around the expectation of formidable gains well into the middle of this decade. The [following graph](#) (in USD) depicts this trend in striking visual terms.



What's up with travel? **A lot, it turns out.**

Travel statistics tell an inspiring story of pent-up desire to get out of the house and back on the open road, or the open skies, as the case may be. During the month of February 2022 alone (in contrast to the same month last year), Canada welcomed more than 12 times as many non-resident visitors from overseas. Our southern land border saw a remarkable level of activity, with over 190,200 trips made from the U.S. onto Canadian soil in February 2022, a stunning increase of 145,000 over February 2021.

Air travel was another favorite modality for excursions among Canadians who returned from trips abroad at 10 times the rate they did in February 2021 vs February 2022. Contrasting those two timeframes, we witnessed 200,000 more [air travelers returning](#) from the U.S., for a total of 353,000 passengers during February 2022.

With the more tourism-friendly, warm and sunny months still ahead, we should be encouraged by what is being witnessed during a time of year that many have traditionally considered best spent wrapped in a warm blanket with a cup of hot cocoa in front of a crackling fireplace!

Millennials (defined loosely by Statistics Canada as those born between 1982 and 1991) are an endless source of fascination in terms of their spending habits, and their travel behaviors do not disappoint observers. Airbnb tells us that millennials are making their next travel excursion a higher priority for their savings than paying off debts or purchasing their first home. Another study finds that one out of five Millennials would be willing to accept a lower salary in exchange for the freedom to travel more frequently. Enthusiastic about the prospects of globe-trotting in a post-pandemic world, Millennials are poised to outspend their generational counterparts in stellar fashion. According to Expedia, and cited in [CB Insights](#), they are on track to save \$5,462 for their next excursion in contrast to savings of only \$3,444 across other cohorts.

How is “**work from home**” working out for the average Canadian?

Work arrangements were massively upended by COVID-19 in virtually every sector; for many that meant turning one's dining room table or other available nook in the house into a makeshift office. What made great sense at the height of the pandemic to reduce potential exposure to the virus while keeping businesses humming (or, at a minimum, sputtering) along, has business leaders asking, “Now what?” The 2+ year saga produced some interesting takeaways, as we discover that while we sputtered at times, we got through largely unscathed and now find

ourselves more than mildly conflicted about our eagerness to resume in-person office work-as-usual.

PwC and the Angus Reid Group [conducted a study](#) in September 2021 which revealed that roughly 60% of Canadians wish to spend half or more of their time back in the workplace, whereas a not-so-trivial minority – 40% – are more than fine with continuing to work from the comfort of home.

What's **your ideal scenario** for your work environment?

Share of Employees

18 Entirely at the workplace

17 Mostly at the workplace

25 Half at the workplace, half remotely

25 Mostly remotely

15 Entirely remotely

The renewed camaraderie of in-person workplaces is seen as a welcome relief from the isolation and lack of connectedness that pervaded the lockdown era. On the other hand, the [flexibility afforded](#) by remote work arrangements has whetted the appetite for this form of freedom and choice among many. Thus, the emergence of [hybrid work arrangements](#)... the way of the future? Very possibly.

To further understand this phenomenon, the [latest Angus Reid survey](#) (March 2022) revealed fascinating insights that shed light on the present-day Canadian sentiment on workplace issues. Among the findings – many of those who worked from home actually reported that their lives improved over the past two years. A majority also say that remote work has not hurt their productivity.

Edmonton Product Groups

Activity Index | January and March



The Calgary Stampede, an annual rodeo, exhibition, and festival held every July, has a long history here, known to draw half a million attendees each year. Ticket sales for this year's week-long festivities are already well on track to sell out.

Calgary's [Chinook Blast](#) was launched in 2021 to deliver a safe event while fostering community spirit, re-energizing the downtown core, and revitalizing tourism. Billed as Calgary's only multi-venue winter festival, the event symbolically bestows attendees with the Chinook "badge of honour" – we're not afraid of a little cold! This celebration of community, culture, and civic pride showcases the best of Calgary's art, music, theatre, sport and recreation. The inaugural event is estimated to have drawn more than 400,000 visitors and generated as much as \$3.3 million in local economic impact.

Calgary is also expecting an [airline traffic surge](#) in 2022. Airport officials said they expect 10–13 million passengers in 2022, up from 6.3 million in 2021. As noted by Bob Sartor, President and CEO of the Calgary Airport Authority, "We are one of the top airports in the world for connecting flights and we have the highest domestic passenger percentage of all major airports in Canada, which positions us well when it comes to recovering from this pandemic."

Not to be outdone, the City of Edmonton has been boosting tourism by appealing to the DNA of Canadian sports enthusiasts. Give them what they crave – major sporting events. In 2021, Edmonton hosted two FIFA World Cup qualifying games for the Concacaf federation, the International Ice Hockey Federation (IIHF) World Junior Hockey Championship, and the World Rugby Sevens series. The cumulative impact of these events injected an estimated \$73 million in economic benefits for the city.

As noted by [Explore Edmonton](#) CEO, Traci Bednard, “[These events have] supported a lot of small businesses. The impacts of tourism create jobs and allow hotels, restaurants, and shop owners to benefit from this kind of sporting event.”

Edmonton has begun [welcoming employees back to office](#), and that has resulted in a spike in foot traffic downtown. According to a report done by Avison Young, Edmonton is one of the leaders of all major North American cities in the “return to office” weekly visitor volume.

Home to roughly [12% of Canada's ski resorts](#), Alberta proudly and rightly holds bragging rights to some of the finest skiing and snowboarding experiences that winter sports aficionados can find in North America. Some 19 million visits to the slopes are made annually across Canada. Alberta has high hopes that rebounding domestic and international travel along with the cooperation of Mother Nature will translate into busy slopes and lots of positive buzz. Travel Alberta has even [launched advertising campaigns](#) in Texas and California to entice ever-more adventurers to this natural winter paradise.

British Columbia

Vancouver's index rose modestly in Q1 2022 (+11 points). With the summer tourism season approaching, there is great potential to see a stronger surge once the warmer months roll in.

Western Canada is eagerly anticipating a [triumphant return of the cruise industry](#) to its shores. Vancouver hopes to be flooded with tourists; by some estimates, close to 1 million will visit this vibrant city and bring approximately \$2.7 billion to British Columbia's economy. The province accounts for about 65% of Canada's entire cruise market according to Walt Judas (CEO of Tourism BC), and local businesses are excited about the tremendous boost that may be just around the corner. Wally Wargolet, executive director of the Business Improvement Association in Gastown, (a neighbourhood located near the Port of Vancouver cruise ship terminal) suggests that "[2022] could be one of the best years ever for the cruise business here."

Vancouver Product Groups

Activity Index | January and March



With continued easing of restrictions, optimism around economic growth is palpable throughout the region. As noted by the Chief Economist for Central 1 (the member organization of all credit unions in British Columbia), [Vancouver Island's economy](#) is "...going to bounce back relatively quickly. Seen in the past cycles, or the past variants, the economy tends to regain a lot of these jobs once the restrictions are over."

Reinstatement of [previously restricted international](#) and domestic flights is more happy news for businesses that depend on brisk travel from major cities like Frankfurt and Dublin. As summer approaches, hotels, restaurants, and shopkeepers that were seriously bruised by the pandemic are gleefully hanging out their welcome signs once again.

Eastern Canada Update

Atlantic

Activity in Halifax for outdoor digital rose a stunning 27 points during the first quarter of 2022. Its population growth, headed for the 500,000 mark (2% annually, among the fastest in all of Canada) – is among the principal drivers of this increase in OOH activity. Jacques Dubé, the Chief Administrative Officer (CAO) for Halifax has likened it to "...adding the equivalent of a 10,000-person town every year."

Halifax Product Groups

Activity Index | January and March



One of the primary engines of that growth is the fact that Halifax is becoming a tech hub, with many start-up companies choosing the area as their base of operations. The co-location of similar businesses has contributed to the formation of a tech ecosystem, earning the city a ranking of 7th on a list of 25 emerging tech markets in Canada and the US, according to the 2021 Scoring Tech Talent report produced by CBRE.

Allen Lau, co-founder and CEO of Wattpad, noted that "the talent in Halifax is amazing across multiple disciplines. The talent pool is also very deep, it's not just recent graduates."

The resumption of cruise ship activity, and its throngs of passengers stopping in port, is poised to cause quite a stir – a good one – for the economy of the east coast of Canada, as well as the west. Recently it was reported that 152 ships, including vessels from Royal Caribbean and Disney, will make port in Halifax this year. Before the onset of the pandemic, 350,000 tourists were projected to visit the area via cruise lines, with an estimated economic impact of \$80 million.

As the spokesperson for the Port of Halifax, Lane Ferguson noted, "People from other parts of the world really want to come and experience Nova Scotia and what Atlantic Canada has to offer. So in that sense, we are restarting from a good place."

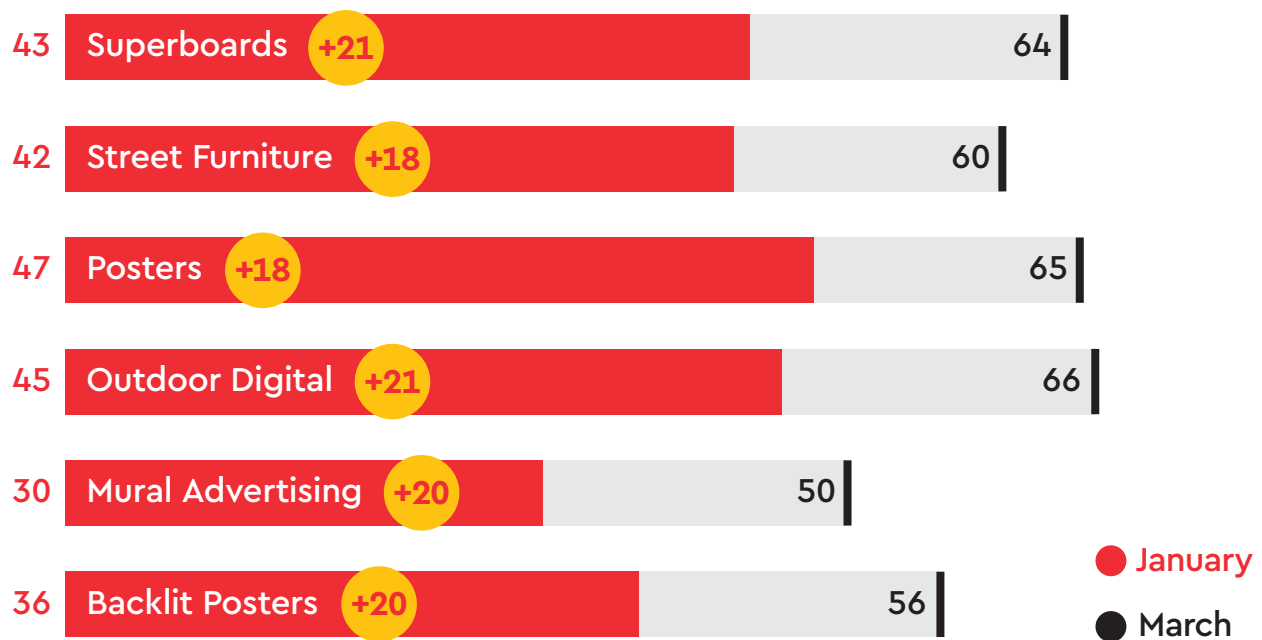
Underlining the advantage of these regional amenities, Premier Tim Houston has noted that the greater Nova Scotia region is no longer a secret to the rest of the world, stating that "We have momentum and are growing."

Ontario

Toronto increased OOH activity across all product groups between January and March 2022. Contributing to this – both now and as we project into the rest of 2022 – is the return of events and festivals, activities that many around the world equate with Toronto. The loosened Ontario restrictions which took effect throughout March should also result in a continued rise of consumer activity outside the home as the spring cherry blossoms begin to bloom.

Toronto Product Groups

Activity Index | January and March



Toronto is world-renowned for its festivals and events, most of which were forced to cancel or postpone through two painfully long years of pandemic. Announcements marking their return in 2022 have been joyful news to all who treasure and celebrate the vibrancy of this city.

Many of the [largest events](#) – the Toronto Caribbean Carnival, the CNE, Pride, and Cirque du Soleil, to name a few – are scheduled to return in 2022. As Canada's Wonderland General Manager Norm Pirtovshek noted, "We may be in the depths of winter, but we're already looking ahead to the brighter, warmer days of spring when we can welcome guests back for the 2022 season."

The impact of these events to OOH activity in Toronto cannot be overstated, as evidenced by the draw of these prior to the onset of the pandemic. For instance, CNE – the Canadian National Exhibition – drew an estimated [1.5 million visitors](#) in 2019.

Scheduled for mid-August to early September this year, the [CNE festivities](#) are many and diverse. Gardening and rising star talent competitions, Peewee baseball tournaments, exhibits, rides and games, food and music, even an air show, are among the treats awaiting this year's visitors!

The Toronto Caribbean Carnival attracted an estimated [2 million visitors](#) before COVID forced cancellation in 2021. Billed as North America's largest street festival, it is exciting to report that the event is back ON for July 28 – August 1, 2022.

Pride Toronto drew an estimated [1.7 million attendees](#) in 2019. Resuming full activities, Pride month of June will culminate in a [festival weekend](#) June 24 – 26, 2022 featuring over 300 2SLGBTQ+ artists.

In addition to anticipating an influx of out-of-towners and international visitors, the city is also hoping that people will be returning to work downtown, and bringing with them the economic impact that such activity drives. Avison Young, a real estate company that has been tracking the return to work and shopping centres over the past two years, has indicated that the [weekday visitor volume](#) is increasing week-over-week since the beginning of this year and up 56% since March 2020, while shopping centre foot traffic is up 249% over 2020.

the [words of one skater](#), taking in her dose of Vitamin D from the welcome sunshine, "I was out this weekend in the freezing cold... it was extremely busy with families; it was nice to see people out."

Ottawa-Gatineau (QC) Product Groups

Activity Index | January and March



And who doesn't love a music festival packed with A-list performers? For the first time in three summers, Ottawa's popular [Bluesfest](#) returns in July! The [lineup this year](#) includes headliners Rage Against the Machine, Alanis Morissette, Marshmello, and Sarah McLachlan. What originally started as a celebration of the blues genre in music has blossomed into a 10-day-long extravaganza of musical talent including mainstream pop, hip hop, reggae, and rock. As the Bluesfest Executive Director, Mark Monahan noted, "This year's festival will launch a new beginning for the live music industry in Ottawa. We're hoping to re-establish a sense of normalcy."

Where return to [in-person work](#) is concerned, the common sentiment in Ottawa is that some form of work-from-home is here to stay, at least for public servants. Other initiatives will be explored to help make the best use of the office space. Mona Fortier, President of the Treasury Board, predicts that "Hybrid work is here to stay. We have to look at how we're going to strengthen our downtown core, and making sure that we don't keep these offices empty."

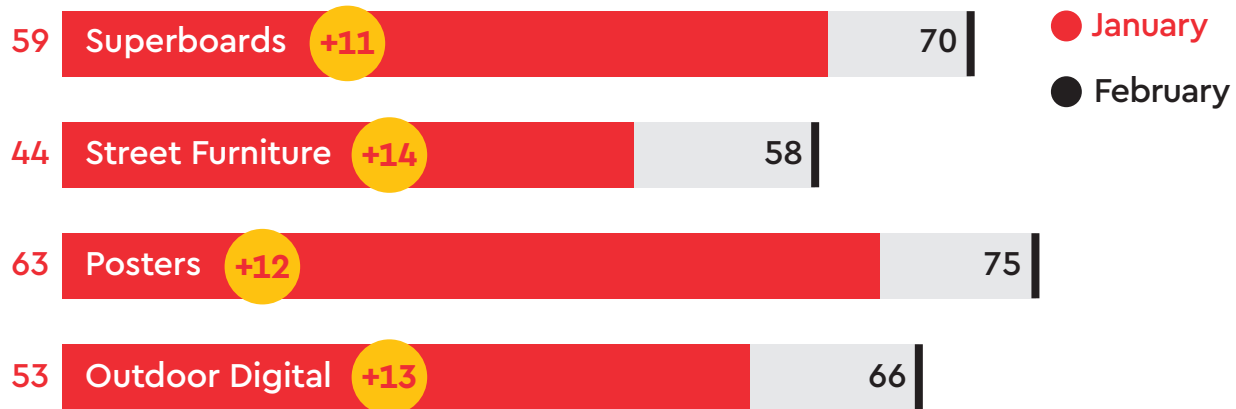
Quebec

Markets in Quebec saw increases in OOH activity throughout Q1 2022, continuing the consistent performance the area enjoys related to OOH activities and a bounce back of outside economic activity. OOH activity in Montreal witnessed double-digit, month-over-month increases in all product groups.

The [economy in Quebec](#) was tied only with Alberta (another consistent index leader) in 2021 for economic growth, and with an unemployment rate (5.6% in October) among the lowest in the country, the area is heading assuredly towards returning OOH activity to pre-pandemic levels.

Montreal Product Groups

Activity Index | January and February



Even through the stronghold of the pandemic in 2021, Quebec continued to see lively levels of tourism. With still more [easing of restrictions](#), resumption of normal flights, and the additional capacity and destination roster that Air Canada, Air Transat, and Air France are slated to establish, travel season is looking sweeter than ever for the Quebec province and beyond.

As events are announced, the jubilant crowds are soon to follow! Formula 1 Grand Prix Racing returns at full speed this June in Montreal at the [Canadian Grand Prix](#) 2022. The 70 lap, 4.361-kilometre race is certain to have hearts pounding and spectators on their feet as they experience this exciting event. Le Centre Sheraton Hotel has already sold out for that weekend, all but guaranteeing a robust infusion of dollars into the local economy from an expected international crowd of some 300,000 fans.

Both at the municipal and regional levels, planners are busy with revitalization initiatives. The province of Quebec recently announced their economic kickstarter in the [form of two "innovation zones"](#) on the outskirts of Montreal. Which innovations will they be spawning? Quantum science in Sherbrooke and intelligent electronic systems in Bromont. By



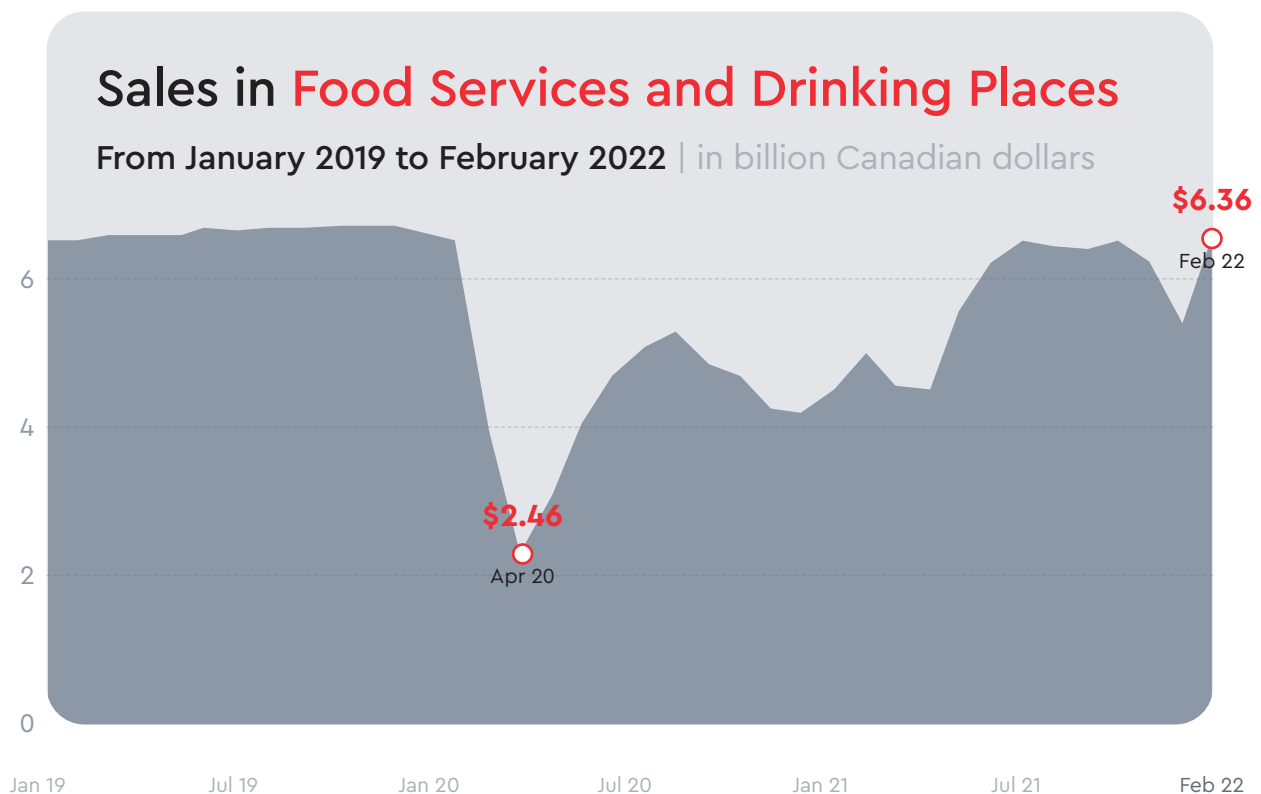
Edmonton's annual [Downtown Dining Week](#) that just wrapped up was especially welcome and well attended this year. According to Tracy Hyatt, marketing specialist with the Edmonton Downtown Business Association (EDBA), "The timing of this year's Downtown Dining Week works really well... in the next two weeks, the major employers are starting to phase back their workers. So this is a huge win for them to have a program like [Downtown Dining Week]. We're hoping to see a lot of traffic."

According to the EDBA's [Return to the Office Survey](#), socializing with coworkers and going out for lunch are among top reasons that workers give for wanting to return to the office – and that should be a reason for restauranteurs to smile again!

we're hoping to see a lot of traffic

Not to be missed is the annual three-day [Taste of the Danforth](#) event in August, when Toronto's Greek community, 200,000 strong, puts on a festival like no other. As many as 500,000 visitors are expected to take part along the 2.5 km festival course offering amazing, authentic Mediterranean cuisine, music, and dancing – a total cultural celebration for all.

With events like those just highlighted, there is every reason to believe that the hospitality sector is on an upward trajectory to not only recover, but to positively thrive in 2022. The [graph below](#) shows food and drink sales rebounding to pre-pandemic (2019) levels as early as February of this year, and with pent-up demand and tourist season just heating up, the numbers can easily be projected to continue climbing.



Campus

The [educational system](#) has been put to quite a test over the past two years. Balancing safety measures to reduce the spread of COVID with the mental health impact and social disruption induced by extended interruptions of in-person classroom learning and on-campus life has been supremely challenging for administrators, faculty, staff, and students.

As colleges and universities across Canada are [returning to a semblance of normalcy](#), students are excited, even exuberant about being able to once again experience vibrant campus life. For some new students, the return to in-person learning is their first time in a classroom since high

school. Students interviewed expressed excitement about being back and experiencing the richly positive social interactions that come with campus life (video below).

Interesting to note, universities appear to have weathered the pandemic without major impact on enrollment or retention. Statistics Canada data for 2020–21 show university participation rates for twenty-year-olds at 41%, a significant increase from the usual 36 or 37% of the previous five years.

At Queen's University, for example, first-year enrollment in the fall was roughly the same as the year before, and up about 16% compared to pre-pandemic levels. Retention of first-year students increased in 2020–21 to 95.4%, up nearly a percentage point over 2019. While students have unquestionably been missing the social and interpersonal aspects of in-school learning, it is promising to see that enrollment and retention have remained strong.

In Manitoba, Brandon University announced they were excited to welcome students back for the full on-campus experience. Yet taking a reflective approach, David Docherty, the University's President remarked, "Over the past two years, we have all repeatedly adapted and readapted to the challenges of the pandemic. We have learned much about ways to stay safe while continuing to deliver the highest-quality education and research."

Graduation ceremonies have taken on a super-charged mood of celebration. The University of Waterloo's Senior Director of Community, Kelly McManus, perhaps said it best: "There's just an incredible energy and sense of celebration that can only be achieved in person."



adapted and
readapted to
the challenges
of the pandemic

Summary

The first quarter of 2022 demonstrated that virtually all OOH environments are experiencing robust activity, approaching – or even rivaling – that of pre-pandemic levels. This is excellent news considering that winter weather still had its grip over much of Canada early in Q1 and many businesses were still in the process of fully reopening.

Now, the tailwinds are very much at our backs as the weather warms, more businesses are resuming at least hybrid in-person work practices, the height of tourist season is approaching, and scores of venues have announced exciting plans to host events of all types. Music festivals, cultural expositions, sporting events, holiday celebrations, along with domestic travel and an influx of tourists by land, air, and sea all promise to bring people outdoors where OOH advertising packs its punch!

Canadians have shown their resilience and resolve to get back to the active lifestyles they enjoy. With that, their pent-up appetite for dining out, shopping, socializing, and enjoying their favorite pastimes is being expressed in abundance as they get on the highways, flock to restaurants and shopping malls, and pack arenas and theatres. International visitors are equally eager to travel once again as restrictions continue to ease, new airline routes are announced, and the popular cruise industry on both of Canada's shores comes back to life in a big way.

All said, this is a prime time for advertisers to leverage their dollars through the many OOH mediums we track and for which we are observing positive trend lines across the board. Canadian consumers are feeling a renewed zest for life and through outdoor digital, posters, street furniture, and superboards, they are finding inspiration and motivation to take that energy and engage in new experiences, new purchases, and new destinations.

The COMMB team heartily wishes all our readers prosperity, health, and “all green lights” as we advance through a banner year, 2022!

