Destination Marketing Organization Strategy

Prince Albert National Park & Area



November 2009

FRASERSTRATEGY

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RECOGNITION OF RISK

This strategic plan is subject to assumptions, risks and uncertainties, which are difficult to predict and may potentially result in an actual outcome that is materially different. Further, actual results or events could differ materially from those contemplated in forward-looking statements, as a result of organizational changes in management and/or changes in the marketplace.

The inherent risk is limited by the fact that the strategic plan is grounded in independent research and input from key leaders of the organization itself, and the resulting document is a combination of this input coupled with the expertise of the hired consultants and their many successful years in the marketing, communications and business management.

EXECUTIVE SUMMARY

"Prince Albert National Park of Canada protects a slice of the northern coniferous or 'boreal' forest. The park lies in a transition zone between natural regions, with a diversity of wildlife. The park contains many outstanding natural and cultural features, including the only fully protected white pelican nesting colony in Canada, rare fescue grasslands, free-ranging plains bison and the isolated, lakeside cabin of conservationist Grey Owl. A rich aboriginal history in the area dates back over 8000 years." **(www.pc.gc.ca)**

The Destination Marketing Organization's (DMO) role is to market Prince Albert National Park (PANP) and the surrounding area, as an internationally recognized, all season tourism destination.

Adventure travel, including pre-planned tours and tour packages, are currently underrepresented in Western Canada, and specifically in Saskatchewan. There exists a gap in the coordination, marketing, and potential collaboration of organized tours which presents an opportunity for the DMO to capture a unique position in promoting the DMO while leveraging other Western Canadian Tourism attractions.

The creation of a virtual "Western Canadian Travel Centre" (WCTC), with a primary online (internet) focus and a secondary focus on out-sourced support, will function as a centralized information hub for Western Canada with regard to providing research, guidance and support for travellers seeking to book wilderness trips and tours to the area. It is from this virtual center where the DMO will begin to market four seasons of Western Canadian tours, DMO focused tours and ultimately the members as the suppliers of tour components. This will accomplished as a conduit or as a tour receptive tour operator (See Appendix F) where the DMO will become a relationship builder between the suppliers and wholesale tour operators.

The target market of the DMO will be those people who exhibit the characteristics of experiential travellers who seek wildlife, or outdoor focused, vacations. This group is referred to as Wildlife Viewers (see appendix E). This psychographic description matches the current traveller to Saskatchewan and crosses many demographic groups. This psychographic group will be targeted firstly from Canada, mainly from Saskatchewan, Manitoba and Alberta with expected overflow from the other provinces. Secondarily, the International market segment will be targeted to include US based travellers. This approach to target psychographic characteristics will naturally attract other International clients who are attracted to the wildlife focused marketing. It is recommended to utilize approximately 60% of the budget in the Canadian Regional market during the first year, with the balance being used to attract international travellers. This budget allocation is anticipated to shift over the first three years to 40% regional and 60% international.

The DMO will receive funds for the first three years from Parks Canada, Waskesiu Chamber, and Saskatchewan Tourism. Additional funds will be generated from a combination of membership fees and/or optional user taxes, travel booking services, and the eventual advertising on-line revenue with the goal of becoming self-sustaining after the three year 'kick start'.

This strategy also outlines an action plan that focuses on the initial business requirements and includes plans for longer term development and growth.

DEFINING THE BUSINESS

SERVICE DEFINITION

The tourism spectrum for tour packages includes suppliers, receptive tour operators, and wholesalers / tour coordinators. Suppliers provide the key components of the tour package, receptive tour operators coordinate and implement the tours, while the wholesalers promote and sell the tours.

The current gap in the market identified in Western Canada is that of limited tours and tour packages being offered at the wholesale level for coordinated outdoor wilderness activities. This suggests that there may be limited coordination of suppliers and/or their offerings for the entire Western Canadian area**.**

This current gap in the marketplace provides the underpinnings for the growth strategy of the DMO. The first opportunity lies in becoming the Premier Travel Centre for Western Canada, in creating a virtual DMO operated as the Western Canadian Travel Centre (WCTC). By providing a centralized point for promotion of outdoor activities for Western Canada, the travel centre will provide information, guidance and advice on where, when and how to travel in Western Canada.

Further, by becoming a virtual travel centre the DMO will be able to book the travel and generate revenues to offset the investment required to build the requisite database and information warehouse. This additional function of providing advice and booking travel will provide the travel centre with yet another opportunity to introduce the concept of travelling to the DMO, either as the first travel choice or as an additional or secondary part of the client's travel plans to Western Canada/Canada. This will allow for the DMO to leverage off other well known attractions in Western Canada. For example, a person wanting to book a tour to Churchill to see the polar bears may opt to add onto their excursion by visiting the PANP for an opportunity to see Bison, Moose, Wolves or Black bears on their way to or from Churchill. The DMO will target travellers seeking adventures in Western Canada by promoting the natural and cultural benefits of the area, both domestically and internationally.

Here, by being involved in the planning, DMO representatives will be able to influence the travel planners to ensure they include a portion of the tours booked to include the PANP Area.

Although the DMO will benefit by having travellers visit the DMO, and also by receiving commissions for executing reservations, the ultimate goal is not to directly compete with other venues across Western Canada but to participate in the trip planning process in order to ensure that part of the traveller's trip includes the DMO. This approach leverages the marketing dollars being spent by other regions and attractions to channel interest to the travel centre.

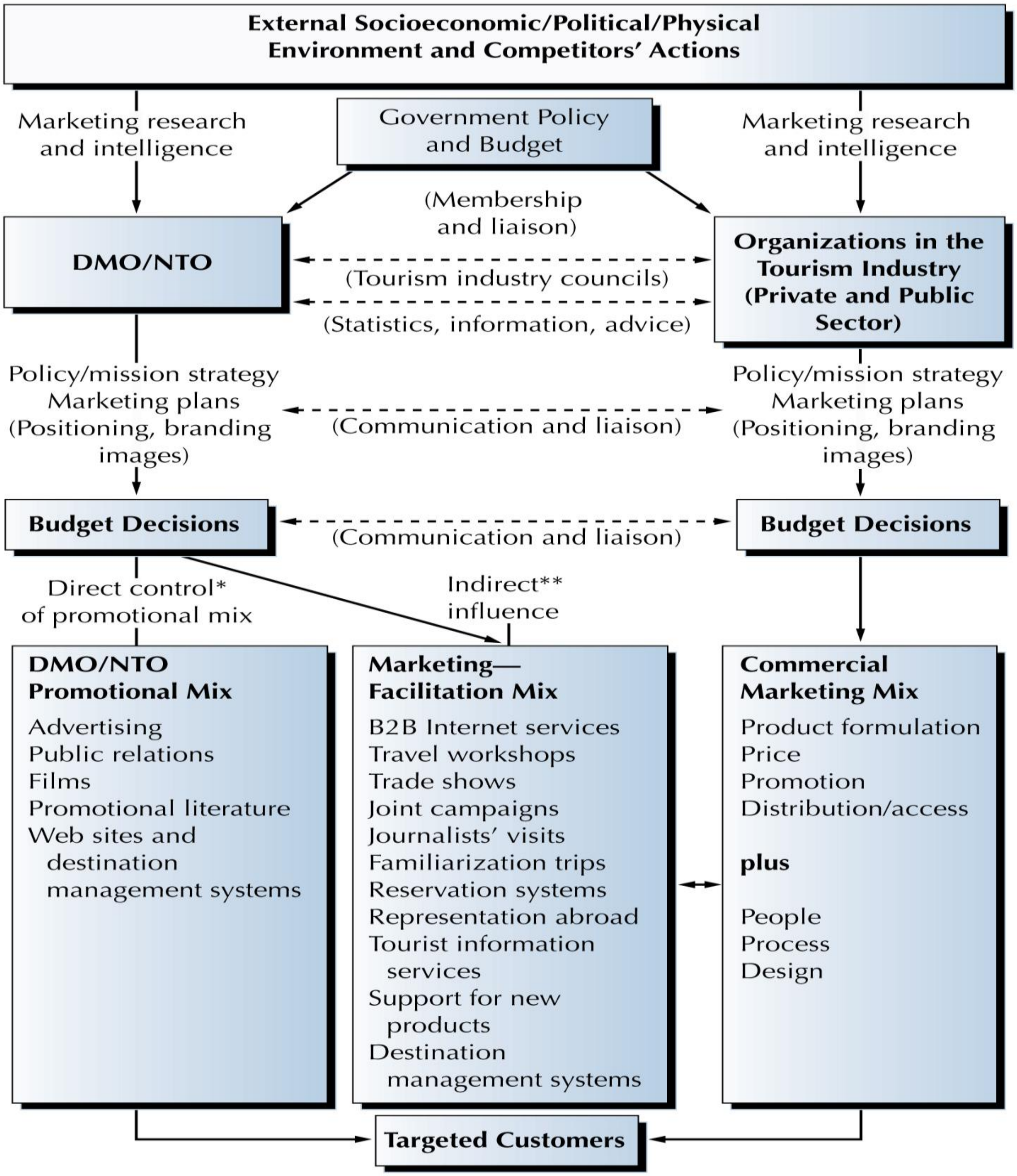
The DMO will become the leader in promoting Prince Albert National Park and the DMO's area brand by implementing a focused marketing plan that promotes the unique features of the area. This plan will be directed by a not-for-profit Board of Directors that will base their decisions on what is best for the DMO.

A key task for the DMO will be to act as a receptive operator or conduit between the suppliers and wholesalers. The DMO will need to identify potential tour segments, coordinate suppliers, and assemble tour packages. Once the packages are created, the DMO's role will be to work with the tour wholesalers. The DMO will become the conduit, or channel, to bring tour wholesalers together with existing and potential suppliers. The DMO will have the ability, via its web presence, to inventory existing products, identify gaps and opportunities, then coordinate, support and encourage the development of relationships between tour wholesalers and the DMO membership. This will include presenting the area and its attractions to the wholesale market as a collaborative group of suppliers seeking to support the wholesalers in reaching their goals. This may be started at the DMO and eventually be taken over by the private sector as a profitable business venture.

The Centre may also focus directly on specific target markets and can benefit from selling the packages at the centre or through other travel agencies. The virtual, one-stop, travel centre will also promote existing tours and facilities for tourists planning their own excursions, including activities, lodgings and transportation needs for large and small tour groups, families, as well as individuals. A sub-site focused on the DMO will be included in the overall WCTC site in order to allow travellers to book directly if desired.

In order to ensure long term success the DMO will need to set the bar for suppliers wanting to be part of the tour packages. By setting a portion of the DMO to quality assurance, a set of standards will be created to ensure all members of the DMO can meet or exceed the tourist's increasing expectations. This membership qualifier may be used as a selling point for membership by only including members on the site, or discounting the advertising on the site for members only. The DMO will also play a critical role in educating the other community stakeholders in understanding the economic importance of tourism to the area.

The following diagram (next page) shows the model of interaction within the DMO arena. The focus has traditionally been on the promotional mix and marketing. The strategies included in this document cross all three of the areas including the promotional mix and marketing as well as the commercial marketing mix.



* Expenditure mainly in the countries or areas of origin from which prospective visitors are drawn
** Expenditure in the countries or areas of origin and at the destination

Figure 12.3 The Destination Marketing Process for DMOs/NTOs

Source: Middleton, V. T. C., & Clarke, J. (2001). *Marketing in travel and tourism*. Oxford: Butterworth-Heinemann, 338.

COMPETITIVE ADVANTAGES

During the PANP DMO discovery session, it was revealed how passionate the participants were when discussing the natural setting of the area and its uniqueness in the world. People were enthusiastic about their way of life in the DMO areas. The natural beauty of the area along with the ability to interact with nature was the common theme amongst the entire group.

The table in Appendix D was used to identify "points of difference" or unique competitive advantages that could be utilized to differentiate the DMO. The points of differences were listed and then rated under the headings of:

1. Unique features
2. The ability for others to duplicate the point of difference, and
3. The degree of being organized or the state of development.

An analysis of the potential points of difference suggests the top four unique features are as follows:

1. <u>Wildlife Viewing</u> - there is an opportunity for travellers to view some of North America's largest mammals through to the smallest birds in their natural habitat. Activities may include viewing, photographing and/or hiking excursions
2. <u>Outdoor Adventure</u> - there is an opportunity for travellers to participate in many outdoor pursuits year round. Activities may include hiking, cycling, canoeing, kayaking, camping, snowshoeing, cross country skiing, dog sledding, snowmobiling, ATVs, ice fishing et al
3. <u>Safe and secure</u> access to a <u>National Park</u> within the boreal forest bordering the Lakeland (100,000 lakes)
4. <u>Aboriginal Culture</u> - there is an opportunity to blend with the natural settings in an introduction to, or participation with, an aboriginal focused activity. This should be investigated to identify potential indigenous activity based tours

VISION, MISSION AND VALUES

A strategic **vision** is the image of an organization's future - the business direction and the market position it should try to occupy. The vision should infuse the organization with a sense of purposeful action:

What will the organization look like five years from now?

The DMO will be internationally recognized as a provider of authentic and interactive year round nature experiences while encouraging sustainability and economic growth.

In order to apply the vision, the business needs to look at what it is doing now as the foundation for future decision-making.

The mission statement serves to define the company's purpose and way of doing business with customers today.

The following **mission** options A and B were identified in the DMO planning sessions. Option C was developed as a third option. The Board will choose the option that best fits the spirit of their DMO.

Option A -- Our mission is to work together with partners allowing us to proactively promote our natural and cultural assets by providing programs and services that serve both our markets and members in a sustainable and environmentally responsible manner.

Option B -- The DMO is a community destination marketing organization that works in a unified and collaborative manner with stakeholders to increase visitation, longer stays and return visits by promoting and delivering a sustainable authentic experience.

Option C -- The DMO is a community destination marketing organization that works in a proactive, unified and collaborative manner with our natural, cultural and economic stakeholders to increase visitations, longer stays and return visits by promoting and delivering sustainable, authentic, and remarkable experiences.

The DMO carries out business while adhering to the following **values:**

- Sustainability
- Unification and Collaboration
- Quality of service
- Authentic
- Remarkable experiences

SITUATIONAL ANALYSIS

Currently, the packaged or tour-based travel market for Western Canada appears jumbled and sporadic in its offerings, at best. Searching for a vacation package or adventure travel trip/tour via the internet provides a poor sampling of what may actually be available in Canada, and especially in Western Canada and the DMO.

According to "Canada's Official Tourism Website", when approached from the United Kingdom portal, Saskatchewan has two items listed as things to do in Saskatchewan. Targeting "cultural history buffs" is a tour of the Moose Jaw Tunnels and visiting the RCMP Heritage Centre in Regina. When approached from the US portal there were additional items listed which included Kayaking in Northern Saskatchewan (Churchill River) and staying at Temple Gardens in Moose Jaw.

A sample search on www.IExplore.com for adventure travel in Canada produced three trips[1]. These trips identified a four day bicycling tour through the Okanagan, BC, a seven day trip to Churchill Manitoba to see Polar Bears, and finally a nine day trip that starts in the Eastern US, but includes travel into Canada for a visit to Toronto and Montreal.

Another adventure based website www.Trekamerica.com [2] provided twelve options for travelling in Canada. The closest trip to Saskatchewan was a tour listed that started in Eastern Canada, included travel to Winnipeg, and then "*flying over Saskatchewan"* to continue the tour in Alberta and the West Coast.

An Internationally marketed, private tour company, Kensington Tours[3] (private guided travel worldwide) has listed seventeen (17) Canadian tours and four (4) tour extensions. There are eight (8) tours for Western Canada of which none include Saskatchewan destinations.

These examples are extracted from internet market research which demonstrates there are no easy methods to plan a trip to Saskatchewan, or specifically the DMO. In almost every demographic group researched, over fifty percent (50%) of participants use the Internet for either planning or booking their trip. An established trend is that travellers look for easy ways to find travel information and book their trips and tours (i.e. the Internet).

Another gap identified was the availability of connected tours to Saskatchewan through Western Canada. Within this gap is also the need for coordination of tour components between tour suppliers and travel wholesalers. The tour suppliers such as those offering dog sled excursions or snowmobile guiding vacations, among others, have specific products to sell. If the wholesalers were provided with a packaged tour that could be sold at a reasonable and commissionable price point, with quality assurances and ease of booking, it is assumed that wholesalers will start to promote and sell these packages.

As a result of this analysis, two strategic initiatives for the DMO emerged. Both of these can address the industry void in Western Canada, but there are key differences in the level of management required.

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[1] http://www.iexplore.com/DMOp/Saskatchewan/Travel+and+Trips, see appendix item 1.0
[2] http://www.trekamerica.com/search/searchProcessor.php?item1-node=2010+Tour+Types&item1-method=eq&item1-value=&item2-node=Geographic+Search&item2-method=eq&item2-value=Canada&item3-node=Departure+Months&item3-method=eq&item3-Value=&sortBy=Duration%7Cascending&sortByDefault=Name%7Cascending&perPage=8&searchPath=..%2Ftours&x=21&y=16&Page=2
[3] http://kensingtontours.com/Travel/North-America/Canada-West

One of the first strategic initiatives involves the DMO becoming Western Canada's virtual premier travel centre. The second refers to the DMO becoming the premier vacation coordinator and wholesaler of Canadian adventure tours. This second initiative gives the DMO the advantage of controlling the entire tour process from start to finish. One of the disadvantages of this approach is for the DMO to be perceived as a competitor by wholesalers or suppliers. This may alienate wholesalers and tour coordinators and have them reject the area and its tours. Another disadvantage is the amount of resources required to run such an extensive operation. This approach is the one with the highest potential return, but with the highest risk in execution and investment. For those reasons this planned initiative was discarded.

In order to ensure that the strategies identified are a good fit for the organization's strengths, an analysis of the current internal and external environments was conducted.

The results of the SWOT (Strengths/Weaknesses/Opportunities/Threats) are presented in Appendix D.

The strengths identified include the area's extraordinary landscape, the natural settings, national park, and safety as well the availability to experience wildlife and nature based activities. Remaining focused on the identified target markets will increase the chances of success. The market is quite large with an estimated sixty million North American based wildlife focused travellers. If five thousand (5,000) travellers (.00833% of the estimated total) would spend an average of five thousand ($5,000) dollars, it would generate twenty five ($25mm) million in new dollars for the area.

On the other hand, the Board-identified weaknesses (such as a weak or non-existent brand and international image) are part of the marketing issues that will be correctly addressed by the Branding Strategy and Marketing Plan development. The DMO has made a decision to focus on areas that it can control. The areas out of their control such as infrastructure issues, (e.g. roads and signage), government regulations and funding issues will be identified and influenced through the proper channels.

An action plan has been developed to support the DMO with the best chance of success. The ultimate challenge is to have the DMO Board and Management Team fully buy into supporting the strategies by making them part of their belief system. The assets are there; but the commitment to succeed is required to implement this plan.

MARKET OVERVIEW & RESEARCH FINDINGS

DEFINING THE CUSTOMER

In this section we will define our customers:

What are their needs, motivations, and characteristics?

THE CURRENT PLEASURE TRAVELLER TO SASKATCHEWAN

Over the last two years, 7.6% of adult Canadians (1,848,502) took an overnight trip to the province of Saskatchewan (for any purpose). 64.4% (1,185,604) of those who took a trip to Saskatchewan report taking a "pleasure trip" to the Province. Overall, 6.6% of Canadian Pleasure Travellers reported taking at least one pleasure trip to Saskatchewan during the past two years. Among those who took a pleasure trip to Saskatchewan, 42.9% took two or more pleasure trips to the province in the last two years.

The majority of Canadian Pleasure Travellers that committed to a Saskatchewan trip were mostly made up of people from the Western provinces. As presented in Appendix D, the highest numbers in population (487,728) were people from Alberta, which represents over double the number from the second and third place provinces of British Columbia and Manitoba, respectively.

Those that visited in Saskatchewan were more likely to participate in nature-oriented activities while on a trip than the typical Canadian Traveller (see Table 2, Appendix D). At the same time, those who visited Saskatchewan were more likely than other Canadian Pleasure Travellers to have taken certain types of tours and cruises during the last two years. However, relative to other Canadian Pleasure Travellers, those who visited Saskatchewan were especially likely to have taken wilderness tours, multi-location self guided tours, scenic country drives and tours of factories, casinos and wineries.

To further identify the characteristics of the current Pleasure Trip traveller to Saskatchewan, specific data on how they plan their trips and the information they consider while planning these trips was reviewed. Table 3, Appendix D, shows an increase in "considering specific activities" when planning winter pleasure trips.

Based on the research, the current Canadian traveller to Saskatchewan can be defined as "more active in outdoor activities" than the average Canadian Pleasure Traveller. They were especially more likely to have participated in nature oriented activities (e.g., hunting, fishing, hiking, climbing, and paddling, wilderness activities). Saskatchewan visitors are also slightly above-average users of the internet for planning (64.0%) and booking travel (42.2%).

DEMOGRAPHIC AND PSYCHOGRAPHIC DESCRIPTION OF THE CURRENT SASKATCHEWAN PLEASURE TRAVELLER

Relative to the average Canadian Pleasure Traveller, those who visited Saskatchewan are somewhat more likely to be older and married (76.0% versus 67.7% overall). They are also slightly less likely than other Canadian Pleasure Travellers to have a university degree (28.6% versus 31.2% overall) and report average household incomes.

Overall, visitors to Saskatchewan are over-represented among mature, middle-class couples (see Table 3, Appendix D).

OTHER PLEASURE TRAVELLERS WITH SIMILAR CHARACTERISTICS

Research shows that there are travellers in the US with similar characteristics to those already travelling to Saskatchewan (see Table 4, Appendix D). There are also “Soft Outdoor Enthusiasts” and “Winter Activity Participants” who, in their leisure travel, are very likely to engage in multiple outdoor activities while on trips.

Specifically, over half of Canada’s Winter Outdoor Activity Participants view wildlife and/or fish in fresh water - slightly fewer hike or backpack in wilderness settings while on trips. About two-fifths cycle, golf, and/or go motor boating (likely related to their enthusiasm for fishing) while on their holidays. One-third also view wildflowers and flora or go kayaking or canoeing, while about one-quarter go whale watching and/or bird watching. This wide array of popular outdoor activities on recent trips is suggestive of a market segment that enjoys the outdoors during all seasons.

TARGET MARKET SUMMARY

There are similar reasons for Canadians and US tourists to place the DMO on their list of destination options - wildlife based activities.

Wildlife viewing has been identified as one of the main reasons for trips in the past two years within North America (see Appendix D, Nature Based Travellers in US and Canada). According to the TAMS (Travel Activities and Motivation Survey) 2006, the wildlife focused travellers (Wildlife viewers – see appendix E) represent approximately fifty nine (59) million travellers who identify visiting nature parks (National/Provincial/State) as the main reason for their trip, followed by wildlife viewing, viewing northern lights, and viewing land-based animals. This group, when adding Canada and the US, represents approximately sixty (60) million travellers.

In order to become a year round destination the attraction of shoulder-season and winter-activity travellers are also desired. Upon review, the common thread amongst all of these travellers is their connection to viewing wildlife and pursuing outdoor adventure while on their trips.

The ideal target market is then identified by primarily their desire to view wildlife in a natural setting, and secondarily by the optional nature-based activities the trip can offer. By targeting a four season traveller focused on wildlife viewing, the DMO can increase visitation throughout the year. The wildlife viewing element can be used to sort the most desirable demographics from each geographical area. The demographics and their habits will become an essential part of the marketing strategy for each area.

TRENDS

There are some predicted future trends in the travel industry that affect the long term strategies discussed in this document. One must keep these items in mind as the document outlines the long term strategy to address these issues. The following is a summary of the top trends identified in the travel industry:

GEOTOURISM (ECOTOURISM, SUSTAINABLE TOURISM)

Geotourism is "best practice" tourism that sustains, or even enhances, the geographical character of a place, such as its culture, environment, heritage, and the well-being of its residents.

A recent study sponsored by the Travel Industry Association of America and National Geographic Traveller, found that at least 55.1 million Americans could be classified as "**sustainable tourists**." Specifically, the study states that:

"These travellers have ceaseless expectations for unique and culturally authentic

travel experiences that protect and preserve the ecological and cultural environment."

EASE OF PLANNING

Group Tour: **Will grow as long as operators can customize tours for individual groups.** This industry is reinventing itself to meet changing traveller expectations.

Cruises: Represent a huge competition for traditional land-based destination marketers simply because the cruise industry makes it easy to take a cruise, **whereas the time required to investigate and plan a trip to a traditional destination takes too much time in a "time poverty" world.**

Internet: The **#1 Source of travel planning and purchasing**

Consumers are using the Internet in record numbers for travel planning but that doesn't mean they like the process. **Streamlining of the planning process is critical to long term growth.**

The **Internet still beats other vacation planning tools**. A third of US Internet users now research and book travel online, according to the Conference Board and a recent "Consumer Internet Barometer" study. The report covered US households and was conducted in the second quarter of 2007.

Forrester Research predicts that travel will remain the number one online retail category and grow to $119 billion by 2010. (Source: Hotelmarketing.com)

The majority (66%) of leisure travellers who are airline and hotel users now go exclusively to the Internet when planning a vacation, while 57% report making reservations online. These numbers underscore the remarkable way in which consumers have embraced this medium since 2000 (Leisure Travel Monitor™).

An April 2007 survey conducted for Expedia by Harris Interactive asked travellers where they would turn for accurate information for summer travel planning. **Online travel agency was the top response (52%) followed by family or friend recommendation (45%). Rounding out the responses were travel guide books (25%), travel community sites (19%),** magazines and newspapers (19%), traditional travel agents (17%) and convention and visitor bureaus (16%).

CHANGING DEMOGRAPHICS AND TRAVELLERS EXPECTATIONS[4]

Flashpacking is a neologism used to refer to an 'affluent backpacker'. Whereas backpacking is traditionally associated with budget travel and destinations that are relatively cheap, **flashpacking has an association of more disposable income while travelling and has been defined simply as backpacking with a bigger budget.**

There is more demand by all travel segments for "orientation and facilitation", which is evolving to more of a "concierge service on demand". Time poverty underpins this trend. **Regardless of the type of traveller (business, leisure, meeting, etc.) today's traveller is impatient with the process of "finding the good stuff." From preferred restaurants, to lodging, to things to see and do, travellers report frustration with having to dig through tons of brochures, websites, etc. to find travel choices. They want someone or something to give them instant and easy information.**

Meanwhile, **online concierge services such as travelnewyork.com are proliferating as consumers seek easier trip planning where planning services are provided. The Asheville CVB (Convention and Visitors Bureau in North Carolina) is leading a national trend with its recently opened destination visitor centre which offers a concierge desk offering complete travel planning services.**

According to TIA's (Travel Industry Association) Ideal American Vacation Report released in February of 2007 the **ideal vacation destinations for American vacation travellers are those that offer an easy travel experience, a sense of fun and adventure, and local flavour.**

What are the barriers to taking the ideal vacation trip?

Although nearly 9 out of 10 travellers are highly satisfied with their last trip, fewer than half say that their last trip was close to their ideal. More than one quarter say their trip was not close to ideal.

RV, SPORTS, FAMILY REUNION TRAVEL[5]

RV Travel: US ownership of RV's has reached record levels. Nearly 8 million American households own at least one RV – a 15% increase over the past five years. The typical RV owner is 49 years old, married, owns a home and has an annual household income of $68,000 (2004 data)

Youth Sports Travel: Parents that travel to attend their children's games represent a growing sub-segment of the sports travel segment. According to TIA, more than 52 million Americans attended an organized sports event, competition, or tournament as either a spectator or participant while travelling.

Family Reunion Travel: According to the Gale Group, there are more that 200,000 family reunions in the US each year, attended by 8 million people. Reunions Magazine reports 73% of reunions have 50 or more attendees and 5% have more than 100. 6% have more than 200 attendees. 85% of reunions occur in June, July, and August. 64% of families expect to use a hotel or resort for their next reunion[6].

[4] [4] Randall Travel Marketing, Inc., 116 Malibu Road • Mooresville, North Carolina 28117 • Email info@rtmnet.com • www.rtmnet.com

[5] Randall Travel Marketing, Inc., 116 Malibu Road • Mooresville, North Carolina 28117 • Email info@rtmnet.com • www.rtmnet.com

[6] Reunions Magazine

GOALS AND STRATEGIC INITIATIVES

The interim Board of the DMO understands and recognizes that a strong business strategy that embodies a succinct direction and core initiatives bodes well for a successful outcome. The successful outcome is derived by the specific, achievable and measurable goals that follow that must be approved by the Board.

- Long-term
  - To Become the Premier virtual travel site in Western Canada
  - To be recognized as a Western Canadian and Canadian leader in wildlife viewing and outdoor adventure tourism markets
  - Develop a workable Indigenous cultural component to the area that fosters incremental travel revenue
- Short-term
  - Develop a viable, sustainable funding model for the DMO
  - Develop a three to five year marketing plan (including a defined tactical plan) that solidifies the market position of the DMO by March of 2010
    - Done in conjunction with a branding development exercise
    - Coordinate an inaugural media plan that allows for continued short-haul traffic by March of 2010 (while the WCTC strategy is being coordinated)
  - Develop a Western Canadian Travel Centre web site and internet strategy by April of 2010
    - Create a travel booking division to assist travellers booking through WCTC
    - Implement a receptive operator plan by creating salable packages for the area
  - Produce a DMO Quality Assurance model that provides standards, inspection regulations and a monitoring plan of all DMO members

Strategic Direction

In order to attain the set goals and objectives of the DMO a course must be set to follow. The following strategic direction will guide the management.

- To prioritize environmental sustainability and quality of products and service as the foundation of the DMO’s growth strategy
- To secure funding to ensure the viability of the DMO
- To continue to be a tourist destination that will exceed our visitor’s expectations
- To achieve and sustain a high level of growth and profitability in our organization’s business model and to reinvest those profits back into the DMO and its members
- To establish long term relationships with other Western Canadian destinations to ensure the DMO maintains and builds upon its position as one of Western Canada’s leading provider of authentic natural experiences

Further to the strategic direction of the DMO the following **core initiatives** will allow for the direction to be followed and the goals to be reached.

- Strengthen partnership with the Western Canadian destinations and other stakeholders by implementing a core strategy based on leading the sale of destination travel to Western Canada. This will entrench a continual and ever-improving programming and packaging component to the DMO which will bode well for long term sustainability
- Aggressively convey the concept of tourism economic growth through educational and quality assurance programming
- Solidify provincial and federal funding and facilitate increases in revenue streams as well as the development of a membership development plan

The DMO must ensure that all internal management, staff and members be fully aware of their overall business goals and strategic direction. In time, the approach will become the foundation of understanding for all those involved.

In order to support the execution of the identified strategic direction, an action plan summarizing the strategic goals and objectives for the next three years is presented below:

Year one: 2010		
1.0	Funding model decision in order to solidify the fiscal positioning of the DMO as well as the messaging to potential members of the DMO	
Rationale	• The funding model that the DMO will employ is fundamental to its viability • Private funding in terms of participating members must provide inherent benefits to the members in the long run and must explore all options (Marketing fund levy versus pillow tax versus other) • Public funding opportunities must be explored on a continual basis that sees staff doing due diligence on all available financial support • WCTP receptive operator and/or travel agency commissions must be explored to maximize revenue for the DMO while creating a feasible private (or DMO) business case • Ancillary and incremental funds can be achieved through diligence in marketing efforts such as web site advertising	
Objective	1.1	• Create board-approved policies and regulations regarding all aspects of the entire funding initiative of the DMO
	Responsibility	• Committee of the interim board (with support of Tourism Saskatchewan) to research and recommend best fit for PANP DMO • Board will review and approve
	Timelines	• Committee funding model to be presented to the interim Board by February 15, 2010 • Board approval of Funding Model by February 28, 2010

<table>
<tr><th colspan="3">Year one: 2010</th></tr>
<tr><td>2.0</td><td colspan="2">Develop and immediately begin implementation of a professional Marketing and Brand Development Plan</td></tr>
<tr><td>Rationale</td><td colspan="2">In concert with strategic plan that identifies the DMO’s:
Vision, mission and core values
strategic direction and target markets
Will provide consistency with respect to all inward and outward-facing communications
A tactical plan that is easy to follow and easy to implement is mandatory
Will also provide short-term “gap” tactics to ensure that DMO is properly represented while the overall business model is being coordinated by the interim Board</td></tr>
<tr><td>Objective</td><td>2.1</td><td>Develop a DMO specific marketing and brand plan that delivers on all aspects including traditional, non-traditional and new media advertising</td></tr>
<tr><td></td><td>Responsibility</td><td>Acting DMO Manager will create a RFP based on site requirements, positioning and budget
Board will review and decide on provider of services</td></tr>
<tr><td></td><td>Timelines</td><td>RFP to be awarded by January 5, 2010
Targeted Marketing and Brand Development Plan completion March 15, 2010</td></tr>
</table>

<table>
<tr><td>3.0</td><td colspan="2">Become the Premier virtual travel site in Western Canada</td></tr>
<tr><td>Rationale</td><td colspan="2">With the increases in online research for planning and booking travel, there is a need for the creation of a world class web site.
This site will need to be developed to attract potential wildlife focused adventure travellers from around the globe.
Sections for promoting all of Western Canada’s attractions should be considered
A site within this site will focus on the DMO and its particular strengths
Sections for activities, accommodations, etc should be easily accessible
The site should be a self-serve style: easy to follow, easy to book, easy to request information. This ease of use will be required to reduce the number of staff required to operate the off line requirements of such a site
The site will need to be multilingual</td></tr>
<tr><td>Objective</td><td>3.1</td><td>Develop a Western Canadian Travel Center/Site (WCTC) that promotes wildlife and adventure travel throughout the region
Develop a section of the overall site that promotes wildlife and adventure travel specifically within the DMO and area.</td></tr>
<tr><td></td><td>Responsibility</td><td>Acting DMO Manager will create a RFP based on site requirements, positioning and budget
Board will review and decide on provider of services</td></tr>
<tr><td></td><td>Timelines</td><td>RFP to be awarded by February 15, 2010
Targeted web site completion April 15, 2010</td></tr>
</table>

<table>
<tr><th colspan="3">Year one: 2010</th></tr>
<tr><td>4.0</td><td colspan="2">In conjunction with the development of the Marketing and Branding Plan it is recognized that the maintenance and furthering of Canadian Regional Traffic to the DMO must become a priority</td></tr>
<tr><td>Rationale</td><td colspan="2">• It is understood that the international market is eventually the preferred target it is assumed that this entire strategy will take a few years to develop international visitors into a consistent revenue source
• In order to maintain the current traffic flow to the area, continued marketing to short-haul markets will be required</td></tr>
<tr><td>Objective</td><td>4.1</td><td>• Utilize a preplanned media mix to deliver visitation to the area</td></tr>
<tr><td rowspan="2"></td><td>Responsibility</td><td>• To be included in the Marketing and Branding Plan</td></tr>
<tr><td>Timelines</td><td>• Targeted Marketing and Brand Development Plan completion March 15, 2010</td></tr>
<tr><td>Objective</td><td>4.2</td><td>• Utilize focused marketing tools to attract potential visitors to the WCTC site (for example: wildlife viewing target market may be attracted by having click through advertising on retail Camera and Video sites)</td></tr>
<tr><td rowspan="2"></td><td>Responsibility</td><td>• To be included in the Marketing and Branding Plan</td></tr>
<tr><td>Timelines</td><td>• Targeted web site completion April 15, 2010
• Social media and interactive plan to be ready for implementation upon web site launch date</td></tr>
</table>

Year one: 2010		
5.0	• Develop a travel booking division/travel agency to assist travellers in booking their travel through the WCTC	
Rationale	• The concept is to generate revenues from planning and booking travel for Western Canadian bound travellers. • This will require travel agencies or travel agents to act as the outsourced providers of service (suggested) or the service will be in-house and part of a hired staff. • The outsourced model will allow for a few select companies to bid on the service and provide the DMO with a percentage of the revenue/commissions • A bid may be considered from a source outside the boundaries in order to provide longer service hours (East coast for example may provide early hours coverage for email and phone call returns) but preference should be given to an in-province company	
Objective	5.1	• Determine the travel booking division/travel agency model on which to pursue and operate
	Responsibility	• Board will need to decide on approach of either hiring when required or creating an outsourced model • Committee of the interim board (with support of Tourism Saskatchewan and DMO Manager) to research and recommend best fit for PANP DMO • Board will review and approve
	Timelines	• On completion of the website (by April 15, 2010)
Objective	5.2	• Engage the model chosen, by either hiring qualified staff or requesting RFPs that pre-determine service levels, hours of service , and other pertinent points of contract
	Responsibility	• Committee of the interim board (with support of Tourism Saskatchewan and DMO Manager) to recommend implementation for PANP DMO • Board will review and approve
	Timelines	• On completion of the website (by April 15, 2010)

<table>
<tr><th colspan="3">Year one: 2010</th></tr>
<tr><td>6.0</td><td colspan="2">Become the conduit or a acting receptive tour coordinator between suppliers and wholesalers, by creating and promoting DMO based tour packages that focus on wildlife and nature based activities to wholesalers/tour coordinators</td></tr>
<tr><td>Rationale</td><td colspan="2">To satisfy those travellers looking for the easy trip planning experience as well as the travel planners using the internet the creation of tours and tour packages will be created
The current offerings seem sparse when searched on the internet
The method of creating tours and tour options allows the wholesalers to offer turnkey tours on their sites and to provide travel agencies with data on these trips
Need to make it easy for wholesalers to offer the product and easy for our members or suppliers to provide the service – a pre determined tour states the deliverables, the quality, budget and expectations.</td></tr>
<tr><td>Objective</td><td>6.1</td><td>Inventory Analysis: Identify and create a database of all travel related suppliers including activities, lodging, restaurants, sites and points of interest, events, etc.</td></tr>
<tr><td rowspan="2"></td><td>Responsibility</td><td>DMO Manager</td></tr>
<tr><td>Timelines</td><td>Feb 15, 2010</td></tr>
<tr><td>Objective</td><td>6.2</td><td>Utilize the database to develop potential tour offerings, identify gaps in suppliers and approach the industry for additional suppliers or communicate the opportunity to the business community</td></tr>
<tr><td rowspan="2"></td><td>Responsibility</td><td>Committee of the interim board (with support of Tourism Saskatchewan and DMO Manager) to research and recommend best fit for PANP DMO
Board will review and approve</td></tr>
<tr><td>Timelines</td><td>July 15, 2010</td></tr>
<tr><td>Objective</td><td>6.3</td><td>Become the conduit between suppliers and wholesalers by promoting tour packages with suppliers to the wholesalers
Create a relationship with the wholesalers and utilize the feedback from the wholesalers to create tours that they will promote</td></tr>
<tr><td rowspan="2"></td><td>Responsibility</td><td>Committee of the interim board (with support of DMO Manager) to coordinate for PANP DMO</td></tr>
<tr><td>Timelines</td><td>Ongoing</td></tr>
</table>

Year two: 2011		
7.0	• Continue to grow the DMO membership	
Rationale	• With the WCTC site operational, the membership drive should be easier to sell to prospective candidates. • Member benefits of being in on or creating tour packages may entice others to join the DMO.	
Objective	7.1	Double the first year membership in the DMO by end of 2011
	Responsibility	• DMO Manager (with support of Board committee)
	Timelines	• Report to Board by December 31, 2011

Year two: 2011		
8.0	• Further to Social media and interactive media plan, implement a revenue source by charging for advertising space on the WCTC site and materials	
Rationale	• With the WCTC and their website up and running as Western Canada's premiere travel destination site, the visiting numbers will allow the DMO to engage some advertisers on to the site for a fee • Include other provinces, DMO's wholesalers and suppliers on the site for a fee or for an exchange of services	
Objective	8.1	• Create an on-line revenue sales menu that is concise and easy to sell/implement – provide and sell menu items to potential on-line advertisers and suppliers
	Responsibility	• DMO Manager
	Timelines	• On-line sales menu completed by February 15, 2011 • Aggressive selling begins immediately thereafter (note: this actionable initiative can be delivered sooner than expected given encouraging traffic levels to WCTC web site) • Ongoing

Year two: 2011		
9.0	• Incremental development of DMO Packages in a manner to expand breadth of target to continental and/or international wildlife and outdoor enthusiasts (many of whom are visiting Western Canada but missing the PANP DMO)	
Objective	9.1	• Further the planning and development of packaged tours that add value of the DMO by leveraging the pull to Western Canada by other areas or attractions ○ Example: The Three Bears tour - engage suppliers to promote a tour that looks for Grizzlies in Banff, Black Bear in the DMO and for Polar Bears in Manitoba – increases length of stay & delivers for DMO
	Responsibility	• DMO Manager
	Timelines	• New packages ready for market by March 15, 2011

Year two: 2011		
10.0	• Introduce a quality assurance program with a focus on education and long term monitoring	
Rationale	• Introduce and implement a quality assurance program that educates suppliers on the benefits of customer service and delivering on the traveller's illusion or expectations • Create a certification system to ensure suppliers deliver quality before they are part of the program • Grandfather existing Members/suppliers into the program (Board decision) • Educate suppliers on business as well as tourism related issues - the stronger the business the stronger the member and DMO (this may be a role that is shared with the Chambers) • Introduce a follow up program that encourages people to continue talking about their trip to the DMO (for example: photo contests, blogs, testimonial pages, invitations for people to keep in touch)	
Objective	10.1	• Quality Assurance set of Standards
	Responsibility	• Committee of the Board (with support of Tourism Saskatchewan and DMO Manager) to research and recommend best fit for PANP DMO • Board will review and approve
	Timelines	• March 31, 2011
Objective	10.2	• Develop an Education Program as well as and inspection, monitoring and supplier/member certification plan
	Responsibility	• Committee of the Board (with support of Tourism Saskatchewan and DMO Manager) to research and recommend best fit for PANP DMO • Board will review and approve
	Timelines	• April 30, 2011

Year three: 2012		
11.0	• Continue to grow the DMO membership	
Rationale	• The success of the organization should create a desire for the membership to continue to grow • With additional tours and the accumulation of additional marketing dollars the stage should be set for future growth	
Objective	11.1	• Double the second year membership in the DMO
	Responsibility	• DMO Manager (and potential support staff) to aggressively sell
	Timelines	• December 31, 2012
12.0	• Analyze the current revenue streams to ensure the organization is sustainable with the loss of government programs	
Rationale	• The first three years of funding commitments will be coming to a close • Revenues from travel agency agreements will be starting to be realized • With the site up and running the advertising revenues should be starting to flow • With increased membership the annual membership fees should also be increasing	
Objective	12.1	• Create a three year budget plan to ensure viability of the organization
	Responsibility	• DMO Manager and Finance Standing Committee of the Board
	Timelines	• December 31, 2012

Year One to Three: 2010 - 2012		
13.0	• Monitoring, identifying and applying for any and all funding programs at all levels of government	
Rationale	• Continually monitor and identify any program funding available • Apply for any and all programs that might provide funding for the DMO	
Objective	13.1	• Set up a monitoring program that reviews government programs monthly
	Responsibility	• DMO Manager and Finance Standing Committee of the Board
	Timelines	• ongoing

GROWTH STRATEGY

The DMO has a great opportunity for growth. The three year funding commitments will allow the DMO to focus on creating an infrastructure that will allow for long term growth while maintaining the current levels of tourism over that period.

By creating a bank of available and proven tours, the DMO will be able to provide options for wildlife focused travellers coming to Canada. The more successful the tours, the more tours can be developed. As the travellers grow in numbers, so will the tours, available suppliers and wholesalers. The DMO and its members will need to support this growth rather than hinder these new entrants.

By creating online and offline resources, of which the majority can be outsourced from call centres for booking travel, the WCTC can become an influence on travellers to the area. By promoting the area as a first choice destination, or by leveraging other well known Western Canadian attractions, the DMO should increase the number of travellers visiting the area.

The DMO target market will be based on wildlife focused activity travellers. The primary focus will be identified as the Canadian Regional group. The secondary target, which will rise over time to become the primary market, is the US wildlife focused traveller who has the potential to become the main driver for this area. This group crosses many demographic brackets and will be attracted through psychographic traits such as wildlife viewing, photography, flashpacking etc. The marketing plan will further identify groups and tactics for creating awareness amongst these groups.

The need for funding will remain over the long term. Initial estimates of funding for the DMO from all sources suggest a budget of $250,000 (plus or minus 15%) per annum including cash and in-kind contributions. Over the long term, one could suggest it will take $75K to $100K to maintain an office and basic infrastructure which would leave approximately $150,000 for marketing efforts. This budget is restrictive in terms of options for long term growth yet the limitation of funds has been identified in this document and the resulting strategy has been created with this in mind.

The concepts of creating a travel agency or to benefit from these commissionable transactions through an outsourcing agreement will be one method of creating long term funding. Other revenue streams will need to be considered such as advertising revenues. By creating an online site for WCTC or the area, all the suppliers can become part of that either through membership or through an advertising contract. A condition of membership may be adhering to a quality assurance program. A non member section may be set up that allows travellers to book these suppliers but without a DMO recommendation. These non-member suppliers could be charged significantly more to participate on the site.

Along with the optional revenue resources, there will be a need to develop and maintain a membership fee structure. The model suggested by the interim board was a fee based program similar to that of Fernie, BC’s. The need to sell this, or any model to participants, will require a committed team. Another option is to create a levy or tax on accommodations which may be more palatable for some. The levy method (or destination marketing fee) would be easier to manage from a DMO standpoint, but could create a backlash in the accommodation group. This type of levy could be applied to restaurants and other services as well in support of the DMO. A small levy of 2% has been successfully implemented in other jurisdictions and is an accepted practice in today’s tourism industry. The Board will need to address the funding model immediately and prepare itself for the ongoing task of monitoring, identifying and applying for any and all funding programs at all levels of government.

MARKETING

A detailed marketing plan will become part of the guiding documents for the DMO. The marketing plan will address the target markets, the tactics to attract these target markets, the suggested timing and rational behind each tactic.

SUMMARY

The marketing strategy will have as its base a world class web site that promotes and books wildlife focused tours to Canada and specifically Western Canada. The creation and development of the web site will become a priority for the DMO. Once the web site is complete, the marketing efforts will be used to drive the target market groups to the web site. During the website construction period traditional media will be used to maintain the current flow of travellers to the area.

TARGET MARKETS

As described previously in the target market summary, wildlife viewing enthusiasts will become the targeted groups whether locally or internationally. The ability to use psychographics to identify groups of like minded individuals will assist in either identifying these groups or assist in having these people self identify by visiting the website. By focusing on psychographics the target markets will be identified by commonalities of interest or characteristics rather than geographical boundaries. This should allow the DMO to utilize the majority of their budget on wildlife viewing as the common interest amongst the targets.

BUDGET

The marketing budget allocation outside the development of the web site will be focused on the western Canadian market while the site is being developed. The prorated budget allocation will be used to generate traffic from the immediate geographical areas of Saskatchewan, Manitoba and Alberta. Once the site is completed the majority of funds will be targeted at driving the wildlife viewing target market groups to the website whether local, regional or international.

PRODUCTS

The research has identified the need for easy to plan tours that can be found, researched and booked via the internet. The strategy is to develop tours for the DMO region which will increase the visitation to the area based on wildlife viewing. The visits may be directed to the DMO region or part of a western Canadian trip visiting other regions. Naturally the creation and development of these DMO tours will be a backbone of the strategy moving forward. However, the need for products should not hold up the development of the site. At the beginning the site should promote existing western Canadian tours outside of the area while the DMO continues to add tours inside the DMO. As the DMO tours are developed they should be included on the site whether it is one or several tour packages As an example: Gap Adventure Tours claims Canada as a destination on their website and only has three tours listed for all of Canada.

A planning committee should be created to identify areas to develop within the DMO on an on-going basis. It is anticipated that small group and small custom tours will be the first tours to be developed as this fits with the limited infrastructure. As the visitations increase over time and as the infrastructure develops there will be resulting opportunities to accommodate larger groups and conferences.

With a long term focus on return visitations, the success of the tours will be paramount. In order to maintain a world class standard, DMO marketed tours should meet a set of standards or DMO developed criteria as well as a quality assurance program.

GOVERNANCE

The initial governance structure for this not-for-profit DMO is one that possesses an independent Board of Directors made up of members within the organization. The number of Directors may be reviewed with regard to member representation. The limit was suggested at twenty members but this number may hinder smooth communication and operations. It is also recommended that standing committees be established for Strategic Marketing, Resource Development, Quality Assurance and Human Resources. The staggering of directorship terms will assist in maintaining long term continuity as well as introducing new concepts annually. For example, one third of the director's terms should end each year given a three-year term. Further review of the National Geographic Geotourism charter (see Appendix A) is recommended as this may form a part of the guiding governance principles of the DMO.

STAFFING

It is apparent that a full time staff member will be required to fulfill the board's directions. This person will need to have a blend of education, talents and skills to successfully execute the long term strategies as well as the day to day operations of the organization. Initially this hire will need to possess the following:

1. An ability to attract, sell and close organizations on the benefits of joining the DMO.
2. The ability to identify and isolate gaps in the current product offering.
3. The ability to attract people, organizations, companies and investment to the DMO area.
4. The ability to liaison between suppliers and wholesalers of tourism products.
5. The ability to mediate between people, organizations and cultures.
6. A marketing background that will support the implementation of the marketing plan while maintaining the brand.
7. Experience in accounting and administrative duties such as tendering and applying for grants.

QUALITY ASSURANCE

"The tourist is buying an illusion. He will be embittered by anything or anybody who shatters it"

(Wahab et al 1976:74)" (Pike, 2004)[7]

Two identified and significant roles that the DM0 must be diligent in delivering are:

1. The setting of quality standards for members within the DMO and,
2. The assessment of the quality of all the product and service offerings.

BEST FIT – It is recommended that the DMO will establish a code or guide for quality assurance. This guide will set the minimum standards of performance, delivery and client service required to achieve recognition from the DMO. This will ensure that all suppliers will strive to meet the standards and ensure the visitors experience is as advertised.

EDUCATION

There will be a need to have consistent deliverables amongst all suppliers. As in all industries there will be some leaders, some followers and some thinking that their product and or actions are independent of the visitor interaction. An education program that addresses the following should be developed to ensure all current and potential suppliers maintain a client interaction that delivers the tourist's desired illusion each and every time.

- Managing the expectations
- Product delivery
- Quality assurance
- Financial
    - Cash flow
    - Profitability
    - Product costs
    - Pricing

If a supplier of a product offering understands the keys to a successful enterprise then the ability to deliver a remarkable product will be consistent. This can be organized by the DMO and educational portion out-sourced.

[7] Destination Marketing Organizations, Steven Pike, 2004, Elsevier, Oxford, UK

FINANCIAL STRATEGY

SITUATION

The DMO has been developed with other similar structured successful organizations in mind. The interim board viewed Fernie, BC DMO's model as a viable option for moving forward. This model generates revenues from membership fees, hotel room taxation, and provincial funding. It is estimated that Fernie has 60 some members with an estimated average fee of about seven hundred ($700). These membership funds would generate an estimated $43,000 in revenue. The hotel tax revenue and government funding was not available to the researchers.

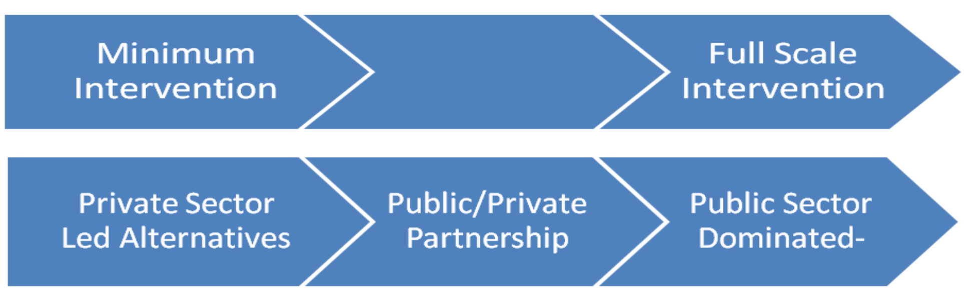
The current overall potential membership for PANP and Area DMO has not been quantified at this time. A list of accommodation related entities was provided. These accommodation entities, if based on a per-pillow fee basis would generate approximately $37,000 in revenues, if all decided to participate. The alternative room levy or tax process may generate additional revenue over and above the "pillow fee". There were an estimated 747 rooms in the area, assuming 25% seasonality, and 40% occupancy, with a 2.00 per room tax, the revenue generated would equal approximately $54,500. The seasonality and occupancy rates should be adjusted to reflect the potential for the area.

747 rooms X 25% seasonality X 40% occupancy X 365 days X $2.00 per room = $54,531.

The decision will have to be made at the Board level on which is the most beneficial route to take for all stakeholders. However, all travellers, including business travellers, would be paying this "user-pay" room tax and it (the destination marketing fee) has become common practice throughout Canada.

FUNDING

DMOS and CVBs all require revenues to support their operations. Many European DMOs operate on funding delivered through government sources. There are other DMOs that rely solely on their own generation of revenues to support their efforts. It is assumed that the level of funding support is related to the governmental intervention in the direction and operations of the DMOs.



The following points were provided by the Destination Marketing Association International 2007 member survey profile[8]

- *"The majority of DMOs (86%) receive public funding from hotel occupancy tax revenue.*
- *Additional key public funding sources include: state/province (non-tax) funding (29% of DMOs) and city (non-tax) funding (16%).*
- *In terms of private funding, 49% of all DMOs receive membership dues. Other top private sources include: co-op advertising (43%), visitor centres (43%), and print advertising (42%).*
- *Almost one-third (30%) of all DMOs have separate bank accounts for public and private funds. (More than half of DMOs with budgets of US$10 million or more have separate accounts.)*
- *Half of DMOs have a formal reserve policy. Slightly more than one-third (36%) have a formal investment policy."*

A Bachelor Degree thesis was commissioned by the Destination Marketing Association International and the result was titled 'Destination Marketing Organizations in Europe – An in-depth Analysis' composed by Sabrina Kamann, 21st of May, 2008, NHTV Breda University of Applied Sciences. In her report she identified the following as it pertains to funding:

> *"Funding*
>
> *According to the WTO, the public sector provides the biggest amount of funding for destination marketing organizations (World Tourism Organization, 2007): Having conducted a study on funding models of DMOs the WTO found out that "at national level, the (funding) model continues to be governmental, whereas at regional and city levels there is more private sector involvement, typically in the form of public private partnerships. "(Mintel, 2005)*
>
> *The Mintel report "Destination Marketing – International – April 2005" points out that two different funding models can be distinguished, each reflecting either only public or private involvement:*
>
> *Full state intervention*
>
> *Full private sector intervention*
>
> *The same with the general structure of a DMO, a public funding model brings larger resources with it, whereas the fully privately-led model seems to be rather advantageous when it comes to reacting and adapting to changes in the industry.*

Despite those two models being the most typical funding schemes for DMOs, the Mintel report states that countries with a developed tourism industry make use of both funding sources from the public and the private sector, and, therefore neither of both sectors is dominant regarding any of the functions executed. (Mintel, 2005)

[8] http://www.destinationmarketing.org/images/pdf/DMO_Profile_2007.pdf

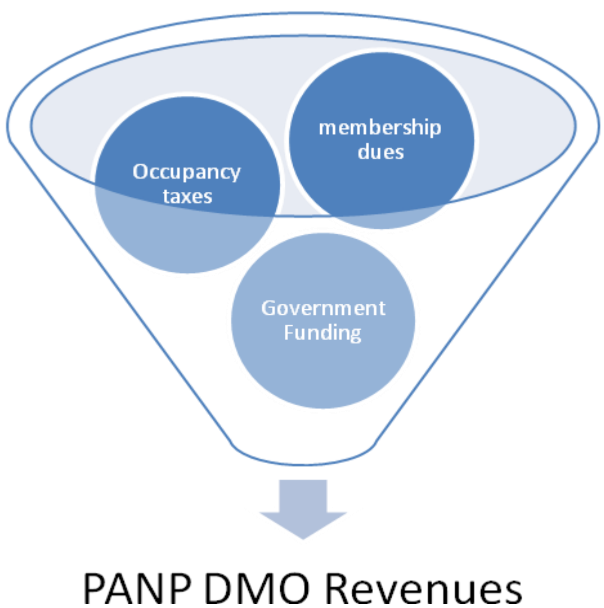
Funding for DMOs in the United States of America is mainly obtained through "bed taxes or hotel transient occupant taxes" (Rogers, 2005). However, this does not hold true for the United Kingdom. The main funding sources, irrespective of being a public or private sector body, are as follows:

- *Local authority or municipality*
- *Central government*
- *European Union (if applicable)*
- *Regional government or agency*
- *Membership fees*
- *Commercial activities*
- *Private sector sponsorship*
- *Other (Rogers, 2005)*

Steven Pike states in his book "Destination Marketing Organizations" (2004) that most DMOs obtain the biggest percentage of their budget from the government and are, therefore, rather dependent on governmental institutions. Pike states: "Given the long term uncertainty of political commitment towards tourism", "the over reliance of government funding has been a concern to many DMOs" (Pike, 2004). He advises DMOs to seek alternative sources of funding instead (Pike, 2004)."

BEST FIT – FUNDING

The funding model that provides the best fit for PANP DMO is a Public/Private partnership. This provides funding security through occupancy taxation as well as membership dues while allowing for budget bolstering from governmental sources when available. This format will also allow a balance on governance with the assumption that representation will be somehow based on funds contributed. This suggests that requests be made of all levels of governmental bodies from federal to municipal whenever and wherever applicable.



MEMBERSHIPS

> *"The trend of DMOs offering various types of commercial memberships is growing and, accordingly, the number of businesses applying for membership with DMOs is increasing. No longer, only stakeholders of the tourism industry become members of a DMO, but any business "that feels it might be attractive to individual leisure travellers or convention attendees might join a bureau." (Walters, 2005)"*[9]

The ability to drive fees or dues from memberships will form one part of the funding for the DMO. The obvious first wave of members will be the organizations directly involved with the set up and operation of the DMO. Further members will be sourced by selling the benefits of belonging to DMO.

The members directly related to the industry will be the first adopters and supporters of the membership drive. A similar approach to Fernie, BC's DMO could be adopted. The following is a copy of the Fernie DMO fee structure[10]:

FERNIE MEMBER FEE STRUCTURE

Business Type	**Levy per year**
Accommodation	$25.00 per pillow maximum $75.00 per door
Retail, Banking, Professional Services, Food and Beverage	
Banks	$1,000
Car Wash	$250
Cleaning Service - Under 5 Employees	$100
Cleaning Service – Over 5 Employees	$500
Gas Stations	$250
Restaurant and Liquor Establishment (based on licensed capacity)	$5 / seat
Media Company - Under 5 Employees	$500
Media Company - 5 and Over Employees	$1,000
Professionals - Doctors/Lawyers/Dentists/Accountants/Notaries/Engineers	$250
Professionals - Massage/Physio/Financial/Planners/Photographers	$100

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[9] Destination Marketing Organizations in Europe – An in-depth analysis composed by Sabrina Kamann, 21st of May, 2008, NHTV Breda University of Applied Sciences - bachelor degree thesis commissioned by Destination Marketing Association International.

[10] http://www.ferniedmo.com/member-fee-structure

Retail	$0.15 / sq feet
Industry	$2,000
Utility Company - Telephone, Hydro, Gas, Cable	$2,000
Automotive Dealers	$750
Storage Companies	$500
Real Estate, Development	
Developers - Per Door Levy	$ 500
Property Management	$500
Real Estate Agents	$250
Strata Management	$500
Construction/Trades	
Contractors/Trades - 1-2 Employees	$150
Contractors/Trades - 3-5 Employees	$350
Contractors/Trades - Over 5 Employees	$500
Attractions, Activities, Transportation	
Activities/Golf Course	$1,000
Aquatic Centre	$1,000
Arena	$500
Bowling Alley	$250
Fitness Centres	$500
Guided Tours / single season	$250
Guided Tours / multiple season	$500
Taxi /	$500
Theatre	$500
Towing Service	$250
Transportation and Charter Companies	$500
Vehicle Rental	$250
* minimum $150, square footage based on sales area, to a maximum of $1500	

The not so obvious will also become a target for long term membership and dues.

Destination Marketing Association International (DMAI) views partnerships with stakeholders from both the public and private sector as a guarantee for an appropriate standard of a DMO; by urging partnerships with the following institutions and bodies, DMAI includes this aspect as an assessment criterion in their program

- Government agency(ies)
- Business organization(s)/Chamber(s) of Commerce
- Economic development agency(ies)
- Airport authority(ies)
- Lodging association(s)
- Parks and recreation authority(ies)
- Media
- Community leadership organization(s)
- Convention centre(s)
- Sports organization(s)
- Arts and cultural organization(s)
- Restaurant association(s)

(Destination Marketing Association International, 2008)

The PANP DMO has already identified the principles of participation within their organization as they relate to three areas of significance for the area: environment, experience and proximity. The following guiding statement has been put forward in regards to participation:

"Participants demonstrate the value of natural and cultural environment by providing activities and services that positively contribute to the visitor experience of the boreal forest in or near the Prince Albert National Park community."

OCCUPANCY TAXATION

A Decision will be required on the funding model to go with either a membership based program versus an occupancy tax. The levy or tax is a pass-through to the consumer and it appears on the bills as a tax or destination marketing fee. The other approach does not show on the bills but is included in the price. The optics of who is collecting and who is benefiting is in the view of the traveller.

There are various ways of taxing the travellers in order to fund a DMO. The best fit was to assess a room occupancy tax to start the funding process. It is suggested that a review of the other taxes be conducted once every two years to assess the need and viability of all traveller taxation methods.

The following points were provided by the **Destination Marketing Association International 2007 member survey profile**[11]

"The average number of hotel rooms served by a DMO is approximately 13,000.

Average Tax Rates

• Total Tax on a Hotel Room (incl. hotel room tax, sales taxes, etc.): 12.2%

• Average Hotel Room Tax: 7.4%

• Total Tax on a Car Rental: (incl. rental tax, sales tax, etc.): 11.3%

• Special Restaurant Tax (excl. sales tax): 2.9%

How the Hotel Room Tax is Used:

• On average, 53% of the hotel room tax revenues are allocated to the DMO.

• Slightly more than one-third of destinations use hotel room tax revenues for convention centre purposes (operations, construction, and debt service). Additional uses: non-visitor related purposes (38%), other visitor-related purposes (26%), arenas/sports facilities (24%).

• 24% of destinations allocate hotel room tax revenue to arenas and sport facilities.

How the Special Restaurant Tax is Used:

For those destinations that have this tax (18%), the two common uses are convention centre operations/construction/debt service and DMO funding.

How the Car Rental Tax is Used:

More than one-tenth (13%) of those destinations that have this tax use a portion of the revenues for facilities including convention centres, arenas and stadiums."

GOVERNMENT FUNDING

There are various Federal, Provincial, and Local governmental or governmental-like organizations that will need to be investigated, identified and applications completed in order to access this type of funding.

There are currently three sources of funding from governmental sources that have committed to this project. There is a package of investment in funds and in-kind from Parks Canada. This commitment represents approximately $70,000 annually for three years. Also supporting this DMO is the Waskesiu Chamber of Commerce with a commitment of $40,000 annually for three years. There is a funding commitment from Saskatchewan Tourism for $40,000 annually for three years. This funding is certainly a great start for the DMO but it must be said that the commitment is for three years. The DMO will need to ensure that there are funding sources available to maintain this venture long term.

[11] http://www.destinationmarketing.org/images/pdf/DMO_Profile_2007.pdf

OTHER FUNDING OPPORTUNITIES

If the DMO adopts the strategy suggested, then some revenues may be generated through the booking of tours and packages.

DMO's and Convention, Visitor Bureaus in other jurisdictions also generate funds from selling souvenirs and related items to travellers as well as advertising opportunities on the web based portion of the marketing for the DMO and the premier travel centre.

BUDGET

A room levy, pillow fee or tax coupled with the committed funding from the Waskesiu Chamber, Sask Tourism and PAMP over three years gives way to the reality that the DMO will have between $200,000 and $300,000 annually to fund their organization and its marketing plan. This is an excellent foundation from which to create a destination marketing organization and bodes well for future success for the area.

LONG TERM FOCUS

The strategies addressed in this document are developed with this budget reality in mind. Therefore, the strategies to generate revenues are alternative methods for the longer term funding required. The commissionable sales and ad revenues are all based on the number of travellers booking their travel to the areas or visiting the site. For argument's sake, one should look at the example of a year three possibility: 5,000 travellers spending $3,000 on their trips to western Canada booked through the DMO program, at a 2% commission the revenues will be approximately $300,000.

5,000 travellers X $3,000 = $15,000,000 in travel spending @ 2% commission = $300,000.

Ad revenue generation has a few alternative methods as well. The first is selling advertising to interested parties seeking space on the virtual western Canadian site as banner ads or as options to come up when certain searches are being conducted. Another alternative would be the "click through revenues" from sending people to other complimentary sites such as a travel wear provider or a retail digital camera site.

Other forms of incremental revenue identified include the selling of approved merchandise and souvenirs, corporate donations or sponsorships which will most certainly help to offset costs.

APPENDIX A: ADDITIONAL RESEARCH FINDINGS

BACKGROUND, RESEARCH FINDINGS, RELEVANT COMMENTS

The following comments are taken from S.Kamann's thesis on Destination Marketing[12]. The common traits amongst the DMO's provide a basis on which to model the current DMO for the PANP Area.

> "While each type of governance has its strengths and weaknesses, a public-private partnership seems to have the most advantages for a DMO: The public sector provides a rather secure framework, pursuing long-term approaches and with a greater consideration of quality and a more integral view, whereas the private sector is more dynamic, pursuing a short-term strategy and paying more attention to specific aspects such as sales and customer relationship management (CRM). (World Tourism Organization, 2007)[13]

The majority of DMOs are independent not-for-profits: 19% are government agencies (city, county, state/province, authority) and 5% are a chamber of commerce or a division of a chamber.

Membership: Slightly more than half (52%) of DMOs are membership organizations, averaging 573 members. The typical member composition: 22% accommodations, 18% attractions/cultural institutions, 18% event services/suppliers, 17% restaurants, 11% retail establishments, 16% other.

Revenue: The average total revenue of DMOs is US$4.8 million (excl. Las Vegas).

Contract with Primary Funding Source: 61% of DMOs have a contract with their primary funding source (European DMOS are mostly Government funded). Almost one-tenth (8%) are awarded through an RFP process. Slightly less than half (48%) of the contracts are annual; the remainder are multi-year terms, averaging six years.

Quantifiable Goals in the Contract: 26% have room nights booked, 20% ROI, 16% visitor spending generated by the DMOs efforts. Half of the DMOs have no quantifiable goals in their contract.

Board Composition: A typical DMO Board of Directors is comprised of 20 voting members with a six-person Executive Committee. 80% of DMOs have by-laws that specify Board composition.

Staff Size: The average DMO has 13 full-time and three regular part-time employees. 15% of DMOs have employees who telecommute.

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[12] Destination Marketing Association International, 2025 M Street NW, Suite 500, Washington, DC 20036 USA, 1.202.296.7888, www.destinationmarketing.org Thesis_SKamann_July2008

[13] Destination Marketing Association International, 2025 M Street NW, Suite 500, Washington, DC 20036 USA, 1.202.296.7888, www.destinationmarketing.org Thesis_SKamann_July2008

<u>Governance</u>: According to Steven Pike author of *Destination Marketing Organizations* there are varied styles of governance that may be effective. However,

> "In a survey of 172 members of 13 English local tourism associations, there was evidence to suggest a strong link between a tight governance style and organizational effectiveness."
>
> "The most effective local tourism associations were ones characterized by formal rules and conditions which governed relationships between members, the presence of an efficient and effective secretariat, and a lack of opportunities for discussing the management of the association"[14]

The following quotes are taken from the thesis *Destination Marketing Organizations in Europe* – An in-depth analysis composed by Sabrina Kamann, 21st of May, 2008, NHTV Breda University of Applied Sciences - bachelor degree thesis commissioned by Destination Marketing Association International.

> *"Most of the times, a DMO is governed by a Board of Directors. The Board's responsibilities' relate to philosophical, legal, and financial aspects of the operation and management of a DMO (Lathrop, 2005).*
>
> *This implies the following roles and duties:*
>
> - *"Defining the purpose of the bureau and establishing its governing principles*
> - *Providing advice and consent with respect to overall bureau policy and goals*
> - *Approving the annual operating budget and monitoring the bureau's finances*
> - *Approving membership structure and fees*
> - *Providing direction and oversight for the bureau's operations*
> - *Monitoring the performance of the CEO or president or executive director*
> - *Representing the bureau's interests among external audiences and serve as advocate for tourism and destination management issues." (Lathrop, 2005)"*
>
> *"The Global Governance Press Policy states that „The purpose of the Board, on behalf of (identify ownership here), is to see to it that (name of the organization) (1) achieves what it should and (2) avoids unacceptable actions and situations." (Carver & Carver, 1997)*
>
> *When defining the structure and functions of a board it is essential to consider the composition of board members; A DMO's board should not only consist of representative from the tourism industry, but might also include representatives from other industries, facilitating contacts with the community or other stakeholders at the destination not directly related to tourism. Relationships with representatives* are pivotal in *attaining a DMO's goals; the more players and supporters of the tourism industry, the more increases the likelihood of asserting the DMO's interests. (Lathrop, 2005)*

[14] P 64, Destination Marketing Organizations, Steven Pike, 2004, Elsevier, Oxford, UK

Steven Pike quotes Poetschke by stating that there are 4 critical success factors relating to the "governance of DMOs of globally competitive destinations:

- *A significant level of private sector control over authority spending*
- *Understanding of the need to incorporate public sector objectives to achieve a balance between marketing and new product development*
- *A dedicated stream that is not subject to annual government control*
- *A broad, integrated, mandate encompassing all functions critical to developing a strong tourism industry, such as marketing, education, research and infrastructure development." (Pike, 2004)*

These success factors outline the importance of different industry representatives from both public and private sector as board members and clarify their interdependence in achieving the DMOs' goal.

As aforementioned, in order to attain optimum efficiency of the Board, its roles and responsibilities need to be clearly defined. This can be done by means of committees, each being responsible for a particular field of operations. According to Carver & Carver in 'Reinventing your Board', "Board committees are any groups set up by the Board, instructed by the Board, or reporting to the Board…" (Carver & Carver, 1997).

Even though committees are a mean to increase the Board's efficiency, they can also negatively impact a Board's operations: "…Committees can damage the Board's ability to hold its CEO accountable, just as can chairs and treasurers" (Carver & Carver, 1997). In order to avoid these situations "It is a rule of Policy Governance that board committees may exist only to assist in the board's own job and never to involve themselves in job of staff." (Carver & Carver, 1997).

The typical Board committees are:

- *Executive Committee*
- *Strategic Marketing*
- *Resource Development" (Lathrop, 2005)*

Other aspects worth considering when composing the Board of Directors refer to the size of the Board. Generally speaking, the smaller the Board the more effective it is. However, the amount of Board members finally depends on the characteristics of the particular tourism destination and the number of representatives needed from other industries. (Lathrop, 2005)

Concerning certain governance standards of DMOs, the World Tourism Organization refers to DMOI's Destination Marketing Accreditation Program (DMOP), which "is an international accreditation program which provides a platform for official destination marketing organizations to assure their stakeholders that they have achieved certain standards." (World Tourism Organization, 2007).

These standards relate to various operational aspects, such as governance, finance, human resources, technology, marketing, visitor services, group services, sales, communications, membership, management and facilities, brand management, destination development, research/market intelligence, innovation and stakeholder relationships (Destination Marketing Association International, 2008).

Governance specific aspects DMOI investigates by means of this program relate to, among others, incorporation, bylaws, vision and mission statement, budget, policy and financial reports."

NATIONAL GEOGRAPHIC SOCIETY CHARTER

The National Geographical Society has set up a Geotourism charter. This may be adopted by the DMO under the governance or under the quality assurance label. Either way, the charter will be worth reviewing for the long term marketability of the charter beliefs as well as the long term viability of the DMO areas of concern. Please find the charter below:

> *The National Geographic Society defines geotourism as tourism that sustains or enhances the geographical character of a place – its environment, culture, aesthetics, heritage, and the well-being of its residents.*
>
> *National Geographic Society has also drawn up a "Geotourism Charter" based on 13 principles:*[3]

1. *Integrity of place: Enhance geographical character by developing and improving it in ways distinctive to the local, reflective of its natural and cultural heritage, so as to encourage market differentiation and cultural pride.*
2. *International codes: Adhere to the principles embodied in the World Tourism Organization's Global Code of Ethics for Tourism and the Principles of the Cultural Tourism Charter established by the International Council on Monuments and Sites (ICOMOS).*
3. *Market selectivity: Encourage growth in tourism market segments most likely to appreciate, respect, and disseminate information about the distinctive assets of the locale.*
4. *Market diversity: Encourage a full range of appropriate food and lodging facilities, so as to appeal to the entire demographic spectrum of the geotourism market and so maximize economic resiliency over both the short and long term.*
5. *Tourist satisfaction: Ensure that satisfied, excited geotourists bring new vacation stories home and send friends off to experience the same thing, thus providing continuing demand for the destination.*
6. *Community involvement: Base tourism on community resources to the extent possible, encouraging local small businesses and civic groups to build partnerships to promote and provide a distinctive, honest visitor experience and market their locales effectively. Help businesses develop approaches to tourism that build on the area's nature, history and culture, including food and drink, artisan, performance arts, etc.*
7. *Community benefit: Encourage micro- to medium-size enterprises and tourism business strategies that emphasize economic and social benefits to involved communities, especially poverty alleviation, with clear communication of the destination stewardship policies required to maintain those benefits.*
8. *Protection and enhancement of destination appeal: Encourage businesses to sustain natural habitats, heritage sites, aesthetic appeal, and local culture. Prevent degradation by keeping volumes of tourists within maximum acceptable limits. Seek business models that can operate profitably within those limits. Use persuasion, incentives, and legal enforcement as needed.*

9. *Land use: Anticipate development pressures and apply techniques to prevent undesired overdevelopment and degradation. Contain resort and vacation-home sprawl, especially on coasts and islands, so as to retain a diversity of natural and scenic environments and ensure continued resident access to waterfronts. Encourage major self-contained tourism attractions, such as large-scale theme parks and convention centres unrelated to character of place, to be sited in needier locations with no significant ecological, scenic, or cultural assets.*
10. *Conservation of resources: Encourage businesses to minimize water pollution, solid waste, energy consumption, water usage, landscaping chemicals, and overly bright nighttime lighting. Advertise these measures in a way that attracts the large, environmentally sympathetic tourist market.*
11. *Planning: Recognize and respect immediate economic needs without sacrificing long-term character and the geotourism potential of the destination. Where tourism attracts in-migration of workers, develop new communities that themselves constitute a destination enhancement. Strive to diversify the economy and limit population influx to sustainable levels. Adopt public strategies for mitigating practices that are incompatible with geotourism and damaging to the image of the destination.*
12. *Interactive interpretation: Engage both visitors and hosts in learning about the place. Encourage residents to show off the natural and cultural heritage of their communities, so that tourists gain a richer experience and residents develop pride in their locales.*
13. *Evaluation: Establish an evaluation process to be conducted on a regular basis by an independent panel representing all stakeholder interests, and publicize evaluation results.*

DESTINATION MARKETING ORGANIZATIONS (DMO)

The definition of a Destination Marketing Organization (DMO) according the FAQ's of the Destination Marketing Association International[15] is as follows:

> *"Destination marketing organizations, often called convention and visitor bureaus, are not-for-profit organizations charged with representing a specific destination and helping the long-term development of communities through a travel and tourism strategy. Destination marketing organizations are usually membership organizations bringing together businesses that rely on tourism and meetings for revenue. For visitors, DMOs are like a key to the city. As an unbiased resource, DMOs can serve as a broker or an official point of contact for convention and meeting planners, tour operators and visitors. They assist planners with meeting preparation and encourage business travellers and visitors alike to visit local historic, cultural and recreational sites."*

[15] Destination Marketing Association International, 2025 M Street NW, Suite 500, Washington, DC 20036 USA, 1.202.296.7888, www.destinationmarketing.org Thesis_SKamann_July2008

APPENDIX B: BUDGET

BUDGET CONSIDERATIONS

The DMO will certainly benefit from the National Park in kind support. The task and investment of maintaining an employee, office and supporting infrastructure can be costly to a start up enterprise. It would be easy to overlook the future costs of operating if we do not take a realistic view of what the true costs would look like going forward. The attached budget takes into consideration what a basic office would require as well as manager and part time support staff. If the DMO was operating with a basic office and infrastructure the costs would be estimated at about 45% of the current budget estimates of 250,000, with the balance going to marketing efforts.

With approximately $250,000 of potential revenues per year the DMO will be able to allot the majority of this to marketing and marketing infrastructure due to the Parks support.

BUDGET

See attachment

APPENDIX C: MILESTONES

Milestone Matrix			Year One-2010				Year Two-2011				Year Three-2012			
1.0		Funding Model												
2.0		Marketing plan development												
3.0		Become the Premier Travel Site												
	3.1	Develop WCTC												
4.0		Canadian Regional Approach												
	4.1	Marketing plan Implementation												
	4.2	Utilize focused marketing tools												
5.0		Develop travel booking division												
	5.1	Determine model												
	3.2	Engage model chosen												
6.0		Develop supplier/wholesale relationships												
	6.1	Create database – suppliers												
	6.2	Develop potential tour offerings												
	6.3	Conduit between suppliers/wholesalers												
7.0		Grow DMO membership												
	7.1	Doubling of membership goal												
8.0		Develop ad revenues on WCTC												
	8.1	create online menu for adv revenues												
9.0		Incremental development of tour packages												
	9.1	Value added packages												
10.0		Introduce Quality Assurance program												
	10.1	Establish set of Standards												
	10.2	Develop educational program												
11.0		Continue to Grow Membership												
	11.1	Double the Second year membership												
12.0		Analyze Current Revenue Streams												
	12.1	Develop a three future budget												
13.0		Monitor and Identify Funding options												
	13.1	Set up program to review monthly												

APPENDIX D: RESEARCH (INTERNAL)

SWOT

What was it like in the past?

Weaknesses

- Communities need to share more information
- Customers are wanting more, asking for more, they want information RIGHT now
- People need services but those service providers are struggling
- They haven't kept up on amenities to cater to this new breed
- Lose 85% of the work force half way through August. 25% of revenue is lost because people leaving early. *How do we keep people here?*
- Awareness to the Southern part of Saskatchewan and Alberta is not present
- What barriers and limitations are present during the winter? (Communication, awareness, is it open?)
- Community focus has changed; people spend more time with themselves and not with the community anymore.
- Perception of what Waskesiu is has changed (what it's worth)
- Snowmobiling has grown in the past 5 to 10 years, but there is no one providing them the equipment.
- Visitation at set times and schedules are declining, is it because of the perception? Or is it the programs?

Strengths

- First impressions are a little different, better, groomed, look more urban like
- Lakeland area is hosting larger cabins and more people are retiring there. (suggests desire to live in the area)
- Previously it may have felt that the operators were in competition with each other, that attitude has left.
- Large structures in town weren't here 15 years ago. A lot of dollars have gone into infrastructure.
- More people are coming from Saskatchewan and Alberta; many people have no clue as to what is up here

Threats

- Less choice now then there was in the past
- Some things haven't changed in 20 years (good thing bad thing?)
- Customers are high maintenance now
- Demographic shift, baby boomers are growing older.
- Have changed into a resort town and no longer a community town.
- National Parks did not know they were in the tourism industry
- Climate change and sustainability are a big issue.
- Perception is more important than reality. Are we open or closed?

Opportunities

- We should be promoting what we have
- What people enjoy to do has changed.
- people are looking for diversified and specific activities
- Some things haven't changed in 20 years (good thing bad thing?)
- More people are coming in with money but the money isn't staying here, we need to accommodate them keeping the environment in mind.
- Goal: Increase the traffic to this destination as a whole
- Demographic shift, baby boomers are growing older
- Business is secondary; the natural surroundings are the real draw
- There is an opportunity to lead and share information.
- Look toward the positives of being a rustic town, carve out your niche in adventure tourism
- *Sustainability*
- Fish has been depleting in lakes around here, we can change that, stocking lakes with fish and advertising the great fishing here.

Weaknesses (Areas for improvement) Present

Saskatchewan: highlights

- Weak or negative identity brand nationally/internationally
- Government tourism support is limited when compared to other provinces
- We don't have a lot of tourism products.
- Need to promote lakes and other nature, not just the big skies.
- Changing population demographics, business owners are retiring, need for succession planning.
- We need to raise the bar, everyone else is.

DMO:

- **Marketing**
    - Identity is poor.
    - The message is diluted; people are sending mixed messages EX: the parks website
    - Lakelands need to produce a brochure/itinerary for guests, give them something to do!
    - Summer isn't a hard sell, spring, fall and winter are difficult.
- **Product Development**
    - Changing needs/wants/desires of vacationers but the winter services are not provided.
    - Activity based experience, value added, educational, something more than just the mundane destination tourism
    - There is nothing for kids to do here.
    - Packaging the perks needs attention.
    - There is a need for government money here.
    - Need for idiot proof tourism.
- **Quality Assurance**
    - They need to sell themselves
    - If you don't care about your own place why should tourists?

  - Ambassador program needs to be enhanced and can be worked on together with other groups, collaborate.
  - Inspect what we expect out of our staff.

- **Infrastructure**
  - Need community planning in these different areas.
  - Mapping and way finding needs improvement
  - Year round (skilled) employment is difficult and a serious issue.
  - Kick sled worked for a tourism destination in Ontario.
  - There is a need for designated trails outside of the park (someone needs to manage the trails).

Strengths

Saskatchewan

- Revitalized image, economy has gone up
- There is a fresh perspective of Saskatchewan
- Internationally national parks are a great draw for tourism
- There's good cooperation
- We have a resource rich economy
- There are people out there with money
- Great market next door
- Diversity of the province, and the natural setting
- World class lakes

DMO

- **Marketing**
  - We are a world class destination
  - Clean air and water, "Pristine" landscape.
  - Good marketing collateral materials and website
  - It is a safe place to visit
  - Nature is strength
  - Geographic location is great
  - Experience of nature, there is nowhere like this place in the World
  - Costs of marketing globally are not expensive
- **Product Development**
  - National parks are well recognized around the world.
  - We have a great summer product, just need to get the tourists to stay longer
  - It is affordable.
  - Great facilities
  - Murray point, Anderson point, Waskesiu are three amazing camp sites
  - The history of the park, first nation's history.
  - "*Don't go to a foreign country like Banff*"
  - We have the best product.

- Wildlife viewing is the best. Wolves, fox, deer, elk, bison
- **Infrastructure**
    - All levels of government are in participation.
    - There is good cooperation; there is a good understanding of the need/benefit/importance of the DMO.
    - Community is still alive and many people are very passionate about the park.
    - Good highway
    - Ongoing investment commercially and residentially
    - Proximity to major centres (Saskatoon, Prince Albert)

Threats:

- Saskatchewan's brand internationally
- Funding/taxes
- Connectivity infrastructure

Obstacles

- Open four seasons
- Identity/branding – experience rather than facility, raising the bar
- Skilled Staff – Sustain educate, accommodation
- Way finding/signage – Local, route, GPS
- Cooperation with others – Saskatchewan, education
- Attitude; Selling the concept

Opportunities

- Attract new investment, reinvestment, and incorporate capacity/diversity of products
- There is a base core of material, collateral media/material,
- There is a source of knowledgeable/passionate/skill ambassadors
- Get the community behind the brand; strengthen community fabric
- bring businesses together to make the package
- Promote the value
- Acknowledge the gap in the DMO program currently, expanded could be a large opportunity
- We have the resources to put packages together

Park – Outside Park:

- Profitability, a much better image and reputation across Canada and worldwide
- To be on a top ten places in Canada list.
- Keep the low key preserved landscape that is a leader in sustainable tourism.
- To have a shared passion and commitment for the PANP area.
- Determining what we are the best at?
- A place to live and thrive as a tourism operator.

- Differentiating "wow" factors.
- To be the sought after place in Saskatchewan to visit/live.
- Operating all year round.
- Operators to offer a whole experience with their product.
- More projects on a micro level, collaborating towards a bigger outcome than any of the single projects could achieve.
- Very strong staff, competent staff.
- Winter festivals and a corporate draw to get out and experience the wilderness.

Who is coming?

- Nature by day/nature by night
- Tourists/afar/near
- International/local/national
- Different tours

Attractions Draw/Lure:

- Nordic walking, cycling, ATV's, Snowmobile, Ice fishing, Dog sleds, Snow shoeing, winter camping, theme(ing) EX: Lakeland – water sports, Emma Lake – hiking
- Water sports. A chance to view Authentic Canadian tourism

Facilities:

- Restaurants', Night facilities
- Nothing till need demands it

Vision of the Future - The DMO will be internationally recognized area that provides an interactive four season, authentic nature experience while encouraging sustainable economic growth while being a leader in social responsibility.

Parked Items:

Signage (highways) – regulations

Provincial level identity

Government funding

Community, Saskatchewan image

Succession planning

Transportation-bridges, licensing (advocacy group)

Village/RM issues/taxation

PONT OF DIFFERENCE

Point of difference[16] *is a term used for an outcome of product differentiation. In business economics, differentiation is seen as an important strategic move for companies to make. Because of an overwhelming variety of products and services on the market, those that stand out in some manner are better noticed by consumers. There are various (positive and negative) ways of being different compared to competitors in the same market. Differentiation is the term given to the positive way in which a company's product differs from its competitors. Points of difference (PODs) describe the individual factors of differentiation.*

The key points of difference of a company are synonymous with its unique selling proposition (USP) although not interchangeable, and are critical in defining its competitive advantage and branding strategy. They must be attributes or benefits that consumers strongly, uniquely, and positively associate with the company's brand; and not with any competing brand. Once points of difference have been clearly communicated to consumers, the company and its brand are set apart from its competitors. Brand loyalty depends upon the ability of the company to establish and maintain clarity of communication with the consumer regarding their brand; and to maintain and expand the points of difference that defines the brand.

The point of differences were listed, then rated under the headings of rarity, the ability for others to duplicate the point, the degree of being organized or the state of development

Point of Difference			Valuable?	Rare?	Can they be Duplicated	Organized?	Developed
Nat'l Park	safety, security		Yes	7	5	5	
Boreal Forest			Yes	8	6	2	
100,000 Lakes			Yes	8	7	2	
Wildlife Viewing	Safari	Safari, Big 7	Yes	9	9	2	
	Bison		Yes	10	9	2	
	Wolves		Yes	10	9	2	
	Blk Bears		Yes	7	8	2	
	Brn Bears		Yes	7	7	2	
	Moose		Yes	7	7	2	
	Wapiti		Yes	7	6	2	
	Deer		Yes	6	6	2	
	P. H. Sheep	Southern	Yes	5	6	2	

[16] From Wikipedia, the free encyclopedia, http://en.wikipedia.org/wiki/Customer_value_proposition#Value-proposition_as_a_marketing_tool

Bird Watching			Yes	7	7	2	
Wildflowers/flora			Yes	3	2	2	
stay at lake			Yes	2	2	6	
stay/remote lodging			Yes	6	2	6	
cycling			Yes	2	2	2	
Canoeing			Yes	2	2	2	
snow shoeing			Yes	4	2	2	
X Country Skiing			Yes	5	2	5	
photography		Safari, Big 7	Yes	8	8	2	
horseback riding			Yes	2	2	2	
Northern lights			Yes	7	4	2	
snowmobiling			Yes	2	2	5	
dog sledding			Yes	4	2	5	
Aboriginal	Pow Wow	Pau Wau	Yes	6	4	1	
	Tipi (teepee)	camping	Yes	6	4	1	
		Spiritual	Yes	6	4	1	

An analysis of the potential points of difference suggests the following:

Safe and secure access to a National Park within the boreal forest bordering 100,000 lakes

Wildlife viewing – there is an opportunity for travellers to view some of North America's largest mammals to the smallest birds in their natural environment. This may be in the context of viewing, photographing or hunting excursions amongst our target markets..

Outdoor adventure—there is an opportunity for travellers to participate in many of the outdoor pursuits across the four seasons. This may be hiking, bicycling, canoeing, kayaking, camping, snowshoeing, cross country skiing, dog, sledding, snowmobiling, ATVs, ice fishing

Aboriginal culture -- there is an opportunity to blend with the natural settings an introduction to or participation with an aboriginal focused activity.

APPENDIX E: TARGET MARKET RESEARCH

THE CURRENT PLEASURE TRAVELLER TO SASKATCHEWAN

“[17]Canadian Travellers to Saskatchewan -Market Incidence

Over the last two years, 7.6% of adult Canadians (1,848,502) took an overnight trip to the province of Saskatchewan (for any purpose). 64.4% (1,185,604) of those who took a trip to Saskatchewan report taking a “pleasure trip” to the province. Overall, 6.6% of Canadian Pleasure Travellers reported taking at least one pleasure trip to Saskatchewan during the past two years. Among those who took a pleasure trip to Saskatchewan, 42.9% took two or more pleasure trips to the province in the last two years.” (Figure 1)

Those Pleasure Travellers that committed to a Saskatchewan trip were made up of people from the Western provinces. As presented in the chart below, the highest numbers in population (487,728) were people from Alberta which represents over double the number from the second and third placed provinces of British Columbia and Manitoba, respectively. (Figure 2)

Figure 1	Saskatchewan
Number of Out-of-Province Canadians taking a trip to Province (any purpose)	1,840,502
Percent of Canadian population	7.6%
Number of Out-of-Province Canadians taking a pleasure trip to Saskatchewan	1,185,604
Percent of Canadian Pleasure Travellers	6.6%
Percent of Canadian Pleasure Travellers taking two or more pleasure trips to the Province	42.9%

Canadian Pleasure Travellers to Saskatchewan: The following is a chart describing theses outdoor activities pursued by those that have taken a pleasure trip to Saskatchewan in the past two years. Those that visited in Saskatchewan were especially more likely to participate in nature-oriented activities while on trip than the typical Canadian Travellers.

Figure 2	Population	Estimated number who took a Pleasure Trip to Saskatchewan	% of Pleasure Travellers who took a Pleasure Trip to Saskatchewan	% of Total Population Who took a Pleasure Trip to Saskatchewan
Canada	24,069,778	1,185,604	6.6%	3.4%
Atlantic Provinces	1,822,494	31,905	2.5%	1.2%
Quebec	5,940,869	63.894	1.5%	0.8%
Ontario	9,671,592	198,445	2.8%	1.7%
Manitoba	843,107	194,525	32.7%	34.6%
Alberta	2,465,540	487,728	24.3%	8.3%
British Columbia	3,326,176	209,106	7.9%	3.3%

[17] TAMS 2006, Canadian Travellers to Saskatchewan, p3

		Took a Pleasure Trip to Saskatchewan	Did Not Take a Pleasure Trip to Saskatchewan	Pleasure Travellers
Size of Market	1,185,604	1,185,604	16,712,248	17,897,852
Wildlife Viewing	671,052	56.6%	40.0%	41.1%
Ocean Activities (swimming in ocean, sunbathing)	624,813	52.7%	48.5%	48.8%
Boating and Swimming (motor boating, swimming in lakes)	609,400	51.4%	40.3%	41.1%
Hiking, Climbing, Paddling	512,181	43.2%	33.6%	34.2%
Fishing	391,249	33.0%	22.6%	23.3%
Sports & Games (e.g., tennis , board games)	353,310	29.8%	22.1%	22.6%
Golfing	326,041	27.5%	17.4%	18.1%
Exercising and Jogging	224,079	18.9%	15.6%	15.8%
Cycling	201,553	17.0%	13.5%	13.7%
Downhill Skiing & Snowboarding	186,140	15.7%	14.6%	14.7%
Team Sports (e.g., hockey, baseball)	164,799	13.9%	11.0%	11.2%
Skating (e.g., ice skating, rollerblading)	158,871	13.4%	11.9%	12.0%
Snowmobiling & ATVing	155,314	13.1%	11.1%	11.3%
Cross-country Skiing & Snowshoeing	98,405	8.3%	9.5%	9.4%
Hunting	75,879	6.4%	4.5%	4.6%
Horseback Riding	71,136	6.0%	4.8%	4.9%
Sailing & Surfing (e.g., sailing, windsurfing, parasailing)	62,837	5.3%	6.4%	6.3%
Freshwater Scuba & snorkeling	47,424	4.0%	3.0%	3.0%
Wilderness Activities (e.g., wilderness skills course)	45,053	3.8%	2.3%	2.4%
Motorcycling	43,867	3.7%	2.9%	3.0%
Extreme Air Sports (e.g., parachuting)	14,227	1.2%	1.1%	1.1%

The above list is not inclusive of all activities offered in the area. It reflects the activities identified in the surveys and is reflective of the answers to those particular questions.

[18]Those who visited Saskatchewan were more likely than other Canadian Pleasure Travellers to have taken certain types of tours and cruises during the last two years. … However, relative to other Canadian Pleasure Travellers, those who visited Saskatchewan were especially likely to have taken **wilderness tours, multi-location self guided tours**, scenic country drives and tours of factories casinos and wineries.

		Took a Pleasure Trip to Saskatchewan	Did Not Take a Pleasure Trip to Saskatchewan	Pleasure Travellers
Size of Market	1,185,604	1,185,604	16,712,248	17,897,852
A self guided, same day tour while on an overnight trip	400,734	33.8%	29.0% %	29.3%
Around the countryside -scenic drives	347,382	29.3%	22.0%	22.5%
Around the City -scenic drives	331,969	28.0%	23.2%	23.5%
An organized same day guided tour , overnight trip	324,855	27.4%	21.9%	22.2%
A self-guided, overnight tour, in different locations	265,575	22.4%	17.9%	18.2%
Wilderness Tour	214,594	18.1%	12.7%	13.0%
On the Water (sightseeing cruise)	201,553	17.0%	12.9%	13.2%
Some other type of tour	154,129	13.0%	9.6%	9.8%
An organized overnight guided tour, different locations	130,416	11.0%	10.1%	10.1%
An organized, overnight guided tour, single location	101,962	8.6%	7.8%	7.8%
To a Casino	101,962	8.6%	6.5%	6.6%
To a winery	86,549	7.3%	5.6%	5.7%
Caribbean ocean cruise	61,651	5.2%	5.5%	5.5%
Ocean Cruise - Other	59,280	5.0%	3.3%	3.4%
To a Factory	46,239	3.9%	2.6%	2.7%
Cruise on another lake or river	34,383	2.9%	2.4%	2.4%
Some other type of cruise	30,826	2.6%	1.5%	1.6%
Alaskan ocean cruise	26,083	2.2%	1.6%	1.6%
In the air as a pilot or passenger , airplane or helicopter	22,526	1.9%	1.9%	1.9%
Cruise on the St Lawrence River	8,299	0.7%	2.1%	2.0%
Great Lakes Cruise	4,742	0.4%	0.8%	0.8%
Submarine Cruise	3,557	0.3%	0.1%	0.1%

[18] Tams, 2006, Canadian Travellers to Saskatchewan, p.13

To further identify the characteristics of the current Pleasure Trip traveller to Saskatchewan, the following chart was added to determine how they plan their trips and with information do they consider while planning these trips. Note the increase in "considering specific activities" when planning winter pleasure trips.

		Took a Pleasure Trip to Saskatchewan	Did not take a Pleasure Trip to Saskatchewan
	1,185,604	1,185,604	1,185,604
Summer			
Starting with a desired destination in mind	685,279	57.80%	47.70%
Started by considering specific activities	125,674	10.60%	14.10%
Started with a certain type of vacation in mind	245,420	20.70%	23.90%
Look for packaged deals – no destination in mind	7,114	0.60%	1.40%
Considered something else first	39,125	3.30%	4.40%
Don't know	82,992	7.00%	8.50%
Winter			
Starting with a desired destination in mind	679,351	57.30%	47.80%
Started by considering specific activities	170,727	14.40%	15.70%
Started with a certain type of vacation in mind	188,511	15.90%	19.50%
Look for packaged deals – no destination in mind	24,898	2.10%	3.30%
Considered something else first	35,568	3.00%	4.80%
Don't know	86,549	7.30%	8.80%

The current Canadian traveller to Saskatchewan is "more active in outdoor activities than the average Canadian Pleasure Traveller. They were especially more likely to have participated in nature oriented activities (e.g., hunting, fishing, hiking, climbing, and paddling, wilderness activities)[16]

Saskatchewan visitors are slightly above-average users of the internet for planning (64.0%) and booking travel (42.2%) than the typical Canadian pleasure traveller.

The above characteristics of the current travellers to Saskatchewan provide an insight on the market groups that should be targeted throughout Canada and the US to draw traffic to the DMO.

Another TAMS report on the US Traveller focused on wildlife based activities as presented in the chart below:

THE US TRAVELLER

WILD LIFE FOCUSED TRAVELLERS	Number of Wildlife Viewers	% -Main Reason for Trip	% of Pleasure Travellers	% of Total US population
Size of Market	59,539,747	22,302,786	170,510,241	222,846,268
Wildlife Viewing (All Activities)	59,539,747	37.5%	34.9%	26.9%
Visiting nature park (nat'l, provincial/state)	45,103,632	39.0%	26.5%	20.4%
Viewing land-based animals	22,083,460	23.8%	13.0%	10.0%
Viewing wildflowers /flora	15,224,850	19.1%	8.9%	6.9%
Whale watching &other marine life	14,045,293	25.8%	8.2%	6.3%
Bird Watching	12,045,364	19.3%	7.1%	5.4%
Viewing northern lights	3,724,723	26.6%	2.2%	1.7%
Participated in all six wildlife viewing activities	405,593	19.6%	0.2%	0.2%

A study commissioned by Saskatchewan tourism on nature based travellers provides the following data:

NATURE BASED TRAVELLERS IN US AND CANADA

TABLE 2: MAIN REASON(S) FOR TRIPS IN PAST 2 YEARS	**Canada Out-of-Province Tourists**			**USA Out-of-State Tourists**		
Nature based						
	Total	**All**	**3+ Activities**	**Total**	**All**	**3+ Activities**
Unweighted	-12,809	-795	-292	-38,766	-1,581	-610
Weighted	9,860,000	618,000	234,000	140,393,000	5,815,000	2,161,000
Defining Main Reason Activities for New Naturalists (2+)						
Paddling – fresh water	2%	32%	35%	1%	18%	20%
Viewing wildlife	2%	38%	66%	2%	49%	73%
Bird watching	2%	29%	53%	1%	30%	53%
Viewing wildflowers/flora	2%	24%	49%	1%	32%	58%
Stay at lake/riverside resort	3%	47%	52%	2%	40%	44%
Stay in remote lodge/outpost	2%	24%	21%	1%	25%	32%
Cycling	2%	35%	38%	1%	21%	26%
Taking photographs	1%	15%	24%	1%	24%	34%
Horseback riding	1%	11%	14%	1%	17%	21%
Viewing northern lights	1%	11%	22%	1%	12%	21%

*Source: 2006 TAMS Canada & USA Special Tabulations, prepared for Tourism Saskatchewan by Research Resolutions, Canada Table 1; USA Table 1. *Less than 0.5%*

SUMMARY OF THE CURRENT PLEASURE TRIP TRAVELLER TO SASKATCHEWAN

The current Canadian traveller to Saskatchewan is "more active in outdoor activities than the average Canadian Pleasure Traveller. They were especially more likely to have participated in nature oriented activities (e.g., hunting, fishing, hiking, climbing, and paddling, wilderness activities)"[19]

Saskatchewan visitors are slightly above-average users of the internet for planning (64.0%) and booking travel (42.2%).[20] "

The above characteristics of the current travellers to Saskatchewan provide an insight on the market groups that should be targeted throughout Canada and the US to draw traffic to the DMO.

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[19] TAMS 2006, Canadian Travellers to Saskatchewan, p1

20 [20] TAMS 2006, Canadian Travellers to Saskatchewan, p1

DEMOGRAPHIC PROFILE

Relative to the average Canadian Pleasure Traveller, those who visited Saskatchewan are somewhat more likely to be older and married (76.0% versus 67.7% overall). They are also slightly less likely than other Canadian Pleasure Travellers to have a university degree (28.6% versus 31.2% overall) and report average household incomes. Overall, visitors to Saskatchewan are over-represented among mature, middle-class couples.

Fig. 3 Demographic Profile of Visitors to Saskatchewan Relative to All Out-of-Province Canadian Pleasure Travellers

		Took a Pleasure Trip to Saskatchewan	Did Not Take a Pleasure Trip to Saskatchewan[1]	Pleasure Travellers	Index[2]
Attribute	Size of Market	1,185,604	16,712,248	17,897,852	100
Gender	Male	51.0%	48.7%	48.9%	104
	Female	49.0%	51.3%	51.1%	96
Age of Respondent	18 to 24	7.6%	13.1%	12.8%	60
	25 to 34	19.0%	19.4%	19.3%	98
	35 to 44	18.4%	20.7%	20.6%	89
	45 to 54	20.4%	20.3%	20.3%	101
	55 to 64	18.8%	13.9%	14.2%	132
	65 Plus	15.8%	12.6%	12.8%	123
Average Age		47.4	44.3	44.5	N/A
Marital Status	Not married	24.0%	32.9%	32.3%	74
	Married	76.0%	67.1%	67.7%	112
Parental Status	No children under 18	73.7%	71.0%	71.2%	104
	Children under 18	26.3%	29.0%	28.8%	91
Education	High school or less	40.2%	35.4%	35.8%	112
	Some post-secondary	9.7%	11.3%	11.2%	87
	Post-secondary diploma/certif	21.4%	22.0%	22.0%	98
	University degree	28.6%	31.2%	31.1%	92
Household Income	Under $20,000	4.1%	5.7%	5.6%	73
	$20,000 to $39,999	12.2%	14.5%	14.4%	85
	$40,000 to $59,999	18.4%	16.4%	16.5%	111
	$60,000 to $79,999	15.4%	15.3%	15.3%	101
	$80,000 to $99,999	13.0%	12.2%	12.2%	106
	$100,000 or more	23.6%	23.0%	23.1%	103
	Not stated	13.3%	12.9%	12.9%	103
Average Household Income		$75,296	$72,950	$73,105	N/A

1 - Defined as an individual who took at least one out-of-town, overnight pleasure trip of one or more nights in the last two years but did not go to Saskatchewan on any trip. 2 - The "Index" is calculated by dividing the percent for those who visited Saskatchewan in each group by the percent of Pleasure Travellers in each group. The Index indicates the extent to which visitors are over or under-represented relative to the average out-of-province Canadian Pleasure Traveller. An index of 100 means the percent of visitors is the same as that of the average out-of-province Canadian Pleasure Traveller. Index values over 100 indicate that visitors are over-represented relative to the average out-of-province Canadian Pleasure Traveller. Index values less than 100 indicate that visitors are under-represented relative to the average out-of-province Canadian Pleasure Traveller.

SOFT OUTDOOR ENTHUSIASTS

"Soft Outdoor Adventure Enthusiasts[21] –

…Canadians who have taken leisure trips in Canada and exhibit a particular interest in soft outdoor adventure. As such, they have taken leisure trips in Canada and, in many cases, to other destinations in the past couple of years and have included at least two of the following activities on these trips:

Biking	Motorcycling	Kayaking	Canoeing
Boating	Sailing	Wind Surfing	Hiking
Backpacking	Cross country skiing	Downhill skiing	Horseback riding
Snowboarding	Snowmobiling		

"By definition[22], Soft Outdoor Adventure Enthusiasts participate in multiple outdoor activities while on trips. They may have engaged in these activities while on a recent trip in Canada or on trips to other destinations, worldwide. The most popular outdoor activities – sought by between one-half and one-third of these tourists while on a trip in the past couple of years – tend to be warm weather encounters with nature.

Activities engaged in by 30 per cent to 60 per cent of Soft Outdoor Adventure Enthusiasts:

- Hiking/backpacking in wilderness settings (58%)
- Wildlife viewing (47%)
- Fishing (46%)
- Cycling (38%)
- Kayaking or canoeing (37%)"

WINTER OUTDOOR ACTIVITY PARTICIPANTS

"By definition[23], Winter Outdoor Activity Participants participate in at least one outdoor winter activity apart from downhill skiing while on trips. They may have engaged in these activities while on a recent trip in Canada or on trips to other destinations, worldwide. The participation rate is highest for cross-country skiing, followed by snowmobiling and ice fishing."

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[21] Canadian Soft Outdoor Adventure Enthusiasts, A Special Analysis of the Travel Activities and Motivation Survey (TAMS), Prepared for: The Canadian Tourism Commission (CTC), Prepared by: Research Resolutions & Consulting Ltd. P.3

[22] Canadian Soft Outdoor Adventure Enthusiasts, A Special Analysis of the Travel Activities and Motivation Survey (TAMS), Prepared for: The Canadian Tourism Commission (CTC), Prepared by: Research Resolutions & Consulting Ltd. P 4

[23] Canadian Winter Outdoor Activity Participants, A Special Analysis of the Travel Activities, and Motivation Survey (TAMS). Prepared for: The Canadian Tourism Commission (CTC) Prepared by: Research Resolutions & Consulting Ltd.P.4

CANADIAN WINTER OUTDOOR ACTIVITY PARTICIPANTS – ACTIVITIES USED TO DEFINE MARKET SEGMENT

Adults 18+ 3.1 million *Source: Special TAMS Tabulations, 9.*

Defining Activities

Cross-country skiing	47%
Snowmobiling (net)	35%
Day use	32%
Overnight touring	13%
Ice fishing	34%
Dog sledding	4%
Ice climbing	3%

Other Winter Activities

Downhill skiing	29%
Snowboarding	6%

Even though it is not used to define the Winter Outdoor Activity Participant segment, downhill skiing constitutes a trip activity for 3-in-10 of these Canadians and snowboarding attracts about 1-in-20.

OTHER OUTDOOR ACTIVITIES[24]

While on trips, over half of Canada's Winter Outdoor Activity Participants view wildlife and/or go fishing in fresh water and slightly fewer hike or backpack in wilderness settings while on trips. About two-fifths cycle, golf, and/or go motor boating – likely related to their enthusiasm for fishing – while on their holidays. One-third also view wildflowers and flora or go kayaking or canoeing, while about one-quarter go whale watching and/or bird watching. This wide array of popular outdoor activities on recent trips is suggestive of a market segment that enjoys the outdoors during all seasons. While on trips, over half of Canada's Winter Outdoor Activity Participants view wildlife.

Attraction Rates	Proportion of Canadian Adult Population	Proportion of Soft Outdoor Adventure Enthusiasts Visiting … Region	Attraction Rate
Atlantic Canada	8%	20%	2.5
Quebec	25%	42%	1.7
Ontario	38%	16%	1.3
Manitoba/Saskatchewan	7%	16%	2.3
Alberta	9%	25%	2.8
British Columbia	13%	33%	2.5

Source: Special TAMS Canada Tabulations, special calculations.

Note: Proportion of segment visitors to Canada's regions will add to more than 100 per cent because of visits

[24] Canadian Winter Outdoor Activity Participants, A Special Analysis of the Travel Activities, and Motivation Survey (TAMS). Prepared for: The Canadian Tourism Commission (CTC) Prepared by: Research Resolutions & Consulting Ltd.P.4

WILDLIFE VIEWERS[25]

“Over the last two years, 26.9% of adult Americans (59,539,747) went wildlife viewing while on an out of town, overnight trip of one or more nights. Visiting nature parks (20.4%) and viewing land animals (10.9%) were the most popular wildlife viewing activities, followed by viewing wildflowers and other flora (6.9%), watching whales and other marine life (6.3%), bird watching (5.4%) and viewing northern lights (1.7%). 37.5% of Wildlife Viewers (22,302,786 reported that this activity was the main reason for taking at least one trip in the past two years.

The demographic profile of the Wildlife viewers parallels the American middle class (25 to 64 years of age, married, above-average household income and education). They are slightly more likely than the average U.S. Pleasure Traveler to have children under 18 living at home. They are over represented in Alaska and the Mountain, Pacific, East North Central and West Central regions of the US.

Wildlife viewers were more likely than the average US Pleasure Traveller to have taken a trip to Canada in the past two years (21.3% versus 14.6%). The most common destinations were Ontario, British Columbia and Quebec. However, they are over represented among US Pleasure Travellers to almost all Canadian destinations, and especially the Western provinces and Canadian Territories.

Wildlife viewers prefer vacation experiences that allow them to enjoy nature and provide intellectual stimulation and educational opportunities. They were more likely that the average US Pleasure Traveller to go hiking, climbing and paddling, horseback riding, and cross country skiing and snowshoeing. They were also much more likely to have visited garden themes attractions, archaeological digs and aboriginal cultural experiences and to have taken part in participatory historical activities. During the past two years, Wildlife Viewers tended to stay at public campgrounds and seaside resorts, and they were much more likely that the average US Pleasure Traveller to have stayed at a wilderness lodge or outpost and to have taken a wilderness tour.

Wildlife Viewers frequently use the Internet to obtain travel information (78.2%) and to book travel (56.9%). They are also more likely than the average US Pleasure Traveller to consult official provincial or state travel information sources when planning a trip. This segment can be targeted effectively though travel related media channels and media with a nature theme (e.g., science and nature television, science and geography magazines) or a domestic them (e.g., home and garden magazines and television programs).”

[25] US Travel Market, Wildlife Viewing of one or more nights, April 25, 2007, Travel Activities and Motivation Survey

APPENDIX F - RECEPTIVE TOUR OPERATOR

"The Business of the Receptive Tour Operator [26]

A tour operator is a business that develops, manages, and operates tours and other packaged tourism products. There are essentially three types; outbound, inbound and receptive:

• The **outbound operator** focuses on its target markets, developing tour products that will sell to those markets and then taking their clients to different destinations throughout the world.

• The **inbound tour operator** focuses on the destination in which they are based, developing and marketing tours and packages at the destination. It positions itself as being a specialist on that destination.

• The **receptive operator** is a sub-contractor to the outbound tour operator, providing various services in support of the outbound tour operator's program at the destination.

Inbound operators typically also provide receptive services to other operators and receptive operators typically will develop and sell their own packages as well. In other words, those operators specializing in the destination in which they are based usually do both things. Given this, in discussing the receptive tour operator in this manual, we will assume that the business does both.

As indicated, the receptive operator provides tour arrangements at their destination to outbound operators operating tours in the area. For example, a tour operator in the USA plans and markets a tour involving several days in Nova Scotia. A receptive tour operator in Nova Scotia negotiates rates with suppliers, books the accommodation and other arrangements, and generally handles the delivery of some or all of the tour services for the Nova Scotia portion of the itinerary, or for Atlantic Canada as a whole.

There are no fixed formulas as to the relative jurisdictions or roles of the two operators. Each arrangement is a customized one, appropriate to the situation and each operator's preferred manner of operation. Having said that, generally the outbound operator handles the marketing and inter-city transportation, while the receptive, handles the arrangements at the destination for some or all of the tour.
The business of a receptive tour operator can be varied, and each operation is likely to have a somewhat different mix of activities and services. The types of services typically provided to outbound tour operators include:

- Negotiating rates with suppliers;
- Booking accommodation and other arrangements;
- Helping with itinerary planning;
- Providing meet and greet services
- Providing ground transportation
- Providing local tours
- Providing local, step-on guides;
- Coordinating and administrating local arrangements and services, or subcontracting these services in some instances;
- On-site problem solving.

[26] http://www.gov.ns.ca/tch/tourism_guides/Receptive_Tour.pdf, *A Guide to Starting and Operating a Receptive Tour Operator Business in Nova Scotia*

Receptive operators may provide similar services for other types of clients as well: for example, companies that plan and market incentive travel services.

Organizations that plan and manage conventions and meetings also sometimes use receptive operators to handle local tours and hospitality services. (More typically, however, these services are provided by "destination management companies", or "DMCs", at least in major centres where DMC services are available.)

This manual deals with establishing a receptive tour operator business dealing in each of these types of services, except for DMC services and retail sales.
We make constant references in the manual to 'the travel trade'. These are businesses in the tourism industry who act as intermediaries between the end consumer and the product suppliers.

They include:

- Tour operators - outbound, inbound and receptive;
- Travel agencies;
- City/regional destination marketing organizations (DMOs)
- Provincial government tourism marketing departments (PMOs);
- Travel wholesalers and brokers."