A Strategic Marketing Plan For Tourism For The Government Of The Northwest Territories

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A STRATEGIC MARKETING PLAN

FOR TOURISM

FOR THE GOVERNMENT OF THE

NORTHWEST TERRITORIES

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More than 40,000 business, government and pleasure travellers visit the Northwest Territories every year. It has been estimated that this activity injects approximately $60,000,000 Cdn. into the territorial economy, stimulating about 4,000 person-years of employment annually. As a private sector economic activity tourism is the second largest producer of employment in the Northwest Territories.

The primary industries of the Northwest Territories are under considerable pressure resulting from the recent sharp fall of oil prices and the continued low metals prices world-wide. As this sector continues to experience difficulties, new employment alternatives will be sought.

The public sector is an extremely important source of employment in the Territories, representing 44% of employment of the industrial aggregate - according to the last month for which complete data is available, September 1975.

While its large size offers considerable stability to the Northwest Territories' economy, the Government of the Northwest Territories is seeking opportunities for economic health and growth. Increasingly in this regard, tourism and small business development are being stimulated.

In recognition of the growing significance of tourism, the Strategic Marketing Plan was ‘initiated. Its mandate is to examine the current environment of tourism, assess the marketing practices of the NWT's major marketing organizations and to define a mid-term marketing strategy specifically for the Government of the Northwest Territories.

The object of this paper is to document the results of the study and to provide the background, framework and detailed design of a three-year strategic marketing plan for the Department of Economic Development and Tourism (Travel-Arctic).

While the resource and market weaknesses of the NWT are addressed, the components of the strategy are the means of contributing to the achievements of specified goals by building on the strengths and opportunities of the Northwest Territories. Thus a set of practical, realistic programs are recommended for the stimulation of increased tourism revenues and growth.

This report has been prepared for the Government of the Northwest Territories.

Mandate and Goal of the Government of the Northwest Territories

The mandate of the GNWT is to facilitate and promote the healthy development and prosperity of the tourism industry.

Its goal is to foster the development of a strong tourism private sector which involves the vigorous participation of a highly skilled and motivated resident workforce comprising a much larger proportion of the native populations, the stimulation of development of top-quality tourism facilities, services and infrastructure, and the redistribution of economic benefits throughout the region - particularly to the smaller communities.

The Department of Economic Development and Tourism has taken strong steps towards achieving this and assisting the industry, by developing a powerful three-year strategic marketing plan.

Roles and Responsibilities

The most important role which government can play in the development of the industry is that of facilitator and catalyst for growth and prosperity.

As such, the most expensive and risk-laden functions of research, market development and product stimulation are most appropriate for the government-. The Department has accepted these wholeheartedly and has identified very specific strong initiatives to assist the private sector.

While longer-term development is the perspective of government, the responsibilities of building the economic sector are shared with the private sector.

The Department’s initiatives are designed to assist the private sector in its role of direct sales and benefits from tourism activity.

The responsibilities of the industry include those of creating, developing and delivering a consistently high-quality, marketable product or service. The marketing of specific products and price is the responsibility of the private sector.

The marketing on behalf of the entire industry in order to create optimum levels of awareness, image, interest, positive attitudes/perceptions , and motivation is the responsibility of the Department, in order to provide the maximum benefits to the private sector.

In recognition of the tremendous potential of tourism opportunities for the communities and native populations of the Northwest Territories, the Department is ensuring that all initiatives support and assist the private sector in its own development objectives.

Implementation Plan

The three-year Strategic Marketing Plan provides the Department with a framework to ensure the very best possible returns to the private sector. It is acknowledged that government cannot do everything within the limitations of manpower and financial resources, and therefore, it is undertaking strong new programs which involve joint and cooperative initiatives with the industry.

Which Market Components Were Examined?

The following groups were examined for strengths and weaknesses:

*Outdoors/Adventure Traveller
*Arts/Culture/Touring Traveller
*Business/Government Traveller
*The Travel Trade (agencies, wholesalers? etc.)
*The NWT Industry Operators & Associations
*Tourism and Other Influential Media
*Influential clubs and organizations

From this examination, it was determined that the Outdoors /Adventure category offered the highest potential for development and that the following specific products would be featured for well-defined market segments:

*All non-consumptive activities: naturalist, hiking, camping, climbing, canoeing, boating, wild-life viewing, etc.
*consumptive activities: sportsfishing and hunting;
*Arts/Culture touring.

It was also determined that it was absolutely necessary to immediately develop the travel trade, media relations and strong networks and affiliations with influential groups.

What are the Guiding Principles of the Strategic Plan?

1) All programs are implemented for the direct benefit of the tourism industry of the NWT;

2) All initiatives are executed in concert with and to strengthen the activities of the private sector;

3) The target effects of the annual plan will be to:
*expand existing markets;
*promote longer stays and higher expenditures
*enhance positive image, awareness, perceptions and attitudes towards the NWT as an attractive tourism destination;
*attract new markets;
*increase shoulder-season tourism; and
*promote the disbursement of benefits throughout the Northwest Territories - including higher employment of northern residents, more communities involved in tourism and benefiting from tourism, and generation of revenues to the government through taxes.

What will the Plan Achieve?

The goals of the plan over the long-term are:

1. To support and assist the industry in the healthy development of the sector.

2. To assist the industry, particularly in smaller communities, to maximize sales of tourism products and services.

3. To encourage and 'assist native populations in participating in the industry;

4. To increase the linkages of native culture, arts, leisure, recreation-and tourism, in tourism marketing.

5. To have a systematic research program to assist the industry in product and marketing planning.

6. To develop brand recognition in the marketplace with the appropriate levels of image, awareness, etc.

7. To be a market leader, promoting high-quality intrinsic values of uniqueness, exclusivity, setting, style, lifestyle, culture, drama, and status.

8. To provide measurable opportunities and results for the industry, which includes highly-qualified prospects for conversion to sale.

9. To develop markets cooperatively with the industry.

10. To provide the ability to take advantage of marketing opportunities on a global scale, as they arise.

The Programs of the Strategic Marketing Plan

Very strong new programs have been identified for the Department in order to assist the industry in entering and developing the best potential markets for the NWT. Having identified the products which have strong success attributes, the highest potential geographic market in the short term was identified as being the United States. Other markets such as those overseas require development for long-term results.

The new cooperative programs include:

a) A Consumer program for the Outdoors/Adventure market (non-consumptive and hunting/fishing generally)
b) A Consumer program for the Sportsfishing market
c) A Distribution/Network Program (Retailers, Clubs, Manufacturers)
d) Marketing Aids (Brochures, Posters, Leaflets)
e) A Travel Trade Program (Travel Agencies, Tour Operators, Wholesalers, etc.)
f) A Media Relations Program
g) A Public Relations Program
h) An Industry Support Program
i) A Research and Evaluation Program
j) A Monitoring and Analysis Program

How will the Industry Participate?

Whenever and wherever possible. programs will be implemented in cooperation with or jointly with the private sector.

Operators, big or small, will have the opportunity to buy into the larger scale marketing programs and directly benefit from the impact of the various activities (advertising, promotions, public relations, etc.)

Influential media and trad-e guests will be hosted in cooperation with the private sector - the specific hosting operator will receive proper credit and benefits.

Private organizations who are not able to fund initiatives cooperatively with the Department will still receive tremendous benefits from the new programs. Wherever appropriate, listings of operators, outfitters, service organizat.ions, travel trade, etc. will be included in printed materials for the tourism prospects and the travel trade. Also, tourism zone associations and the Travel Industry Association will be listed for the specific reference of consumers.

In all media, listings and addresses will be included whenever the opportunity arises. When this is not feasible, a response mechanism to TravelArctic will ensure that all potential enquiries are generated and followed up, and then provided to the industry for specific handling and conversion to sales.

An awareness/information program will also be implemented to provide assistance to NWT residents, so that they may increase their involvement in the tourism industry. Elements of the program will include seminars, workshops, counselling, research, etc. to enhance skills of planning, product development and marketing, servicing, and hospitality.

Plan Budget

The following budgets are identified - based on a zero-base level (the minimum required for optimum efficiency of market entry). These provide for a complete plan which allows TravelArctic to enter the United States market and begin to develop some market base over three years, as well as tentatively enter overseas markets in a nominal way in the third year.

Year 1: $2,346,413 (Extended over two more years, budget
Year 2: $4,107,000 needs would continue to decrease - Yr
Year 3: $3,968,000 4: $3,560,000; yr 5: $3,153, 297)

RESULTS

Expected Revenues from a 3-year plan range from $27,567,100 to $75,183,000 based on pessimistic/optimistic forecasts. New employment generated from the new tourism expenditures would range from 1837 person-years to 5013, and gross tax revenues would range from $8,270,130 to $22,554,900.

Basis of the Plan: A Critical Review

The Tourism Sector

The world-wide economic environment is being transformed, with new business and trading patterns emerging and investment flows being redefined. Globalization of all industries is occuring without exemptions including tourism.

Tourism is no longer defined in terms of a local, regional, national or international economic activity: it is global. As this phenomenon increases, shifts in patterns of affluence will be signaled early by increased mobility (business and pleasure travel) and shifts in destination appeals (market share).

In general, world international travel is growing. And, although incoming travel to Canada should grow in the next few years, Canada's share of world tourism has declined over the past decade. Problems in developing increased market share for the Canadian tourism industry persist, as Canada retains the image of being a vast, cold, uninhabited, boring destination which is overpriced.

Canada's Northwest Territories have the same market perception and image barriers magnified many-fold with the added drawback of perceived lack of access and travel conveniences. In addition, the real infancy of the tourism industry and the absence of infrastructure does not enhance the NWT's ability to compete equitably with mature destinations.

Recent surveys and available data reveal that:

a) In spite of a dramatic rise in tourism expenditures during the summer of 1983, there has been a decrease in the number of visitors to the Northwest Territories from 1982 to 1984;
b) reasons for traveling in the NWT include commuting, business/government travel and vacation/pleasure travel - with the length of stay varying according to the purpose of the trip;
c) the incidence of single travel parties is increasing;
d) business travelers and tourists compete for available accommodation;
e) transportation throughout the Northwest Territories is predominantly by air - road networks are only in the western region of the NWT.

The tourism sector of the Northwest Territories economy is exhibiting all of the classic 'symptoms of a neophyte industry which has severe handicaps. The impediments to success for NWT tourism are many -- historically enforced by inadequate product and market development stimulation as well as inappropriate resources. The Department is now taking very positive action to correct this and also to take advantage of opportunities to help the industry achieve positive results in as short a period of time as possible.

Developing an Economic Sector

The will of the Government of the Northwest Territories to create a viable economic sector based on tourism is impacted by major constraints of resources and private sector investment/motivation.

As a result, management information has not been accessible or achievable through research of sufficient quantity or quality necessary for the formulation of policy, informed decision-making, economic planning, program development, implementation and management.

The absence of substantial private sector investment resources adds to the dependence and pressure on government programming and financial assistance/incentives to an industry which is novice, weak and lacks a significant tourism generator.

Furthermore, the ability of government to effect policy and government programming is hampered by the lack of a cohesive and coherent sectoral organization structure. Presently, there exists a variety of information/marketing "agencies" for NWT tourism who behave in a duplicating, overlapping, confusing, and sometimes contradictory manner.

Sectoral Evolution

To date, the tourism industry of the NWT has evolved with an introverted perspective. Investment stimulation for plant and infrastructure development has occurred principally in response to internal public demand.

Until recently, much of the development investment which has come from outside of the Northwest Territories has been less than positive, producing very little if any economic contribution to the region. Extreme evidence of this is revealed in the special interest tourism activity of sportsfishing, a traditional trend now changing due to government action.

Historically, sportsfishing lodges have been developed and controlled by non-residents of the NWT. Expenditures of the lodge guests are directed almost exclusively outside of the NWT, through southern charter companies and lodge owners/operators. The remote locations of the lodges/camps result in little contact with and economic benefit to communities. New government training for native guides and other major programs are now eliminating this.

An evolutionary approach with little government attention until now has resulted in the basic initiation/formation of an economic sector, without- it yet having been created. Strong economic planning and development is now required coupled with potent marketing programs to ensure its viability, growth and long-term health.

The strategic plan is a positive example of the Department's dedication to this stance.

Strategic Assessment

The infancy of the NWT tourism industry is underscored by the fact that it is measured in years -- not the decades of conventional tourism competitors. Its youth and relative immaturity make it especially vulnerable to all forms of competition, particularly since it has not been able to appropriate a minimum level of resources to product or market development.

The majority of tourism in the Northwest Territories originates within the NWT. Compared to all other Canadian provincial/territorial destinations, the Northwest Territories attracts the smallest number of non-resident tourists. Of all travel within the NWT, the majority (57.5%) is business/government travel and therefore is not elastic. Travel originating from outside the NWT is stimulated principally from Alberta (41%), Ontario (19%) and British Columbia (12%)...all the best <u>natural</u> potential regions of tourist origin for the NWT.

In addition to a very narrow base of geographic producers of tourists, the Northwest Territories does not have a diversified product line. It is largely restricted to tourism experiences within the outdoors/adventure category. Yet even within such a limited ❑arket segment appeal, major initiatives are required to produce much needed capacity excess to the current insufficient levels.

The overall lack of financial resources has prevented the NWT tourism industry from entering the marketplace with strong product and marketing services support. The major competitors of the NWT are not proximity destination regions, but any region in the world which offers a comparable product line in the same category.

At an increasing pace, new competitors are emerging. Mature competitors are dramatically increasing their efforts to solidify market share, and are-also investing extremely large budgets in market development. Billions of dollars are being spent annually in aggressive competition for world-wide tourism revenues.

The public funds which have been historically allocated for market activities have been inadequate to perform more than the basic caretaking, maintenance and critical information services functions. Funds have not been available for any development of any markets, be they existing, short- or long-term potential markets.

The consequences of these factors are:

a) the lack of private sector resources is placing an increased burden on public funds, which are also strained;
b) Collectively, the NWT tourism industry is at the marketing launch stage and must enter the marketplace with a global perspective;
c) NWT tourism will have to compete aggressively with seasoned opponents to develop a market base;
d) three crucial success factors must be quickly developed in a tourism context: brand name status, a solid market positioning strategy and a tactical competition plan;

e) although not generally known, the Northwest Territories have abundant superlative features, attributes, natural attractions and resources in a well-defined tourism product category, all of which offer tremendous market potential on a global scale;

f) important economic development of the tourism sector requires insurance through an immediate long-term commitment from the Government of the Northwest Territories and other levels of government to substantial financial investment and a concomitant dedication to product and market growth;

g) priority issues requiring ongoing and persistent attention include consistent and constant communications throughout all sector strata (public, private enterprise, public bureaucracies, politicians, media), stimulation of product development and a solid infrastructure, and a thoroughly integrated, state-of-the-art and dynamic marketing plan which exploits marketing opportunities as much as possible.

In spite of the many problems and drawbacks of a new industry, NWT tourism has tremendous potential for prosperous growth, given a powerful strategic plan. The Department has commissioned this plan as the blueprint for successful competition in the short term, while long term strategies are formulated.

The Strategic Approach

The development of a strategic plan is complex to the degree of sophistication with which the competition behaves. Since tourism is not a new industry, worldwide, there exists lots of established, highly-skilled competitors who possess finely developed tactical skills. The ability and potential to achieve sector goals is directly related to the ability of the competition to interfere and intervene.

It is essential therefore, that specific strategies and tactics be formulated only after a complete and honest detailing of all strengths and weaknesses of the sector, the host organization, as well as the competitor.

The Strategic Marketing Plan reflects this assessment. It was designed to recommend the minimum initiatives and financial investment required to enter the highest potential markets only in the short-term, within a economic development perspective supportive of the goals of the Government of the Northwest Territories.

The strategy provides a modular framework for the private sector, including small operators, to participate in and directly benefit from major programs in the marketplace. The maximum impact will be made through continued and increased collaboration, and coordinated, cooperative initiatives between public and private sectors.

The alternative to a strategic plan with a zero-base budget (which reflects minimum need) is an optimization plan which is determined strictly by financial budget allotments. This alternative precludes short-term investments in downstream economic benefits, since it must usually demonstrate immediate positive returns of higher-than-cost values. This imposes a short-term treadmill cycle.

Opportunities for Competition

It is the very fact that the tourism industry of the Northwest Territories is as young as it is that provides it with outstanding competitive opportunity. The development scope, components and processes can be entirely managed and controlled because "the slate is clean".

Critical requirements for development of this sector include:

a) rigorous, regular corporate research and management information analysis and evaluation;
b) impacts analysis of threats and opportunities, commercial and competitive intelligence;
c) using competition and positioning leverage to develop its own market niche(s) with exclusive products, instead of marketing "me-too" products in a mature marketplace;
d) developing brand name status, with instant recognition;
e) accurately matching best potential markets and products, through fine market segmentation;
f) encouraging the development of the NWT private sector, through awareness programs and cooperative and joint marketing initiatives;
g) assisting in the development of the travel trade in the NWT and in the marketplace;
h) developing networks in the marketplace for distribution of NWT tourism- information and influencing prospect groups (such as manufacturers of outdoors equipment, sporting goods retailers, sportsfishing/outdoors/travel clubs, associations);
i) stimulation of market demand and increasing market share, through multi-faceted marketing programs, involving advertising, public relations, media relations, industry programs, travel trade advertising and promotions, etc.; and
j) stimulating product development through pressures of market demand.

Optimizing Potential

The strategic plan proposes to maximize the potential of the products and services which the NWT tourism industry has now.

Future development of the plant is easily accommodated through the dynamics of the implementation plan.

Optimizing current potential with a long-term view entails

*an acceptance of the needs of competition;
*a market development perspective over a long term;
*short-term exploitation of highest potential markets;
*use of optimization techniques, such as leverage (e.g. in joint programs, the government and the private sector would match funds);
*the imbedding of measurement and evaluation in all aspects and components of program implementation, for use in future planning and project management.

For Further Details

The complete study report is presented as:

* A STRATEGIC MARKETING PLAN FOR TOURISM
  FOR THE GOVERNMENT OF THE NORTHWEST TERRITORIES

A copy of this document can be examined by contacting Travel/Arctic, Department of Economic Development and Tourism, Government of the Northwest Territories, Yellowknife, N.W.T. KIA 2L9

II BACKGROUND

1.0. INTRODUCTION

This report has been prepared for the Department of Economic Development and Tourism, of the Government of the Northwest Territories. The object of this paper is to document the results of a study of the Northwest Territories' current marketing and competition practices? and to provide the background, framework and detailed design of a three-year strategic marketing plan for the Department of Economic Development and Tourism (TravelArctic).

1.1. TERMS OF REFERENCE

The terms of reference for the project comprised four distinctive objectives:

a) to assess the competitiveness of the tourism industry of the Northwest Territories in terms of product design, market positioning and performance in the marketplace;
b) to examine and analyze all avenues currently or not yet used to secure and enhance market position, share and development;
c) to evaluate factors creating principal barriers to tourism market development and to identify compensatory measures;
d) to describe the degree to which TravelArctic should adopt leadership marketing tactics and to design a dynamic strategic plan for possible implementation by TravelArctic.

1.2. METHODOLOGY

1.2.1. ANALYSIS AND EVALUATION PHASE

The analysis and evaluation phase of the study comprised the processes of:

a) interviews with officials of the Department of Economic Development- and Tourism (TravelArctic), officials of other governments (provinces, the Federal Department of Regional Industrial Expansion, D.R.I.E. Regional Offices, etc.);
b) reviews of project files and internal documents;
c) and analysing statistical data provided by TravelArctic.

Generally, the inadequacies of the information available were as expected: there has been little historical documentation of TravelArctic program details and the industry's initiatives, and no rigorous research plan. This situation was anticipated and forecasted by officials of TravelArctic, who have attempted increasing corrective measures recently. In , view of the sparse resources habitually allocated to the marketing function, these efforts are limited.

As a result, we broadened the scope of the study phase to include data and information analysis from other sources:

a) Tourism Canada, of the Federal Department of Regional Industrial Expansion;
b) Statistics Canada;
c) The Bureau of the Census, of the U.S. Department of Commerce;
d) The Fish and Wildlife Service, of the U.S. Department of the Interior;
e) The Conference Board (U.S.);
f) plus a variety of media research studies (such as Simmons, Audit Bureaux, Audience Research Studies proprietary to media, and Commissioned Market Studies).

1.2.2. DESIGN PHASE

The design phase of the strategic marketing plan was undertaken with:

a) interviews with Department officials;
b) a review of TravelArctic project files, relevant documents, marketing samples; and
c) an examination of other marketing samples produced by various Northwest Territories organizations.

The above yielded information concerning historical and current marketing program design, funding, activities, scheduling, operations, research and evaluation.

Additionally, market intelligence was acquired concerning the activities of other Canadian provinces and the Yukon, as well as foreign tourism destinations. Tourism Canada's medium term plans were also examined and analyzed.

Scanning was also conducted of the marketing services industry, on a global basis, to identify key resources and opportunities to facilitate- market entry and penetration, followed by development. ..with optimum effectiveness and efficiency.

Broadening the scope of our information base was dictated merely by the necessity of an adequate knowledge resource of qualitative value. Canadian sources of information generally were found to offer incomplete data.

2.0. MANDATE, ROLES AND RESPONSIBILITIES

2.1. MANDATE AND GOAL OF THE GNWT

The mandate of the Government of the Northwest Territories is to facilitate and promote the healthy development and prosperity of the tourism industry throughout the region.

It has set for itself the goal of redistribution of economic benefits derived from tourism from current major revenue recipient areas to the other communities, particularly the smaller ones where related employment opportunities would be highly desired. Greater involvement in the industry by residents of the N.W.T. is part of this goal.

2.2. ROLES OF THE GNWT

From the Government's mandate and goal flow roles and responsibilities. Characterizing the present circumstances are the infancy of the industry, the low growth and development patterns, the vast land mass entailed, the varying product opportunities from region to region, the limited marketing information networks, and the considerable ignorance of the region's existence as a vacation destination in the marketplace. The Government's current key roles entail those of facilitator and catalyst for tourism growth and prosperity.

2.3. RESPONSIBILITIES OF THE GNWT

* Establish and maintain high-quality information networks to assist the industry with development and marketing of specific tourism products;

* Provide financial assistance through various instruments for plant development and personnel training;

* Conduct substantial and on-going research to enable the industry to capitalize on opportunities and to facilitate the healthy management of the industry's growth;

* Execute a global marketing strategy to position the Northwest Territories as a competitor for tourism revenues;

* Create a demand for tourism products of all regions by processing the best potential markets through the various necessary indoctrination stages of top-of-mind awareness and recall, product knowledge, positive attitudes and perceptions, strong desire and motivation, resulting ultimately in conversion to first-time visit, followed by repeat visits;

* To act on behalf of all industry private sector organizations and associations, and to represent all without undue preferences.

The responsibilities are multifaceted, complex, and wide-ranging.

In marketing terms, the responsibilities involve the development and marketing of a strong unified image to create destination awareness, recognition, and acceptance - while generating tangible opportunities for specific product sales for all members of the industry.

The evaluation of ultimate impact (sales) should be built into the marketing process in as many activities as possible.

Maximum utilization of ‘the plant with minimal disruption to the social and cultural fabric of the local inhabitants is key.

2.4. ROLES AND RESPONSIBILITIES OF INDUSTRY ASSOCIATIONS

The roles of the Tourism Industry Association and the Zone Associations are more specifically related to regional interests and priorities.

2.4.1 TOURISM INDUSTRY ASSOCIATION

A Tourism Industry Associati-on is typically a lobbying group to government agencies on behalf of the entire sector. As such it participates in the creation of a supportive legislative climate for the industry, the identification of needed financial assistance instruments, the identification of research and information requirements of the industry; it coordinates the interests and priorities of the various regions, functions as an out-reach monitoring agency to the Government and provides feedback and interpretation to the industry on government policy, regulations and issues.

2.4.2. ZONE ASSOCIATIONS

The Six Zone Associations are concerned with the health and welfare of the tourism industry bounded by zone designations. They are best able to coordinate the various activities (development and marketing) of the region’s operators and are able to facilitate product sales on behalf of members.

Tourism Industry Associations do not normally engage in public communications programs except for advocacy advertising. Regional (Zone) Associations are usually engaged in independent marketing only after the host destination and product lines are well established in the marketplace.

2.5. ROLES AND RESPONSIBILITIES OF INDUSTRY

The industry and its health are the crucial ingredients of this economic sector. It is the industry which produces the products and services necessary to build a tourism infrastructure. The industry contributes economic benefits to communities through plant development and employment. As the focal point of sector well-being, the industry is the first and the last sector component to feel all impacts. Through industry development and sound health, more general economic benefits are created - monitored by governments through instruments such as taxation.

The responsibilities of the private sector include those of creating, developing and delivering a consistently good-quality, marketable product. In addition, product attributes, features and support services - such as packaging, price, ground-handling services for arriving tourists - and marketing of those specific products are the responsibilities of the private sector.

When the industry is young, as is the case in the Northwest Territories, cooperative marketing is the most effective process. Therein the government(s), associations and private sector pool resources to greatly strengthen ultimate impacts and economic benefits.

OPTIMUM

ORGANIZATIONAL STRUCTURE

FOR A COOPERATIVE PROGRAM

Public Sector -

* tourism
* economic development
* recreation/leisure
* parks
* sportsfishing
* environment
* wildlife resources
* natural resources

Private Sector -

* Individual Lodge Owners/Operators
* Fishing Outfitters
* Sports/Recreational Organizations
* Environment/Outdoors Organizations

Private Sector Associations -

* Sportsfishing/Outfitters
* Travel/Tourism Members
* Marketing Consortiums

Influential -

* Tourism/Sportsfishing Packagers and Wholesalers
* Carriers/Transportation Companies
* Sportsfishing Clubs
* Environmental/Outdoors/ Wilderness Clubs and- Associations

III STUDY PHASE REPORT

3.0. SUMMARY OF GLOBAL TOURISM TRENDS

World international travel was up in general in 1983 following the first ever drop in 1982. International arrivals were up 2.2% in 1983 to 293.5 million. The World Tourism Organization estimates for 1984 predict another 2.1% rise in global international arrivals to a total of 300 million. Arrivals are expected to continue to grow for the next 2-3 years, though at a slower rate than in 1984. World-wide international travel receipts increased from U.S. $96.6 billion in 1983 to U.S. $100 billion in 1984 (excluding fares).

The economic situation in most regions of the world improved in 1984, with the U.S., followed by Japan, Western Europe, Australia, and some of the key developing countries showing the best performance. International problems such as high external debts, budget deficits, and unemployment continued to persist. There were also encouraging signs in the world economy such as lowering inflation and interest rates, declining oil prices, and increased employment.

Economic growth slowed by the end of 1984 and growth in 1985-1987 is expected to be slower; ..and dependent on the policies of the large industrialized countries. Particularly important will be the U.S. attempt to reduce its budget deficit and resolve the problems associated with its strong dollar.

Incoming travel for Canada and thus the Northwest Territories (although on a much smaller scale) should grow in the next two years, though this growth will depend on economic performance in important overseas markets. Thus far, the outlook is optimistic and the establishment of strong trade relations in emerging markets and events such as Expo '86 should attract more overseas visitors. However, an event such as Expo '86 could create shortfalls in the number of visitors to the Territories in 1986. Alberta is the major Canadian source of tourism to the Northwest Territories and the Territories' tourism industry would be hit hard if Albertans, along with other Canadians, decide to visit Expo. This problem will be compounded if oil prices continue to fall, driving the Albertan economy into a recession.

Several factors worked together to increase the overseas traffic to Canada in 1984. These factors included reduced oil prices, lower air fares on North Atlantic and Pacific routes, more aggressive development of travel trade relations and more target specific promotions , the publicity resulting from the Pope's visit to Canada, and the release of pent-up demands for international travel in Canada's markets abroad.

The economic recovery abroad was better than expected and, as a result, 1,887,222 visitors came to Canada, 6.2% more than in 1983. This broke the pattern of yearly declines since 1980. The increase from Europe, the largest single source of overseas visitors to the Northwest Territories, was moderate, but there were declines in the numbers coming from the U.K. and Netherlands. Gains were better in the numbers of overseas visitors Australia, New Zealand, and Asia, with particular gains in the numbers coming from Japan, Hong Kong, India, and Korea.

The Canadian experience in 1983 was similar to that of the Us. in 1983; however, the trends for the two countries in 1984 were different. In 1983, both Canada and the U.S. suffered a decline in the number of overseas visitors and amount of spending by overseas visitors. In 1984, though, the number of overseas visitors coming to the U.S. continued to decline, due in large part to the strength of the U.S. dollar. Moreover, the strong American dollar sent record numbers of Americans overseas, resulting in the highest ever travel deficit for the U.S. overseas travel account.

One factor that had been working to Canada's disadvantage was the strong Canadian dollar. The strength of the Canadian dollar led to record deficits in Canada's overseas travel account in 1983 of $1 billion and in 1984 of $1.3 billion. However, the outlook is improving as the Canadian dollar weakens in 1986.

Other problems hinder the development of the tourism industry in Canada. Canada still retains the image of being overpriced. In primary markets, there is a low awareness of Canada, a problem that is magnified for the Northwest Territories. In emerging markets this problem is even more severe. This lack of awareness of Canada is combined with the broadening of the base of the overseas tourism market, thereby necessitating not only an increased effort to develop an awareness of Canada overseas, but also an effort that will be more geographically diverse.

Canada's market share of world tourism has declined over the past few years and, in a world of increased competition, it will require both greater efforts and greater expenditures for Canada to improve its declining position. More market research and promotional activity is required along with persistent, aggressive advertisement of Canada as an attractive vacation destination in order to increase her share of an expanding, but increasingly competitive, world tourism market. For the Northwest Territories, this challenge is magnified.

3.1. PROBLEMS

- Canada is thousands of miles from overseas tourism markets and requires not only a major decision for each tourist, but also advance planning and significant costs for transportation. This problem is compounded for the Northwest Territories because of its further geographical isolation from tourism markets. A trip to the Northwest Territories involves even more planning and transportation expenses.

- Awareness of Canada is already low in primary markets and low, if not non-existent, in emerging markets. This problem is severely compounded for the Northwest Territories.

- The tourism industry is becoming increasingly competitive and countries wishing to hold their own will have to spend more on promotional activities. The relative lack of financial resources in the Northwest Territories available for these types of activities will make it difficult for the Territories to hold its own against established and emerging vacation destination.

- Economies of scale do not favour the Northwest Territories tourism industry. In fact the small size of most Canadian tourism firms leaves them with little resources to spend on promotions, particularly in comparison with the resources available to the much more powerful firms in the U.S. and elsewhere. As a result, the industry will have to rely on public spending to make up the difference.

- The U.S., Australia, and Europe have all significantly increased their promotional budgets. Canada, and the Northwest Territories, must significantly increase the resources available to promote Canada overseas.

- Canada is overpriced and is perceived as such by consumers and travelers abroad. This is even more the case in the Northwest Territories.

3.2. OPPORTUNITIES

- Canada is generally well-regarded abroad as a tourist destination and still ranks sixth in the world in international tourist arrivals and ninth in tourism receipts. The NWT benefits from this positive consideration.

- Canada is one of the few wealthy countries in the world that has ‘an already well-established tourism plant in the southern regions, to cater to millions of foreign tourists - which can provide a catalyst to travel to the Northwest Territories.

- Both the public and private sectors have been making considerable efforts over the past decade to develop new, and improve existing, tourism plant throughout the country.

- Canada retains a positive image in overseas markets as a vast peaceful country with unspoiled wilderness, scenic grandeur, unlimited lakes/fishing, and friendly people, elements that are all present in the Northwest Territories.

The international tourism market is huge and growing. Its 1984 value was $130 billion. About $40 billion of this is estimated to be the long-haul travel segment, a segment for the Territories to focus its attention on.

- The international tourism market is being diversified as new markets and high potential special segments in the older markets come on stream. This means that there will be new market opportunities.

- As the share of world tourism held by the older markets decline, new markets emerge. The most promising of these for Canada are Southeast and East Asia, South and Central America (in the long run), select Middle Eastern countries, select Caribbean countries, and select East European countries. The most promising overseas markets for the Northwest Territories are West Germany, Switzerland, and Oceania (Australia and New Zealand). To capture some of these growing markets, the Northwest Territories will have to create an awareness in them of the NWT as a vacation destination.

- Canada's proximity to the U.S. is very important for the NWT's access to the overseas travel segment. Over 53% of overseas visitors to Canada come via the U.S. and the opportunity exists here to develop particular programs, such as promotional activities for the Northwest Territories at major U.S. ports of entry for overseas visitors (New York, Los Angeles).

- Increased competition among airlines has driven prices down on the Trans-Atlantic and North Pacific routes. Deregulation of the airline industry could help the Northwest Territories by driving down the high travel costs to the Territories and by paving the way for increased service to the region. The Northwest Territories may also be able to take advantage of new airline operations in other overseas markets, bringing visitors from those regions nearer to the Northwest Territories.

- Over the years, Provincial and the Federal Governments have developed strong and dependable relations and marketing activities to promote Canada in overseas markets. The Northwest Territories should co-operate with the government(s) in these programs, wherever appropriate.

4.0. MAJOR FINDINGS

The study phase of this project revealed several significant findings.

* Research and statistical data are generally inadequate within TravelArctic to properly assist in the marketing planning function.

* Overall, Canadian sources do not offer complete information or detailed statistics which specifically differentiate the Northwest Territories from other tourism destinations; and very little general market research is available concerning target market segments.

* Canada's Northwest Territories lack brand name awareness, a market positioning strategy and a competition strategy.

* Vital specific marketing planning information concerning plant capacity, growth rates and competitive initiatives are missing.

* The NWT tourism industry is relatively new and is generally going through a learning curve, which places it at a disadvantage against conventional competitors who are much more experienced.

* There is a need for clear identification of roles and responsibilities of the main tourism sector organizations, and a strong orientation towards cooperative and mutually reinforcing initiatives.

* The marketing budget assigned to TravelArtic is inadequate to fulfill its corporate mandate: create brand name awareness and positive attitudes and perceptions of the target markets regarding the Northwest Territories as an attractive tourism destination; provide assistance and advice to the tourism industry in the form of research, strategic direction, and project implementation counseling; and to act as catalyst and facilitator to the NWT industry.

* Each of the Zone Associations is projecting a different image in the marketplace from TravelArctic and each other, and attempting to gain market share against seasoned, well-developed competitors.

* Optimization of efforts between all economic interests is not occuring (native arts industry and tourism);

* Information about travel to the NWT is not generally, available, although several publications are produced.

* TravelArctic has greatly improved marketing messages in 1985, with consistent images and solicitation reinforcing the name of the NWT.

* Zone associations have recently improved their marketing efforts with significant financial support from the GNWT.

* Completion of and plans for many significant tourism plant projects will greatly enhance the appeal of the NWT as a vacation travel destination:

  improved airport facilities at Frobisher Bay, runways at Coral Harbour and Nanisivik, and the continuing completion of Inuvik 'air terminal;

  - a unique camp near Lutselk'e, and recently completed Harbour House;

  - Yellowknife's planned $5 million convention centre, complete with recreational facilities, and accommodation for 50-100 people;

  the 1985 opening of the largest territorial park: Blackstone Territorial Park, at the junction of Liard and Blackstone Rivers;

  - a good selection of new package tours offered by at least 6 different tour companies: Inuvialuit Development Corporation, Arctrek Tours Ltd., Mackenzie River Cruises, Swiftsure Tours Ltd., Subarctic Wilderness Adventures; Top of the World Tours;

  the Baker Lake Tou-rism Committee is completing the second year of an ambitious project to record, mark and provide tours to traditional inland Inuit sites;

  with the opening of the Liard Highway, travel is now possible through Edmonton to Hay River, Yellowknife, etc. and back through Fort Liard to Fort Nelson, B.C. hooking up with the Alaska Hwy.

* Vulnerability is high: almost equal proportion of business and pleasure travel; visitors are concentrated in few markets; shrinking volumes; environmental impacts are significant;

* Competition is not well designed, products and best potential markets are not always matched;

* Some zones are greatly improving their marketing efforts and others are testing new avenues;

* **TravelArctic** and the NWT tourism industry needs to become much more aggressive and hard-sell in marketing philosophy;

* The unique attributes of arts, culture and lifestyle offer exotic opportunity for product differentiation;

* Lots of "tourist" photography is required as part of marketing arsenal, as well as <u>marketing</u> photography;

* Use of literature and travel counseling services is excellent as a process - however, some repacking of information would be desired in a tourism context (eg. some government, literature used for enquiry handling includes legislation information appropriate for new residents but not necessarily <u>relevant</u> to tourists);

* Commendable efforts have been made to measure and evaluate the results and impacts of various initiatives by **TravelArctic.** This process should be incorporated throughout the industry as a standard business practice;

* There are several i-mportant techniques of market development which are not being used, primarily due to lack of funds. **..particularly** integration, coordination, cross-reinforcem-ent and support (synergism) of a complete marketing mix.

5.0. STRATEGIC CONSIDERATIONS

Throughout the study and formulation of the strategic marketing plan recommendation for the Department of Economic Development and Tourism (GNWT), every attempt was made to ensure that our overview was as complete as possible. Given the infrastructure of the industry, and the Department's mandate, this required an examination of the following.

5.1. ISSUES EXAMINED

a) the historical and present competitiveness of the N.W.T. tourism economic sector;

b) the various factors influencing its characteristics and potential for. growth;

c) the corporate orientation and culture of the various catalytic organizations (e.g. the Travel Zone Associations, the Travel Industry Association);

d) as well as a detailed review of the specific tactics and tools of marketing and communications which the GNWT has used to access and develop tourism target markets, thus far.

5.2. COMPETITIVENESS OF NWT TOURISM PRODUCTS/SERVICES

Competitiveness was assessed based on:

a) product profile, packaging, promotion and positioning;

b) product values, intrinsic and monetary (such as quality, price, uniformity, dependability, access, convenience, uniqueness, linkages to market needs, perceptions, attitudes, motivation, behavior):

c) quality of service through the information dissemination, sales and after-sales processes;

d) identifying untapped potential for additional revenues; (capacity, volumes, markets);

e) assessing the process of competition on a global scale; and

f) current sales performance.

6.0. STRATEGIC MARKETING MODELLING

The modelling of the strategic marketing plan reflects the following:

a) the identification of clear roles and responsibilities of the various segments of the N.W.T. tourism industry, concerning marketing in domestic and international markets;

b) the mandate of the government to facilitate and promote the healthy development of the tourism industry through the N.W.T.;

c) the goal of the government to redirect the economic benefits of tourism throughout this area, particularly to the smaller communities and involving a larger proportion of N.W.T. residents in the industry;

d) the need to invest heavily in research and the acquisition of the highest quality management information (competitive and environmental impacts, trends, threats and opportunities);

e) the setting of clear marketing and communications objectives;

f) a modular, building-block approach which takes advantage of existing strengths and exploits growth market segments, in the medium term;

g) an emphasis on redefining products, redesigning product packaging and promotion, and a disqualification of conventional competitive positioning;

h) the need for marketing impact analysis, via a monitoring and evaluation system.

i) the improvement of program effectiveness and efficiencies;

j) a global marketing orientation, with emphasis on -high-quality intrinsic values: uniqueness, setting, service, style, drama, romance, exclusivity.

7.0. ADOPTING A GLOBAL STRATEGY

Tourism, as are other industries, is no longer defined in terms of a local, regional, or. domestic economic activity. Furthermore, it is one of the most visible foreign currency generators and one which can be employed by every government entity in the world, without exception and with minimum entry barriers.

As the globalization process of industries continues, the world-wide business environment is being transformed. This is resulting in new trading patterns and investment flows, contributing to increasing strains on financial systems. National governments are seeking incremental revenues with increasing fervour, and thus pressure on tourism activities is mounting on a global basis.

Geographic markets, on the other hand, will also continue to shift as patterns of affluence are redefined to mirror economic impacts and trends. Cultural lifestyles are being and will continue to be modified as globalization of business continues, with one of the early indicators of new affluence behavior reflected in world-wide mobility: business and pleasure travel.

7.1. SECTOR TRENDS AND OPPORTUNITIES

Evidence of the globalization-process in the tourism industry is concentrated in statistical data of world-wide travel trends over the recent decades. Most recently, there has been accelerated marketing financing by national governments of varying economic health, as well as changing patterns of tourist arrivals, expenditures and travel receipts.

It is no longer appropriate- to concentrate on domestic or international markets of close proximity for tourism revenues: competition has changed. It is no longer domestic or international. . .it is global.

Global competition offers an opportunity for creative and innovative leadership, by developing unique products and product categories which appeal to a custom-carved market niche all over the world. Market share of volumes will be boosted faster due to being based on a larger potential market universe, a dedication to unique product design which can serve a wide variety of customers and a concentration on an entire network of world-wide product and market positions. This perspective will drive down costs and boost market share further.

7.2. IMPLICATIONS FOR THE NORTHWEST TERRITORIES TOURISM INDUSTRY

The tourism industry of the N.W.T. is especially vulnerable in a non-global competitive arena. Limiting target markets to narrow geographic regions, splintered marketing resources directed to fragment market segments places the efforts of the entire sector at a great disadvantage, with modest potential for healthy and prosperous growth of significant proportions.

The sector is considerably undeveloped in relation to the rest of its proximity competitors in Canada and Alaska. Its current market profile is unhealthy-comprising a disproportionately high ratio of business vs pleasure travel, and a low first-time visitation rate compared to repeat visits.

Compared to all other Canadian provincial/territorial destinations, the Northwest Territories attracts the smallest number of non-resident tourists (44,000 in 1982). TravelArctic continues to have the smallest marketing resources of any North American government organization. Even the combination of all marketing resources of the entire tourism sector, including government funding, does not match that of its national competitors. To date, the practice has been to spread these meager resources in a diffused manner over markets with limited- product relationships (i.e. adventure vs outdoors vs camping vs fishing vs hunting, etc.), with no concerted effort to create market demand for product categories coupled with an affinity for a particular brand name: the Northwest Te-rritories of Canada.

These factors reduce the industry's ability to increase volumes, by forcing it to compete on competitor determined conditions and against their advantages of product diversification, development, positioning, access, and price. ..not to mention an older, developed, and experienced industry.

7.3. ENTERING THE GLOBAL ARENA

A global product and marketing strategy offers the Northwest Territories an opportunity to eliminate many of the preset conditions and disadvantages of its traditionally perceived competitors and potentially, the real opportunity for leadership position in market share of unique product categories, on a world-wide basis.

The increasing international competition for tourism revenues reflects the urgency for a wider perspective towards tourism marketing, as a business activity and the need for planning a viable strategic program which thoroughly integrates both domestic and international marketing skills. the industry development to complement this focus will necessitate the development of competitive world-class products.

Success will not occur rapidly with this approach. The strategy itself will take three to five years to execute. However without a wider competitive arena, the tourism industry of the Northwest Territories will continue to be the smallest in Canada and of necessity continue to follow another's lead.

A high degree of flexibility and modularity is fundamental to tourism product design/packaging and marketing, if the N.W.T. is to sell its products virtually anywhere in the world. Significant changes in support systems of information gathering, analysis, research, as well as world-wide marketing systems are also necessary.

The speed with which a global perspective is adopted will translate into significant advances in capturing world markets, and may eventually offer the N.W.T. competitive advantages in certain domestic markets.

In order to compete in a global arena, it is necessary to have as complete an understanding as possible of economic and other environmental trends which will affect the ability to control the "cost" of that competition. In addition to a historical and current analysis, it is also vital to <u>anticipate</u> the impacts of existing threats and opportunities as well as those in the development stage.

A regular process of trend, impact and forecast analysis should be built into a standardized research program and supported by the necessary human and financial resources.

The following section provides an, overview of trends in the tourism economic sector over the last ten years, approximately. This information is presented in 3 parts: (Statistics Canada data)

a) An overview of international tourism;
b) An overview of travel- within Canada;
c) An overview of travel to the Northwest Territories (Statistics Canada data and TravelArctic conversion studies).

IV GLOBAL TOURISM

TRENDS & STATISTICS

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8.0. INTERNATIONAL TOURISM TRENDS

8.1. CANADA'S TOURISM MARKET SHARE

Canada's share of the world tourism market has stagnated over the years. Canada's market share of overseas tourist arrivals was .4% in 1972, .64% in 1980, and .55% in 1983. Canada's market share of overseas tourism receipts also remained stagnant. Canada had a market share here of .59% in 1972, .66% in 1980, and .63% in 1983.

Combined overseas and U.S. tourist arrivals and receipts illustrates further the lack of growth in Canada's share of the world tourism market. In this category, Canada had a 7.5% share of world tourist arrivals in 1972, a 4.5% share in 1980, and a 4.4% share in 1983. The trend in receipts was hardly more encouraging. In this same period, Canada's share of market receipts ranged from 4.5% in 1972 to 2.7% in 1983.

In absolute terms, Canada did significantly increase its tourist arrivals and tourism receipts; however, this resulted from a worldwide expansion in tourism and not from an expanded Canadian share of the same market. Thus, while Canada increased its reveniies from tourism, it did not increase its share of the tourism market.

8.2. U.S., NORTH AMERICA, AND EUROPE TOURISM MARKET SHARES

The United States, North America, (as a whole), and Europe also failed to increase their share of the expanding tourism industry. The United States failed to expand its 7-8% share of tourism arrivals and 10-12% share of tourism receipts. For the whole of North America, the share of tourist arrivals remained stable at 12-14% and the share of tourism receipts at 13-15%.

Europe remained, by a considerable margin, the most popular tourist destination in the world. In 1983, Europe had a 68.5% share of tourist arrivals and its 1980 and 1972 shares were at the similarly high levels of 69.3X and 71.5% respectively. Thus, while Europe remained the single most popular destination for tourists, it has not increased its share of. tourist arrivals for the past decade. The situation was the same in tourism receipts. Again Europe had the lion's share of tourism receipts; however, its share of total worldwide tourism receipts failed to grow throughout the period examined here (65.3% in 1972, 63.5% in 1980, and 59.2% in 1983).

8.3. ASIA, OCEANIA, MIDDLE EAST TRENDS

Other regions were more successful in expanding their market share of tourism arrivals and receipts. The highest rate of growth in tourist arrivals - by a significant margin-occurred in East Asia and the Pacific. Tourist arrivals there grew by 339.1% from 1972-1983, far outstripping the next highest growth rate of 175% for the U.S. in the same period. This enormous growth rate enabled the East Asia/Pacific region to expand its market share of world tourism receipts and arrivals. By 1983, East Asia/Pacific's market share of tourist arrivals had risen to 7.6% from 6.1% in 1980 and 2.7% in 1972. Tourist receipts for the region also grew at the high rate of 629%, a rate of growth exceeded only by the 733% growth rate recorded by South Asia. The market share of tourist receipts for East Asia and the Pacific reached 8.2% in ,1983 compared to 4.9% in 1972.

Several regions recorded high growth rates in market receipts. Tourist receipts to South Asia grew by 733.3% from 1972-1983, though that region recorded only a 150% rise in tourist arrivals from 1972-1983. However, this high growth rate had little effect on South Asia's share of worldwide tourist receipts. South Asia's share of total tourist receipts was 1.3% in 1983, compared to 1% in 1980, and .6% in 1972.

Australia/New Zealand had the third highest growth rate (543. 2%) in tourist receipts after South Asia and East Asia/Pacific. This growth rate occurred despite an increase of only 145% in tourist arrivals for the same period (1972-1983). This left Australia with a 1.42% share of tourist receipts for 1983 (compared to a market share of tourist arrivals of .51%). Despite these growth rates, Australia/New Zealand's share of tourist arrivals and receipts remained steady throughout the past decade.

Finally, tourist receipts to the Middle East grew by 450%, leaving that region with a market share of 3.4% (1 .6% in 1972) .

8.4. TOP TEN DESTINATIONS

Only two of the top ten destinations have scored negative growth rates for the period 1977-1982: Canada with a negative. growth rate of 3.9% and the UK at 5.2%. This negative growth rate left Canada in sixth postion overall with 4.3% of total tourist arrivals worldwide in 1982.

Perhaps most remarkable of all has been the phenomenal growth rate in tourist arrivals recorded by China. Tourist arrivals in China grew by 155.6% from 1977-1982, surpassing by far the next highest growth rate, Italy's at 26.6%. Despite this growth rate, China's share of world tourist arrivals was only 2.8%, putting it in tenth place after Switzerland at 3.2%.

8.5 AIRLINE TRAFFIC TRENDS

Over the past decade the number of passengers carried and passenger miles flown has climbed steadily for the U.S. and world, with the number of passengers carried rising by almost 70% and the number of miles flown rising by 101% for the world and 84% for the U.S.

In contrast, the number of passengers carried in Canada grew from 1972 to 1980 by 98% but fell back in 1983 to an overall growth over 1972 of 69% - approximately the same growth rate for the U.S. and world.

Total North Atlantic travel reveals a steady growth (50%) in the number of passengers carried from 1972-1983. This growth has occurred mainly in scheduled service which has risen by 77.6%. During the same period there has been a sharp decline in the number of passengers carried by charter service. After an initial increase of 15% to 1973 over 1972, the number fell to 63.6% of its 1972 total and then rose slightly in 1983 to 69.7% of its 1972 total.

9.0. OVERVIEW OF TRAVEL IN CANADA

9.1. TRENDS IN PERSON TRIPS

During the 1979-1983 period there has been an overall decline in the number of person trips being taken in Canada. The total number of person trips in or to Canada declined 7.6%. Person trips by Canadians declined from 1979 by 10.8%. Person trips by Americans increased from 1979 to 1981 by nearly 28% (after a fall of about -14% between 1972-1979) but fell by 18.6% between 1981-1983 for an overall decrease of 10.5%. In contrast, person trips by overseas visitors rose by 119% despite a small decline in 1981-1983.

The majority of person trips in Canada were made by Canadians. . . accounting for about three-quarters of the total number of person trips within Canada for the entire 1979-1983. Person trips by Americans made up 23.8% of the total in 1983 compared to 26.2% in 1981 - while overseas visitors continued to account for 1.4% of the total.

When Canadian person trips are removed and only person trips by foreigners are considered, the American share of person trips grows dramatically. In 1972, 97.6% of person trips to Canada were made by Americans compared to 2.4% for overseas visitors.

This dominance of the Canadian market has remained throughout the years studied here, despite the overall decline noted above in the number of Americans coming here since 1972. Even after this decline, the U.S. retained a 94.8% share of the total U.S. and overseas visitors.

In contrast, the numbers of person trips by overseas visitors grew from 1972-1983 by 119%. Total growth to 1981 was higher (122.8%) as a decline of 7 .9% between 1981-1983 pulled down the overall growth rate.

9.2. MODE OF ARRIVAL (DIRECT OR INDIRECT)

There has been little change in how overseas visitors come to Canada for the 1972-1983 period. In 1972, 50.1% of overseas visitors came direct to Canada while 49.9% came via the U.S. In 1983, 47.8% came direct and 52.2% via the U.S.

9.3. TRENDS IN LENGTH OF STAY

Canadians accounted for the greatest share of total person nights spent in Canada from 1979-1982, with a share of 79.9% in 1979 decreasing to 78% in 1982. The U.S. share meanwhile remained at about 14% while overseas visitors made up 6-7% of the total.

The total decline in Canada was 12.8% (1979-1982), with declines of 18.5% for U.S. visitors (1972-1983) and 14.9% for Canada (1979-1982). This decline was not evident for overseas visitors. However, person trips by overseas visitors increased by 101.7% from 1979-1982.

When considering only person nights by foreign visitors in Canada, the U.S. accounts for a larger share of person nights in Canada than do overseas visitors, though their predominance here is not as marked as it was in the number of person trips. In 1982, American visitors had a 55.3% share of person nights in Canada, down from their 69.3% share in 1979 and 82.3% in 1972. In 1972, overseas visitors accounted for 17.7% of the total person nights spent in Canada by foreign visitors. This percentage climbed to 26.9% in 1979 and to 44.7% in 1982. Thus, overseas visitors in 1982 accounted for about 45% of all foreign person nights in Canada despite making up only 5% (1983) of the total number of foreign person trips in Canada.

The reason for this disproportionate share of person nights is that overseas visitors generally stay for longer periods than do U.S. visitors. U.S. tourists staying 1 or more nights still outnumber overseas visitors coming for 1 or more nights; however, an overwhelming majority of overseas visitors stay for 1 or more nights (88.8% in 1983) while only a minority of Americans (33.6% in 1983) stay for 1 or more nights.

9.4. TRENDS IN EXPENDITURES

Canadians accounted for the majority of travel expenditures in Canada for both 1972 (75.9%) and 1983 (79.3%), which is not surprising given their predominant share of the number of person trips and person nights in Canada. American visitors accounted for 14.4% of travel-expenditures in 1983, down from 20% in 1972, while overseas visitors accounted for 6.3% in 1983 and 4% in 1972.

Perhaps because overseas visitors stay in Canada for longer periods, their share of foreign travel expenditures in Canada is out of proportion to the number of trips they take to Canada (though not out of proportion to their share of person nights in Canada). If one considers only spending by foreign visitors, the share of expenditures by overseas visitors is much greater than might be expected. Despite having only a 5.2% share of total person trips to Canada by foreigners in 1983, overseas visitors accounted for 30.6% of foreign travel spending in 1983 compared to a 1983 U.S. share of 69.4% (and a person trip share of 94.8%).

Moreover, the share of travel expenditures in Canada by overseas visitors has been increased from 1972-1983 while the American share has declined. In 1972, spending by overseas visitors made up 16.8% of total spending by foreign travelers in Canada and the American share was 83.2%. By 1983, the American share had fallen to 69.4% and the overseas visitors share of total spending had risen to 30.6%. Thus, while U.S. visitors still account for the majority of foreign travel expenditures in Canada, the share of spending by overseas visitors is increasing at the same time the American share is decreasing.

9.5. CANADIAN TRAVEL IN AND OUT OF CANADA

About three-quarters of all Canadian person trips in 1972-1982 were within Canada. For 1980 and 1982, Canadian person trips to the U.S. and overseas remained constant at about 24% for the U.S. and 1% for overseas. In absolute numbers, there was a decline (-10.8%) in the number of Canadian person trips within Canada since 1979, a rise (9.3%) in Canadian person trips to the U.S., and an increase (30.2%) in Canadian person trips overseas. In all three categories, there were decreases in the numbers of person trips from 1980-1983. In total, the number of person trips by Canadians decreased from 1980 to 1983 by 7.4%.

Canadians traveling to foreign countries overwhelmingly chose the U.S. as their destination throughout 1972-1983. In 1983, 95.7% of the 40,731,000 Canadian person trips abroad were to the U.S. compared with 4.3% overseas. This trend has remained virtually unchanged throughout the past decade.

In addition, there is a trend towards increased foreign travel by Canadians. The 40,731,000 person trips to the U.S. and overseas represents an increase of 28.9% over 1972. Thus, the trend in travel for Canadians is to do less traveling within Canada and more traveling to the U.S. and overseas.

10.0. TRAVEL TO THE NORTHWEST TERRITORIES

The following should be considered with strong caution, since the statistics provided by different study groups vary greatly and in certain cases conflict. Also, there is a general lack of complete or consistent statistics for analysis. The methodologies employed differ significantly.

10.1. OVERVIEW OF VISITATION AND SPENDING

There has been a decrease in the number of visitors to the Northwest Territories from 1982-1984. In the summer of 1982, as well as in the summer of 1983, approximately 44,000 visits were made to the Northwest Territories. Yet, in the summer of 1984, this number fell to 41,800 - a decrease of 5%.

This decrease was not spread evenly over the whole of the Northwest Territories. The number of visits in the Fort Smith and Keewatin region declined significantly (-24.9% and -33.3% respectively) while travel to the Inuvik and Baffin areas increased significantly (30.2% and 30% respectively). (Travel to the Kitikmeot region is estimated to be unchanged over the entire period.)

NWT internal data shows a dramatic rise in spending of 62.5% in the summer of 1983 over the summer of 1982. This increase is extremely remarkable - or-suspect - given that there was no recorded increase in visitation in NWT data for these two periods. Spending then fell by ,29.2% in the summer of 1984 while the number of visitors to the Northwest Territories fell by only 5%. Spending for the entire period was up 26.3%.

The effect of changes in visitation to the 5 regions on changes in expenditures in the regions is not always reflected in predictable manners by this data. There was an overall decline of almost 25% in visitation to the Fort Smith region, yet visitor spending in the Fort Smith area went Up by 18.3%. An estimated constant level of visitors to the Kitikmeot region did not prevent a 36.4% increase in visitor expenditures in the region. Given such discrepancies in the data, caution should be used in interpreting this data.

NWT data, published by Canadian Facts, offers mixed support to the data. It suggests a 23% higher rate of growth in visitation to the Baffin region (+37% compared to +30% in NWT data), but with a modest increase (56% lower rate of growth) in visitor expenditures (+13% vs +29.5%) than that quoted in NWT data. Canadian Facts puts the decline in visitation to the Fort Smith region at -22% compared to -24.9% in NWT data, but records a decline in expenditures of -1.5% compared to an increase of 18.3% in NWT data.

According to Canadian Facts, visitations to Inuvik were up 74% by air alone, while spending actually declined by 3%. NWT data puts the increase in visitation at 30.2% and lists an increase of 13.1% in visitor expenditures in Inuvik. Finally, Canadian Facts records total visitation to the Northwest Territories as being down 7% while total expenditures are up by 1%. NWT-data has visitation up by 40.2% and spending up by 26.3%.

10.2. VISITOR AND TRIP CHARACTERISTICS: SUMMER 1984

10.2.1. PLACE OF ORIGIN

About 41% of all visitors to the Northwest Territories in the summer of 1984 came from Alberta. This was twice the amount of the second largest group, Ontarians at 19% of the total. Visitors from B.C. made up 12% of the total and Americans were the next largest group at 12%. None of the other groups from other Canadian provinces and outside North America accounted for more than 5% of the total number of visitors.

10.2.2. MODE OF TRANSPORTATION

Air travel was the most popular means of getting to the Northwest Territories, with 70% of all visitors in the summer of 1984 coming by air. Ten per cent of visitors came by car and 6% each by truck and " camper. Another 4% came by motorhome, 3% by van, and .3% by motorcycle.

10.2.3. TRIP PURPOSE

The reasons for visitors coming to the Northwest Territories varied in importance by region. Nearly 60% of visitors to Fort Smith came for a vacation with about 30% coming for business purposes. This order was reversed for Baffin, with almost 60% of visitors in summer 1984 coming for business reasons and nearly 35% coming for a vacation. The number of visitors coming for other reasons to these two regions was negligible.

Visitors to Inuvik came for three main reasons. Approximately 30% came for vacations, 35% for business purposes, and another 30% for commuting.

10.2.4. LENGTH OF STAY

Length of stay varied according to the purpose of the visit. Approximately 60% of vacation travelers stay in the Territories for 3-10 nights. In comparison, slightly more than 20% of business travelers stay for 3-5 nights with, another 13% staying for 6-10 nights. Vacation travelers also predominate in the 11-15 night category, making up approximately 12% of the travelers in this category compared to about 6% for business travelers.

At the higher and lower ends of the scale, business travelers tend to predominate. Thus, travelers staying for O-2 and 16-95 nights tend to be business travelers.

10.2.5. EXPENDITURES

Vacation travelers generally spend more during their trips to the Northwest Territories than do business travelers. Approximately 30% of business travelers spent no money on their trips compared to only 4-5% of vacation travelers. About 15% of business travelers spend less than 100 dollars, slightly more than the 12% of vacation travelers in this category. There are consistently higher percentages of vacation travelers than business travelers in the categories of 100-2,499 dollars, as well as in the category of 5,000-7,999. In fact, business travellers record higher percentages than vacation travelers only in the no spending, less than $100, $2,500-4,999, and $10,000 plus categories.

10.3. TRENDS IN TRAVEL TO THE NWT: 1981-1984

10.3.1. TRIP PURPOSE

There is a general trend towards more business travel to the Northwest Territories and less vacation travel. From 1981 to 1983, the percentage visiting the Northwest Territories for business purposes rose from just under 30% of the total number of travelers to the Territories to just over 50% before declining to a 1984 level of just over 40%. The percentage of vacation travelers fell from about 75% in 1981 to slightly under 50% in 1983. The percentage then rose to 55% in 1984.

10.3.2. LENGTH OF STAY

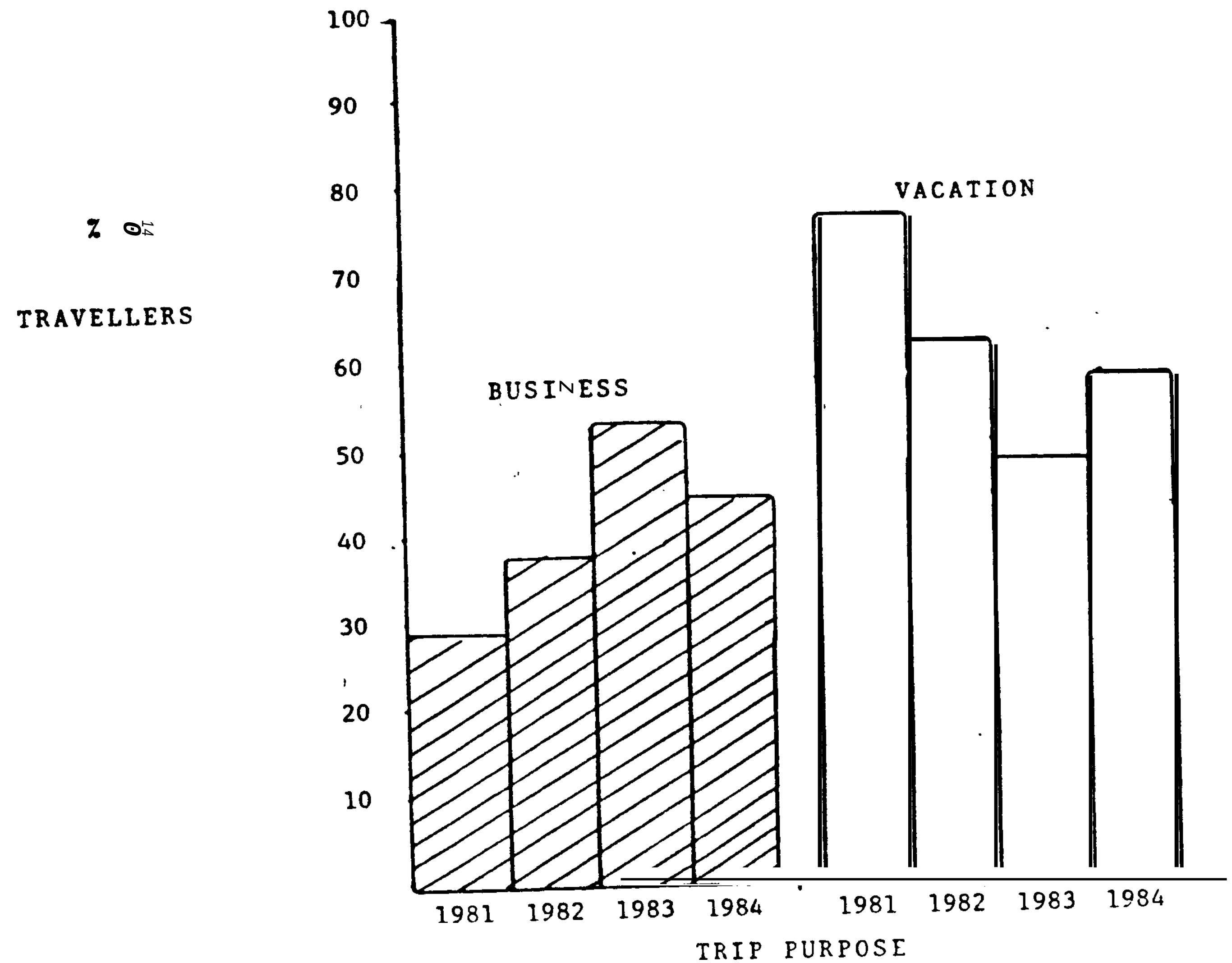
While most travelers visit the Northwest Territories for 3-5 and 6-10 nights, the trend-in these categories is slowly downward. For example, in 1981, over 30% of visitors to the Northwest Territories stayed for 6-10 nights compared to just over 20% in 1984. In the 3-5 night category, the percentage fell from approximately 28% in 1981 to about 23% in 1984.

In comparison, the trend in those staying for O-2 and 21-90 nights is upward. However, in these categories, as in the 3-5 and 6-.10 categories, the trends are not marked enough - nor plotted for a long enough period - to risk making firm predictions about future trends in trip length.

10.3.3. EXPENDITURES

A clear trend towards less spending by visitors to the Northwest Territories emerges in the data. The percentage of travel parties spending $250 or less has increased from 25% in 1981 to approximately 55% in 1984. In all other categories except the $5,000-10,000 range there has been a decrease in the percent of travel parties. However, the decline in many of the categories is quite minor and could simply reflect statistically insignificant fluctuations, not real trends in expenditures.

NWT: TRIP PURPOSE TRENDS - 1981-1984



- Business travel is generally increasing.

10.3.4. TRAVEL PARTY SIZE

A trend towards single travel parties is also emerging. The trend in the category of l-person travel parties is definitely upwards (from 20% of travelers in 1981 to 60% in 1984). In all other categories, save that of five or more party members, the trend is consistently downward. This trend is also reflected in the average party size for each year. The average party size has fallen from 2.61 in 1981 to 1.76 in 1984.

11.0 CONVERSION STUDIES

11.1. BACKGROUND

Three conversion studies were utilized for the following tables. Of the three, the Acres study is the most reliable. There are serious methodological problems with the other two studies and their findings should be treated with caution and, whenever possible, measured against the findings of the Acres study. The two original studies will be referred to as the NWT studies and the Acres study as the Acres study.

The purpose of the conversion studies was to measure the effectiveness of TravelArctic information in "converting" those inquiring about the Northwest Territories at TravelArctic booths at sportsmen's shows into visitors to the Northwest Territories.

11.2. CONVERSION RATES

The NWT results suggest that 16.6% of inquirers at Travel-Arctic booths at the March 1983 Edmonton Sportsmen's show were converted into actual visitors to the Northwest Territories in the summer of 1983 and that 20% (perhaps some repeaters?) of the same group of inquirers visited in the summer of 1984.

However, the Acres study suggests that these figures may be optimistic. The Acres study lists the percentage of inquirers who actually visited the Northwest Territories and the percentage of those inquirers at the Edmonton show is not far off the percentage given in the NWT studies. However, the Acres study shows that a small percentage of those visiting the Northwest Territories visited because of the TravelArctic information. This suggests that many of the inquirers at TravelArctic booths consisted of the pre-informed or 'already converted":

The more cautious findings of the Acres study are also reflected in the numbers of attendees considering future trips to the Northwest Territories (i.e. the potential converts) (See Tables Section.) The Acres study identifies a lower percentage of inquirers at the Edmonton show - as well as others - considering a future trip to the Northwest Territories than do the NWT studies. Since the methodology of the ACRES study was designed to weed out disproportionate numbers of the nearly converted, it is recommended that the Acres study be given more credence in assessing short-term impact.

11.3. TRIP CHARACTERISTICS

Both the Acres study and one of the NWT studies provide information on the type of trips visitors take to the Northwest Territories. The NWT results show that nearly half of the Edmonton sample who went to the Northwest Territories went for pleasure trips, with about one third going on business trips. This is confirmed by the Acres study which has a similar breakdown for travelers from its Edmonton sample. In each of the four Acres's samples, the majority of travelers go for pleasure trips, with business trips also representing a sizeable, portion of the trips (except in the case of Toronto).

The Acres study also combines those who travelled solely for pleasure with half of the number traveling for pleasure and business and clearly shows how important pleasure travel is in general to the Northwest Territories. Their findings also suggest that such travelers are likely to come in campers and prepare their own meals.

Finally, a cost/benefit analysis of the TravelArctic booth program suggests that benefits have outweighed the costs for each of the booths with the Edmonton booth being the most profitable and the Calgary and Toronto booths being the least worthwhile. However, the return on investment ratios suggest that only the Edmonton TravelArctic booths have presented a good return on investment in the immediate term. Development is required for longer term results.

ACRES CONVERS1ON STUDY: (1984 shows)

Costs and Benefits of Travel Booth Program

	Vancouver	Edmonton	Calgary	Toronto
Net Conversion Rate	2%	4.6%-	2.1%	.9%
No. of Enquirers	1,482	1,461	786	2,725
Estimated Visitors	30	67	17	25
Visitor Expenditures	$23,250	$50,920	$11,900	$26,000
Program Costs	$15,910	$12,305	$8,930	$22,325
Net Benefit	$7,340	$38,615	$2,970	$3,675
Return on Investment Ratios	1.46:1	4.44:1	1.33:1	1.16:1

12.0. OVERSEAS VISITORS TO THE NWT: By Destinations, Regions of Origin

12.1. NORTHWEST TERRITORIES: TOTAL VISITS

In 1982, 9093 visits were made to the Yukon and Northwest Territories by overseas visitors, a decline of 28.2% over the 1981 figure of 12,661 (declines in visits by overseas visitors also occurred in all other regions of Canada except P.E.I. in 1981- 1982). In both 1981 and 1982, the Yukon/ Northwest Territories shared in only a minute proportion of the total overseas visits to Canada. Only .33% of all 1982 overseas visits to Canada were to the Yukon/Northwest Territories (.42% in 1981). The total 1982 figure of 9,093 is only slightly larger than the number of visits to P.E.I., which at 8,899 attracts the fewest overseas visits of any Canadian region.

12.2. REGION OF ORIGIN OF VISITOR

Of the 9,093 overseas visits in 1982 to the Yukon/NWT in 1982, 81.4% were made by Europeans and 10.9% by visitors from Oceania (particularly Australia and New Zealand). Another 6% were made by Asians. ..while the percentages for other regions were less than one.

12.3. COUNTRY OF ORIGIN OF VISITOR

In most cases, less than 1% of total overseas visits from the various countries and regions were to the Yukon/NWT. The highest percentage of visits by any single group of overseas visitors was 2.6% of the total number of visits by the Swiss in 1981. However, the largest single national group visiting the Yukon/NWT were West Germans, who made up 42.4% of the total number of overseas visits. The Swiss made the second largest number of visits, accounting for 11.3% of the total. Australians were also prominent visitors to the region, making 8.2% of all overseas visits to the Yukon/NWT.

This repeated the pattern of 1981 where 80.6% of all visits to the Yukon/NWT were by Europeans. West Germans were again the largest single group visiting the region, accounting for 40.4% of all overseas visits, followed by the Swiss (16.1%), and Australians (10.5%).

12.4. EXPENDITURES BY OVERSEAS VISITORS BY REGION

Expenditures in the Yukon/NWT were also small in comparison to that in other parts of Canada. In 1982, a total of $3,028,000 was spent by overseas visitors in the Yukon/NWT. At .4% of all expenditures by overseas visitors to Canada, that was the smallest amount spent in any Canadian region save P.E. 1. ($1 ,696,000 or . 2%). As might be expected 78.9% of all expenditures by overseas visitors in the Yukon/NWT in 1982 came from European visitors. Visitors from Oceania made up another 9% of total overseas spending in the Yukon/ Northwest Territories while Asian visitors accounted for 8.3%.

12.5. EXPENDITURES BY OVERSEAS VISITORS BY COUNTRY

West Germans spent the most of any group of overseas visitors to the Yukon/Northwest Territories, making up almost 40% of the total spending by overseas visitors. Swiss visitors accounted for 10.5% of the total, and the UK accounted for 9.5%. Finally, Australian visitors made up 5.6% of total spending by overseas visitors and the Japanese made up 4%.

Nevertheless, the Yukon/NWT received no more than 1.3% of the total spending of any single group visiting Canada. Swiss visitors spent 1.3% of their total expenditures in Canada in the Yukon/Northwest Territories and the Germans 1.2%. In every other case, the Yukon/Northwest Territories received less than 1% of the total expenditures of any particular regional or national group visiting Canada.

V NWT TOURISM MARKETING PERFORMANCE

13.0. COMPETITIVE ENVIRONMENT

The product and market position of the tourism industry of the Northwest Territories has traditionally been focussed on participation in the marketplace. Until recently, resources for plant and product development as well as sales development and marketing have been left to evolve with private sector growth.

Within the last 5 years, the Government of the NWT has undertaken major policy changes which redirect the previous orientation to one of government involvement and leadership in the health and development of the tourism industry. Recognizing the value of tourism as an economic instrument, the GNWT has developed its general strategy for community based tourism, which fully reflects weaknesses and strengths.

Significant financial assistance has recently been injected into the N.W.T. tourism industry, through various government instruments, for product development/upgrading/sales. However, no "corporate leadership" at the Territorial Government has been supported through a mirrored injection of marketing funds.

Without an appropriate marketing budget at the 'corporate' level, all regions will be competing against each other in a marketplace which does not y–et recognize even the existence of the Territories, let alone understand any other product information. The result is that, on a domestic, national, international or global basis, the tourism industry will continue to participate in the marketplace - it will not compete.

General lack of unity and cohesiveness in marketing efforts increases the vulnerability -of an infantile industry. Not only are efficiencies and effectiveness of scale eliminated, but uncontrollable economic and environmental impacts on the the market could prove devastating to the fragile tourism base.

13.1. SHORT-TERM IMPACTS OF EXPO '86 AND OIL SECTOR TURMOIL

An analysis of the NWT tourist population indicates that the western regions of the territories will be particularly affected in 1986, by Expo '86 and the current oil crisis.

Alberta accounts for the largest proportion of visitors to the NWT. However, as an oil-based economy, it will in the medium term be acting as a typical after-shock economy. . . characterized by cautious spending, strong conservative financial practices and the preservation of financial reserves – otherwise known as "disposable income".

Ontario and British Columbia, provinces which account for the next largest shares of visitors (19% and 12% respectively), do not have strictly oil-driven economies. However, residents who intend to travel out-of–province will be strongly distracted by a once-in-a-lifetime event: Expo ’86.

Residents of Ontario will be faced with similar distance considerations , but they are also being conditioned by an aggressive, continent-wide integrated multi-million dollar marketing campaign for Expo ’86. British Columbia residents do not have distance barriers for this event.

The positive impact of EXPO ’86 will only be felt over a longer term, the result of a dominant presence at the EXPO site and the strong awareness generated amongst those who attend.

13.2. CHANGES IN TOURISM SECTOR MARKETING ACTIVITIES

Other national competitive impacts include increased marketing expenditures by the Provinces and Yukon to keep their own residents traveling within their regions as well as soliciting increased tourism from other markets. Furthermore, the Federal Government has withdrawn from integrated vertical marketing in the product cat-egories which are most appropriate for the NWT - outdoors/adventure, sportsfishing, touring - in the medium term, concentrating on major Canadian cities which have strong appeal potential in the United States. No marketing is being done at all by Tourism Canada within Canada, and nominal activities are being conducted overseas.

In the United States, efforts are increasing to keep residents “at home”, by the individual states – while they are concurrently aggressively attempting to cannibalize the tourism markets of other states and markets abroad. Marketing expenditures are rapidly escalating as the benefits of tourism are felt in economies around the world.

13.3. THE U.S. TOURIST POPULATION

No significant change in economic status is forecasted for tourist-producing States (according to the Conference Board of the U.S.) to the year 2000, although other demographic characteristics will change (age, population growth, etc.). The current high yield states of California and those of the mid-west and north-east will remain. However, new growth in population and disposable incomes will result in increasing development potential in southern states. Of particular interest to the NWT in this regard would be the states of Texas and Arizona, where the values and life-styles offer good medium and long term potential.

Also , because of its dominant global economic influence, affluence and population mobility generally, the United States should be given prime consideration for NWT tourism development. By dedicating significant resources to this market's development, the NWT will also be taking defensive actions against environmental impacts which are currently threatened by a circumstantial imbalance in global visitor shares.

13.4. COMPETITION FOR THE U.S. MARKET

It should be recognized that in addition to facing stiff competition from American states, Canadian provinces and the Yukon for a share of the U.S. market, it is a market which is facing increasing pressure from foreign tourism destinations. While conducting aggressive marketing lobbies, these destinations also often offer a well-packaged price oriented product which the NWT cannot match. In the global arena, the NWT must carve out its own niche, wherein it controls the success factors and eliminates competition.

In Canada and the United States, consumer-oriented marketing will lead to product distribution and support systems and services. Therefore, a marketing program in these markets should be aimed at creating strong consumer demand, while supporting the travel trade.

13.5. APPEAL OF THE NWT TO OVERSEAS MARKETS

Analysis of Statistics Canada data reveals that the top overseas regions which produce tourists to the Northwest Territories (1982) and Yukon are West Germany (42.4%) , Switzerland (11.3%), Oceania (10.9Z) United Kingdom (8. 1%) , Asia (6%). The total number of overseas travelers to the NWT/Yukon in 1982 were 9,691 - .3% of all overseas visitors to Canada.

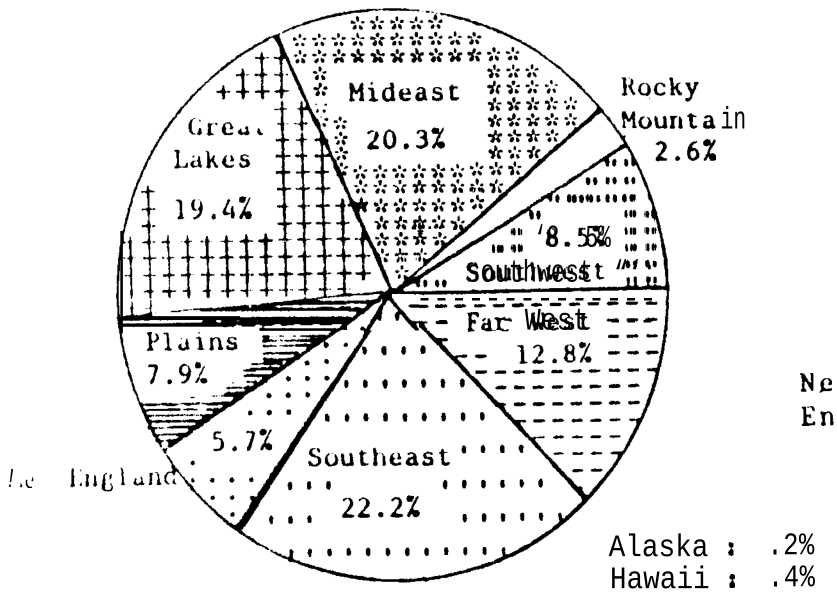
There is no statistical data for the NWT alone published by Statistics Canada. However, information from the Government of the NWT indicates that between June and September of 1985, 2% of all visitors were from outside North America. Major development initiatives are necessary to increase share size and/or change ratios.

These initiatives will have to be tempered by the environmental conditions encountered abroad.

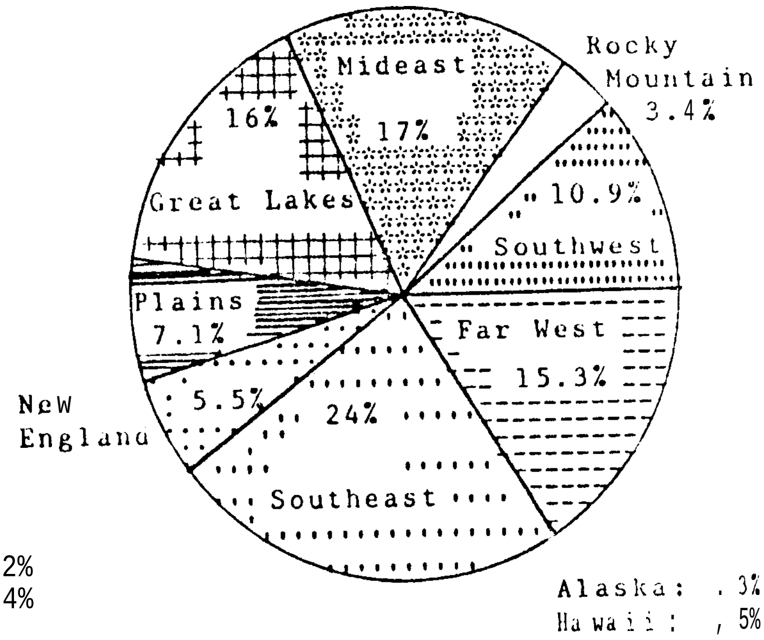
Distribution of Population and Personal Income by Region.

POPULATION

1973

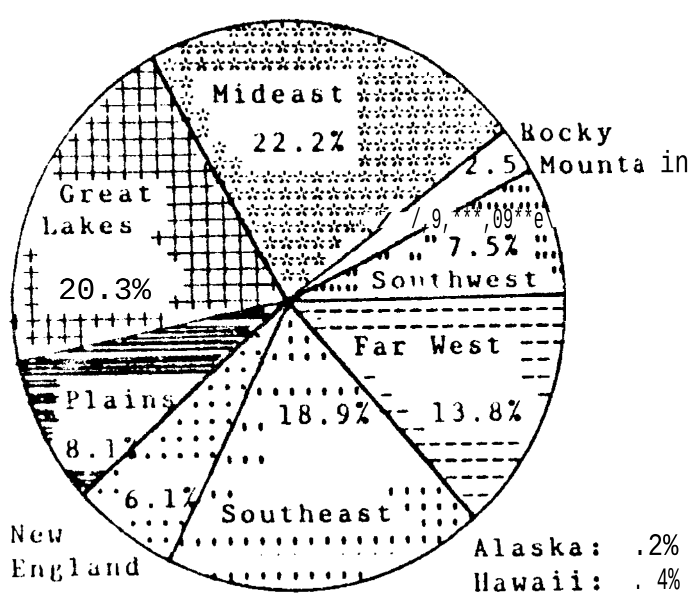


2000



PERSONAL INCOME

1973



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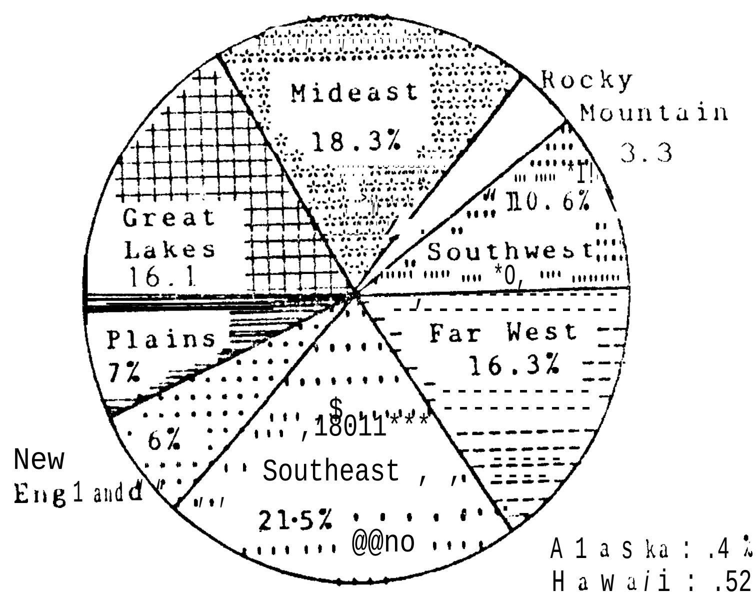


14.0. COMPETITIVE LEVERAGE

The tourism industry of the NWT has the option of continuing to participate in the marketplace, with "me-too" products which have severe handicaps, or to compete for unique market niches with exclusive products which have incomparable advantages.

Businesses and industries which do not have effective competition are usually highly successful, whereas those who are constantly involved in head-on collisions and cannibalization tactics usually suffer. ..unless they are the first in and market leader.

Therefore, competitive superiority is vital to overall success - not just sales, marketing or product successes - but the type which produces good-to-superior return on investment. The degree of competitive advantage which the Northwest Territories can acquire will determine the magnitude of its success over the long term.

On competitor-determined success factors, the NWT tourism industry is disadvantaged. Also, if no basis is created for differentiating products or services, coupled with the lack of product cost advantage resulting in same or higher prices, then competitive advantage will not be gained.

Since the tourism industry cannot compete on conventional terms and tangible aspects (industrialized development, overcommercialization, prices, facilities, well-developed tourism economy), then the NWT should concentrate on its unique attributes and intrinsic values. It should ignore the price issue by repositioning its products as "undervalued" compared to experience and services provided.

It is strongly recommended that the Government of the Northwest Territories create its own tourism market niche which it can quickly penetrate and develop as market leader. It will then be in a superior position to thwart off future competition, since it is very difficult to erode the market share and position of a competitor which has tremendous in-first advantage,

15.0. POSITIONING LEVERAGE

In order to use positioning effectively in the marketplace, it will be necessary for the tourism industry of the Northwest Territories and TravelArctic to select the type of tourism business niche it would like to occupy and which it is willing to ignore. The latter may be very difficult, because it is contrary to human nature, but it is absolutely necessary.

It *is* not possible to "be all things for everyone" and yet judgement must be prudent since today's marginal producing market segment could be tomorrow's prime source of revenues.

Once a niche has been selected, it will be necessary to create a <u>brand</u> - the essential ingredient to building a customer franchise. Once the brand has been established/ accepted in the marketplace, brand variations can be safely introduced without fear of eroding existing customer base, or worse, confusing the market.

Since the current ratio of tourists to business travelers is unhealthy (55%-45%), and the sources of these travelers are concentrated in few regions, the industry of the NWT is highly vulnerable. In order to address this situation and attempt to correct it, the profile of the market niche will require careful construction.

The challenge will be to erase some of the market practices and perceptions which result in negative attitudes towards pleasure travel to the Northwest Territories:

* commodity pricing of undifferentiated products;
* common product configuration;
* low added value;
* competitive bidding (Meetings, Incentive Travel Business);
* overcapacity (long shoulder seasons);
* limited number of suppliers (eg. air carriers);
* complex distribution systems (information, reservations);
* low growth;
* numerous competitors, many of them more "sophisticated"/beyond the learning curve;
* many better-priced, "local" competitors.

In order to accomplish a new positioning, it is necessary to thoroughly segment target markets to gain a complete understanding of the real potential of matching products to their needs.

16.0. BRAND NAME DEVELOPMENT

In 1985, TravelArctic restructured its creative marketing presentation in all markets to give dominant visibility to the name of the Northwest Territories. This is an important first step to creating marketplace awareness of a new competitor for tourism revenues.

In this case, the corporate identification should be developed into a brand, as is the practice with other tourism competitors. To qualify as a brand, it must require <u>no further explanation:</u>

* no geography lesson;
* no political science class;
* no arts and culture orientation;
* no socio-economic descriptions;
* no product descriptions;
* no service explanations;
* no purchasing directions;
* no apologies.

It must be widely recognized by purchasers of the product category; it must be <u>preferred</u> over competitor's products by a significant number of people; and it must also have a sense of uniqueness. If the brand name lacks the quality of uniqueness, it will have limited success in spite of perhaps possessing other superior qualities.

The objective of developing and positioning a brand for the NWT is to cause tourists to believe that there is no completely satisfactory substitute for that brand, and that it inherently exudes integrity.

Pitfalls to avoid in marketing the brand include:

a) providing information which lacks relevance to the potential tourist (eg. a government annual report inserted with other tourism materials);
b) lacking in clarity of communications, causing confusion or fuzzyness;
c) lack of distinctiveness from competitors' products;
d) absence of coherence throughout all the signals which are being transmitted in the marketplace;
e) a withdrawal of commitment over time to the brand name position; and
f) a reluctance to be patient for the results, since these will be achieved over years, not months.

17.0. MARKET SEGMENTATION

17.1. HISTORICAL SEGMENTATION PROCESS

The N.W.T. tourism industry has traditionally segmented its target markets in geographic terms and profile characteristics derived from current visitors. The primary source of profile building has been exit surveys, operator/wholesaler feedback, consultant studies, and generic research published by outside organizations.

The lack of specific research to identify the optimum potential markets or the most effective product configuration and packaging/promotion has resulted in less than precise activities for N.W.T. tourism. Indeed, most of the marketing efforts have been based on assumptions which have never been proven or disproven through research.

If the Government of the N.W.T. is to manage its resources most effectively, then there will need to be a significant injection of funding for thorough primary and secondary research. In order to capitalize on solid opportunities for increased market share, the N.W.T. requires proprietary research of the highest quality about its markets, shift in markets, and forecasting insights.

The target marketing of the principal organizations, TravelArctic, the Travel Industry Association of N.W.T., and the 6 Regional Zone Associations, segment the “market” differently. This appears to be chiefly a function of available marketing funds...the more funds, the more defined, the fewer funds the wider the targeting.

In segmenting the various target markets, consideration is required to identifying clear advantage, opportunities for acquiring advantage where it does not exist and options for maintaining an advantage gained.

17.2. NWT PRODUCT CATEGORIES/LINES

In a classic marketing hierarchy, the tourism products of the N.W.T. falls principally into two categories: outdoors/adventure products and arts/culture/events products. All tourism activities can be classed in either category and in most instances, both.

The product lines lack a significant designation (brand name) which provides superior registration in the minds of the greatest number of potential tourists to the N.W.T. Priority should be given to determining an outstanding brand name which will offer a proprietary or leadership position for this product line. The brand name should then be marketed thoroughly in every activity and service, in order to maintain "brand superiority" perceptions in the minds of the target market.

17.3. NWT TARGET MARKET DEFINITIONS

One of the most evident ways in which the target markets for the N.W.T. can be segmented is by principle recreational or leisure activity of the tourist. Hence the activities of fishing, hunting, camping, photography, cultural tours, etc. have often been used to name target market segments.

However, there appears to be no evidence of research to indicate a whole spectrum of other target market characteristics, research that is necessary to truly match the best product assortment with the market segment which has the highest potential to purchase.

This segmentation involves factors such as:

* benefits and advantages
* distribution (travel agencies, wholesalers)
* ethnic characteristics,
* life-styles
* behavior type (leader vs follower)
* socio-economic characteristics
* product usage
* collateral expenditures (fishing/hunting equipment)
* key influencers and motivating factors, as well as geographies, demographics and psychographics.

17.4. NWT PRODUCT-MARKET MATCH PROCESS

The information available about the existing customer base will provide a short term opportunity to increase volumes and market share for individual products as efforts to determine the long-term potential markets are formulated.

The critical success factors which have been noted throughout documentation and interviews have been price, availability/ lack of tourism products and the quality of facilities and services of the N.W.T.

It is recommended that the true market for N.W.T. tourism in the short and medium term (3-5 years) is not price sensitive and that issues of facilities and services may be overcome through "overcompensation" of customer relations, reliability, range of products, uncommon exotic adventure, overwhelming unspoiled land and sea-scapes.

The hospitality/tourism training of industry personnel will occur over time, to surmount the problems of tourist relations and reliability. It is necessary, therefore, that the void be filled in the short term by industry leaders (major hotels, air carriers, associations etc.) and the government of the NWT.

The issues of product upgrading and new product development will continue over a longer term - necessitating specific strategies and initiatives which centre around investment stimulation and a public appreciation for tourism as a vital component of economic and life-style well-being.

In the short term, additional tourism can be achieved through increased usage of facilities during shoulder and winter seasons (in some areas) . This requires highly defined potential market segments matched with precision to very unusual travel products - which will likely require very careful packaging.

In order to gain the time necessary to formulate a longer term strategic plan (beyond five years), it is imperative that all factions of the N.W.T. industry implement a unified and synergistic marketing assault against primary markets with the best short term potential to generate tourism revenues. . . markets which will not be price sensitive or "Spa" -style facilities oriented.

17.5. OPTIMIZING THE BENEFITS FROM WELL-DEFINED TARGET MARKET SEGMENTS

Although, marketing activities will show the N.W.T. competing in the same arena as its conventional proximity competitors, product positioning, strategies and tactics will be significantly different. Also, in order to enhance opportunities for leadership positioning in the marketplace, it will be necessary to design and maintain a rigorous and on-going system of monitoring and evaluating changes in economic activities, economic impacts and the activities, marketing expenditures and plant changes of competing destinations on a world-wide basis.

Early warning systems will enable the Northwest Territories to adjust to competitor challenges or shifts in consumer needs and demands, as well as the emergence of new potential market segments.

While market segmentation need not commence with a sophisticated profile of the purchasing groups, it requires a thorough. understanding of the relative strengths and weaknesses of the tourism industry in the N.W.T. vs those of the competition, the selection of a realistic market segment to address, developing a strategy that most appropriately matches the characteristics of the segment, and the execution of the strategy.

The two principal tourism product categories which the Northwest Territories presently offers are:

a) outdoors/adventure travel; and
b) arts/culture/touring vacations.

Each category offers a wide variety of experiences to match specialized interests of market segments. Each market segment has a completely unique profile, even when surface characteristics appear similar. It is necessary, therefore, to thoroughly identify as many characteristics as possible of target market segments, in order that the most appropriate product offer and positioning statements are made.

With proper positioning, the <u>same product can be sold TWICE.</u>

NWT PRODUCT CATEGORIES

1. ADVENTURE/OUTDOORS

PRODUCT LINE:	PRODUCT(S):
NON-CONSUMPTIVE.	WILDLIFE VIEWING
	OUTDOOR RECREATION - CAMPING, HIKING, CANOEING.
	NATURALIST EXPEDITION
	PHOTO SAFARI
	ADVENTURE EXPERIENCE
	GENERAL INTEREST
CONSUMPTIVE.	FISHING
	HUNTING

2. TOURING

PRODUCT LINE:	PRODUCT(S):
OUTDOORS ORIENTED.	WILDLIFE VIEWING
	SPECIAL INTEREST(S)
ARTS/CULTURE/HISTORY ORIENTED.	WELL-KNOWN REGION
	INTERESTING CITIES & TOWNS
	VERY DIFFERENT EXPERIENCE
	SELF-GUIDED

VI STRATEGIC MARKETING PLAN

18.0. STRATEGIC MARKETING PLAN OVERVIEW

(FISCAL YEARS 1986/87 TO 1988/89)

This marketing plan is structured on a zero-base budget and covers a time horizon of three years. It reflects a comprehensive documentation of the requirements of the Government of the Northwest Territories (Travel Arctic) in terms of marketing activities, based on its defined mandate, roles and responsibilities to the NWT tourism industry.

The formulation of the proposed plan is based on:

a) the results of the study phase;

b) an analysis of all avenues presently being used, or not used, to secure and enhance market positions;

c) consultations with officials TravelArctic;

d) the application of state-of-the–art, results-oriented marketing practices; and

e) consultations/negotiations with various marketing industry suppliers.

The plan is oriented towards maximizing results in a compressed period of time and therefore recommends specific optimization techniques.

It is structured to make effective use of existing and new resources inside a development–based strategy, maximizing the results from existing markets and developing the high potential tourism markets for the NWT. A key component of its organization is the focus on cooperative initiatives between all organizations and economic sectors who benefit from or can provide benefits to tourism.

An implementation plan is proposed for the first year which includes details of marketing initiatives. Strategic direction is proposed for the second and third years only. Marketing operations plans will be formulated based on first year results and the pursuit of corporate goals and objectives according to a well-defined strategy.

The following assumptions have been made in structuring the multi-year program:

* a sizeable increase in marketing funds, first year;
* significant increase in funds, years 2 and 3;
* institutionalized activities, whose funding cannot be/should not be redirected.

The review of the current marketing activities revealed several significant characteristics.

The most striking and important characteristic is the general lack of marketing funds. As a result, the impact and effectiveness of the activities which are executed suffer dramatically. Linkages are missing in creative presentation, market coverage is weak, research is sparse, and ability to respond to marketing opportunities is stifled.

Marketing efforts of the Government are further eroded by an uncoordinated image and profile being promoted by zone associations and operators which appear to market in competition to the Government and each other.

This tactic is not successful in the particular circumstances of the tourism marketing environment. Cannibalizing market share from competitors works very well when the entire market size is undergoing tremendous growth and “brand-switching” tactics offers an opportunity for long-term repeat business. However, the North American tourism market is now mature and there is a conspicuous lack of brand recognition, relating to the Northwest Territories, as even a minor competitor.

The fundamental prerequisite therefore to healthy and dynamic growth of market shares is the pooling and reinforcement of independent efforts, so that “the whole is greater than the sum of its parts”. The entire Northwest Territories requires a superior brand name before portions of it can compete effectively in the marketplace.

The scenario is obviously bleaker in overseas markets, where market shares are not significant. On a global basis, the N.W.T. has the unenviable stature of having invisible statistical data, usually being recorded in combinations with the Yukon and British Columbia, if at all.

18.1. GOALS

From a marketing perspective, the following goals have been identified for the Government of the Northwest Territories:

1. To support the Government 's mandate to facilitate and promote the healthy development of the tourism industry throughout the NWT.

2. To contribute towards optimum plant utilization within five years, particularly throughout the smaller communities.

3. To encourage and facilitate the participation of a larger proportion of the native population and NWT residents in the tourism industry.

4. To increase the linkages and synergy between the unique native culture, arts industry, parks and recreation and tourism, in tourism marketing.

5. To develop a systematic research program which addresses economic and environmental factors, product and market opportunit"ies, for the benefit of the NWT tourism sector.

6. To develop brand recognition within five years.

7. To develop leadership market positioning oriented to high-quality intrinsic values: uniqueness, nonpre-emptable, setting, service, style, drama, romance, exclusivity, lifestyle, status.

8. To deliver measurable opportunities and results to the tourism industry 'of the NWT.

9. To develop measurable market share in cooperation with the tourism industry and associations of the Northwest Territories.

10. To maintain strong flexibility with which to accommodate changing conditions, through a modular approach.

18.2. MEDIUM TERM OBJECTIVES: 1986-87 TO 1988-89

The following medium term objectives reflect the marketing goals of the Government of the NWT (TravelArctic) for the tourism program.

1. To increase the aggregate number of visitors to the NWT by 38,142 over three years, in cooperation with the private sector and associations. This represents an average annual increase of 29.6% in year 1; 67.7%, year 2 and 127% year 3 (using year 1 base of 17,000 tourists).

2. To provide support, advice and assistance to facilitate a significant increase in the proportion of the native people and NWT residents in the tourism industry.

3. To increase the economic benefits of tourism throughout the NWT, and particularly throughout the smaller communities, by 75% over three years.

4. To develop the target market awareness of and positive perceptions/attitudes towards the unique native culture, arts and social dynamics of the NWT, and the significant roles and benefits to tourism.

5. To establish a systematic, annual research program by the third year, which provides complete marketing function support (trend analysis, forecasting, market/product research, etc.) to assist all organizations of the NWT tourism sector in program planning and management functions.

6. To create incremental impact on all North American target markets in terms of brand and product awareness, recall, positive attitudes and intentions/motivations.

7. To develop finely tuned program formulas based on testing results over three years and increased market research output.

8. To achieve significant brand competition and unique positioning on a global basis.

9. To cooperatively generate highly qualified consumer enquiries for the industry to convert to actual sales.

18.3 MEDIUM TERM STRATEGIES: 1986-87 TO 1988-89

The following strategies are recommended to achieve the program objectives.

1. Increase the number of visitors to the NWT by:

   a) implementing a fully integrated marketing plan annually which aggressively develops the highest potential markets, secondary markets and also builds long term overseas markets; which includes,

   b) implementing a comprehensive travel trade program with the best potential organizations in North America and overseas;

   c) implementing a rigorous media relations program annually; and

   d) implementing a strong public relations program for all target markets, and particularly influential organizations.

2. Provide assistance to increase tourism participation by residents of the Northwest Territories through:

   a) counseling, advice and support;

   b) direction and information, including research;

   c) case histories, if available and appropriate; and

   d) lectures, presentations and workshops.

3. Increase the economic benefits of tourism to new regions, particularly smaller communities by:

   a) providing increased marketing exposure to these communities and areas; and

   b) providing disproportionate support to offer these regions an advantage over existing established tourism regions.

4* To develop target market awareness and positive attitudes towards the unique cultural attributes of the Northwest Territories by:

   a) ensuring that these attributes are highlighted whenever appropriate and included in all tourism marketing initiatives; and

b) implementing cooperative initiatives with appropriately affiliated organizations (native art, parks, wildlife, etc.) to leverage additional impact and effectiveness in the marketplace.

5. To establish a systematic annual research program by:

   a) defining a standard complement of research needs for TravelArctic and the NWT tourism sector; and

   b) allocating appropriate human and financial resources to deliver and manage the program; and

   c) defining an appropriate organizational structure which facilitates the needs of the research clients.

6. To create incremental impact on best potential tourist consumer markets by:

   a) aggressively carving a unique, non-preemptable position in thoroughly defined target market segments;

   b) delivering a high "saturation" campaign in the best potential target market segments for strong brand name development, recognition and marketplace acceptance;

   c) using techniques of horizontal and vertical market integration to gain maximum visibility, motivation and conversion to tourism sales;

   d) using leveraging techniques wherever possible (cooperative funding/programming , co-scheduling of government and industry advertising, joint-programs, etc.) to maximize penetration and results; and

   e) to ensure that a strong corporate identity is promoted consistently and insistently throughout all TravelArctic communications activities, and that the same be incorporated by industry wherever possible.

7. To develop successful program formulas by:

   a) ensuring that program design and content is based on the best market research available; and

   b) building a measurement and evaluation process which provides various management information:
      - benchmark research
        creative research
        media research
      - list research
      - package offer testing
      - product testing
        market segment research

- timing/scheduling testing
- motivation studies
- recall tests
- tracking studies
- qualitative and quantitative measurement data.

8. To achieve significant brand competition and unique product positioning on a global basis by:

   a) repositioning NWT tourism products to match highest potential target markets which are not affected by the historically perceived barriers of "product", "price" and "access";

   b) emphasizing unique aspects in intrinsic values:
   - exotic, adventuresome, status, lifestyle, drama, romance, exclusivity, style, setting, highly personalized service, mystical, lifetime event, legendary, the "top of the world"; and

   c) harnessing the support and cooperation of leaders in collateral industries, such as Canadian and American sporting goods manufacturers, outdoors products cataloguers, philanthropic societies interested in history, culture, arts, unique civilizations, etc. and world-reknown galleries and showplaces.

9. To cooperatively generate highly qualified consumer enquiries for the industry to convert to sales by:

   * ensuring that all marketing and communications activities include a contact address and phone number for more information and/or reservations.

19.0 DEVELOPMENT POTENTIAL OF OVERSEAS MARKETS

Although overseas markets do not generate significant tourism revenues at present for the Northwest Territories, they should not be ignored or given minimal attention.

The best producing regions should be given particular marketing attention immediately, to develop them as quickly as possible. However, 'development" must be pursued in the context most appropriate for each region's circumstances and social customs.

19.1 EUROPEAN MARKETS

For example, West Germany accounts for the greatest proportion of overseas visitors to the NWT. However, it is not possible to force distribution by creating market demand in this country. The distribution networks must be well developed first before the consumer will purchase any product. Stringent consumer protection laws place the onus on tourism wholesalers to deliver any product which they promote, to the customer's satisfaction. Should a grievance occur, the wholesaler is sued.

In this market, the best strategy is to develop a "key wholesaler" system. Specific agreements with selective wholesalers who must produce to-quota in order to obtain and maintain representative rights is one approach which would provide strong control and accountability. Territories could be assigned to include other European markets as well, and due to its proximity, similar circumstances, Switzerland (the next best overseas tourism producer for the NWT) would be very appropriately handled through German representation.

A travel trade focus is most appropriate in the other top overseas producing regions as well, but for differing individual reasons.

19.2. OCEANIA

Oceania is similar in geographic and demographic circumstances as Canada, yet with increased distance barriers. Strong cooperative programs with the travel trade and major air carriers are most appropriate for this region. Local, known, reputable travel trade companies are much more influential than an "outsider's propaganda".

19.3 UNITED KINGDOM

Research has indicated that the motives attributable to visitors from the United Kingdom are chiefly the intent to visit friends and relatives in Canada. In the absence of specific information concerning visitors from the United Kingdom to the NWT, the same motivation must be assumed. Indeed the absolute numbers are sufficiently small to support this premise.

Sound relations with the travel trade are therefore the best strategy in the medium term, with the major effort in this regard being the provision of appropriate and sufficient tourism product information. In order to encourage some development from this biased market, incentives for longer itineraries, larger party size, increased spending (side tours, arts and crafts souvenirs, additional stop-overs, etc.) could be offered.

19.4 ASIA

Although Asia as a region represents 6% of all overseas visitors to the NWT, the absolute numbers are generated from a vast area which is very difficult to enter and to conduct business in. All transactions are considered business transactions: consumer and travel trade; travel trade with tour wholesaler; wholesaler with product supplier; product supplier with local governments; etc.

Furthermore, business is conducted based on a sound relationship of trust and honour first.

It is therefore imperative that any intended development be considered in the context of a long, patient and consistent process of building a trusting relationship - usually over several years (10). Great caution should be exercised in attempting this process, since any disruptions to negotiations or any withdrawal of product/promise delivery creates loss of honour, with disastrous circumstances.

20.0 DEVELOPMENT POTENTIAL OF THE U.S. MARKET

The following forecasts demographic trends in the United States to the year 2000 and discusses the findings of studies concerning recent tourism trends to Canada and short-term potential markets.

20.1. GROWTH IN INCOME: OVERVIEW

Table A illustrates the growth in per capita income in the United States for the entire postwar period, projected to the year 2000. Aside from occasional blips the trend has been steadily upwards and this trend is predicted to continue to the year 2000.

Table B contrasts growth rates in total personal income, population, per capita personal income, earnings, and employment for 1973-1983 with projected growth rates from 1983-2000. Except for the category of population, higher annual growth rates are predicted for 1983-2000 than were present for 1973-1983. Total personal income will grow at an annual rate of just under 3%, slightly more than the annual growth rate from 1973-1983. Per capita personal income is also projected to rise at a higher rate annually during 1983-2000 than in the past. However, the real growth will come in earnings. Earnings are projected to grow at an annual rate of about 3% from 1983-2000 compared with the past rate of approximately 2.5%.

20.2. GROWTH IN INCOME: BY REGION

As Table C, and the maps and charts illustrate growth in income will not be evenly spread across the whole of the United States. Indeed, it was not in the past and there is no reason it should be in the future. Both New England and the Southwest can expect declines in the average annual growth rate in per capita- personal incomes, while the Mideast, and Far West are projected to maintain roughly the same rates in 1983–2000 that they had in 1973-1983. Big increases in average annual growth rates are projected for the Great Lakes and Plains regions, with significant growth also occurring in the Southeast and Rocky Mountain regions.

New England, the Mideast, and the Far West are expected to have the highest per capita incomes in the year 2000 despite the slowdown or decline in the average annual growth rate in per capita income in each of these regions.

The charts provide a good illustration of the distribution of personal income in the United States for 1973 and the year 2000. Although no dramatic changes are predicted, the Southeast, Southwest, and Far West are all projected to increase their share by the year 2000, while the Mideast and Great Lakes share will slip.

20.3 GROWTH IN INCOME: BY SELECTED STATES

Map 1 portrays the average annual growth rate from 1973-1983 for each of the American states. Growth rates were highest in the New England region and in the Southwest, with California, Louisiana, and Virginia also recording high growth rates. Growth in the Southeast was above average while growth in the Plains, Mideast, and Great Lakes was below average.

Map 2 projects average annual growth rates in per capita personal income from 1983-2000. Growth rates will clearly be highest in the Southeast and lowest in New England and the New York region. Many western states, particularly in the MidEast and Plains region will experience above average growth, while formerly high growth states such as Texas, California, New Mexico, and Oklahoma will find their growth rates slowing to about the national average.

As Map 3 illustrates, those states that traditionally had the highest per capita incomes will maintain their predominance. Despite high growth rates, the average per capita income in the Southeast will generally be the lowest in the country. Incomes will remain higher than the national average in the old industrial heartland despite the slowing of growth that will occur there.

Thus, while many of the states that have traditionally been the high growth areas in the United States will find themselves in a period of economic decline, the residents of those states will on average continue to enjoy higher per capita incomes than those in some of the more recently developing states.

20.4. THE U.S. TRAVEL MARKET: VISITORS BY REGION

Table I illustrates Canada's share of the total number of Us. pleasure travelers from various regions of the United States as well as for the U.S. as a whole. Approximately 4.3% of all U.S. pleasure travelers visited Canada in 1984-1985. The greatest number of travelers came from the Mid-Atlantic, East North Central, and Pacific states, with the smallest number coming from the West South Central, Mountain, and East South Central states.

In none. of the regional categories did more than 9% of the total number of pleasure travelers come to Canada. The highest proportion of pleasure travelers coming to Canada compared to those going elsewhere was recorded for New England, where 8.2% of all pleasure travelers from New England came to Canada. The percentages for the Mid-Atlantic and East North Central were 7% and 6.2% respectively, with the percentages for the other regions being less than 5.

20.5. VISITS BY TRIP TYPE

Chart I outlines the structure of the U.S. pleasure travel market (measured by trip nights). The largest share of U.S. trips are made to visit friends and relatives (44%). Touring trips (14%), outdoor trips (10%), and trips to nearby places (close-to-home, 13%) are also popular for Americans. Trips to cities and resorts made up 7% and 3% respectively of total Us. trip nights and cruises only 1%.

Table II, III presents Canada's share of these specific types of pleasure trips (measured by trip nights), as well as Canada's share of total trip nights by Americans. Canada's share of total U.S. trip nights amounts to only 2.6%. When broken down by trip type, Canada's largest shares of U.S. trip nights is in the category of touring trips (6.8%) and outdoor trips (5.4%), with city trips ranking third at 2.8% and theme parks at 2.1%. Canada's share of the largest part of the U.S. pleasure travel market, trips to visit friends and relatives amounts to only 1.4%.

20.6. TOURISM ACTIVITY ORIENTATION

The following listings (1 to 4) show the favourite activities of people on touring and outdoors trips and indicate that, though the rank order may differ, many activities are popular for both touring and-outdoors travelers. Walking and strolling about are popular for both groups of travelers, as is visiting natural parks, and viewing wildlife not commonly seen. Being close to mountains, lakes, and oceans were also popular features of both types of travelers. Exploring wilderness areas and sampling local cuisine were ranked quite differently by the two groups. The touring group ranked exploring wilderness areas 18th compared to 2 for the outdoors group and sampling local cuisine was ranked 4th by the touring group and 16th by the outdoors group.

20.6.1. OUTDOOR TRIPS: WHAT AMERICANS LOOK FOR

SCENERY	IMPORTANCE*
Beautiful scenery	85
ACTIVITIES	
Lots to do and see	71
Hunting/Fishing	62
Hiking/Climbing	58
Many points of interest	63
Boating/Water sports	49
Snow skiing	46
Historical interest	41
Swimming	36
SECLUSION	
Not too wild	68
Rest/relaxation	61
Seclusion/privacy	56
Natural/untouched	43
EXCITING	
Real adventure	65
Challenge skills	36
CONVENIENT	
Not too far away	65
Not too hard to reach	44
POPULAR	
Well-known area	61
Popular	60
CLIMATE	
Good climate	56

* Percentage agreeing strongly that their preferred destination which has this feature.

20.6.2. TOP 20 OUTDOORS ACTIVITIES (RANK ORDER) U.S.A.

1. Walking or strolling about
2. Exploring wilderness areas
3. Being by a lake
4. Seeing wildlife I don't usually see
5. Visiting natural parks
6. Close to mountains
7. Fresh-water fishing
8. Swimming
9. Visiting small towns and villages
10. Hiking or backpacking
11. Being by the ocean
12. Sunbathing
13. Power boating
14. Canoeing
15. Hunting
16. Sampling local cuisine
17. Shopping for arts and crafts
18. Mountain climbing
19. Indoor activities
20. Water skiing

26.6.3. TOURING TRIPS: WHAT AMERICANS LOOK FOR

SIGHTSEEING	IMPORTANCE*
Beautiful scenery	81
Lots to see and do	76
Interesting cities and towns	66
Many points of interest	59
Noted for its history	55
POPULARITY	
Well-known area	73
Popular	73
Well-known landmarks	70
EXCITING	
Not dull	76
Dreamed of visiting	56
Friends would be impressed	50
Exciting nightlife	41
ACCOMMODATION & FOOD	
First class hotels	53
Excellent local cuisine	50
Elegant restaurants	48
Affordable accommodation	42
CLIMATE	
Good climate	52
FOREIGN EXPERIENCES	
Very different	52
Different cultures/way of life	49

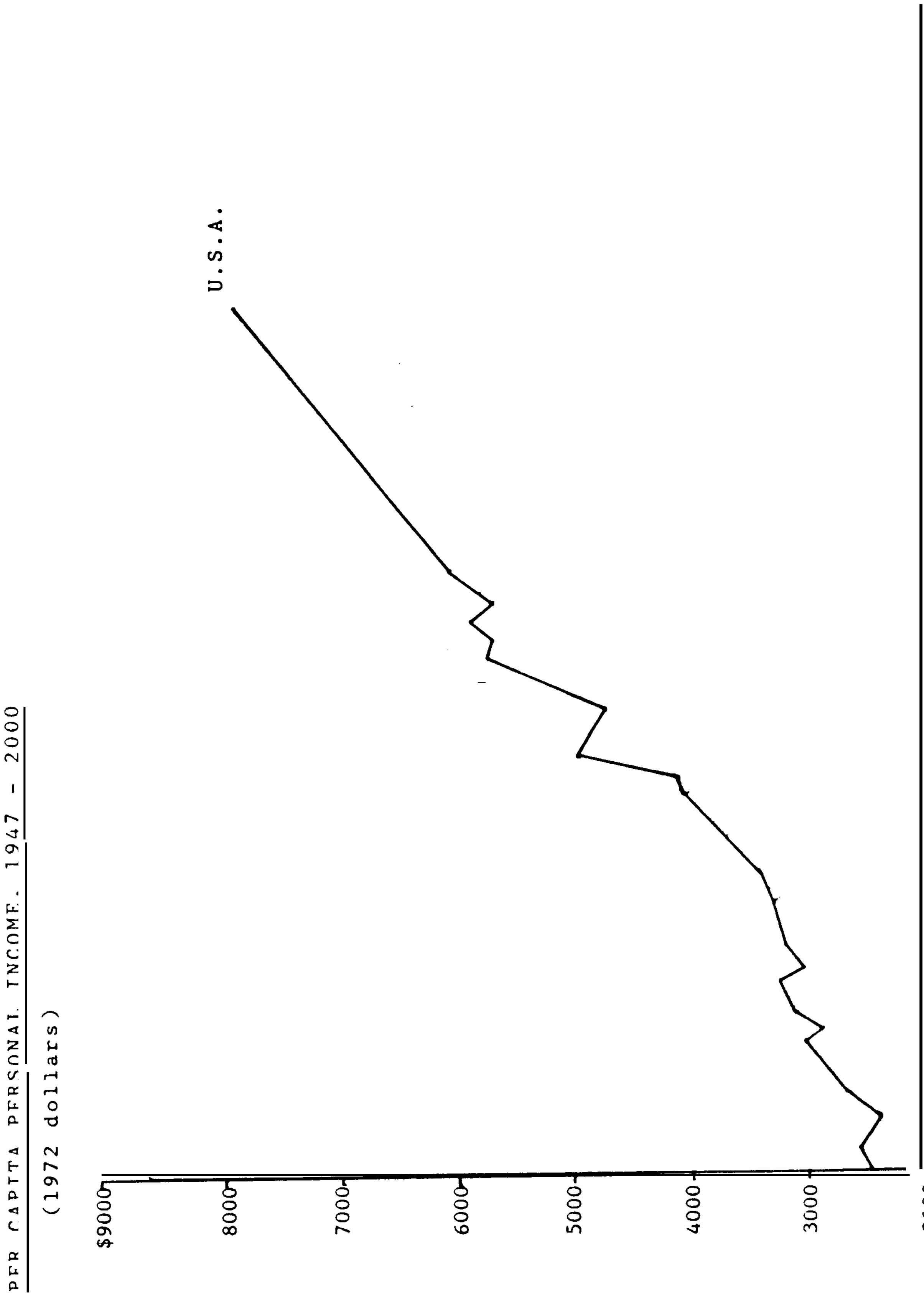
* Percentage agreeing strongly that their preferred destination has this feature.

26.4, TOP 20 TOURING ACTIVITIES (RANK ORDER) U.S.A.

1. Walking and strolling about (1)*
2. Visiting small towns and villages (9)
3. Dining at a variety of restaurants
4. Sampling local cuisine (16)
5. Visiting natural parks (5)
6. Seeing wildlife I don't usually see (4)
7. Being close to mountains (6)
8. Being by the ocean (11)
9. Being by a lake (3)
10. Taking guided tours
11. Going to zoos and wildlife exhibits
12. Visiting big cities
13. Shopping
14. Attending festivals or ethnic events
15. Visiting museums and galleries
16. Visiting science exhibits
17. Swimming (8)
18. Exploring wilderness areas (2)
19. Sunbathing
20. Dining at elegant, sophisticated restaurants.

* Bracketed figures represent rank position of activity for outdoor trip.

Table A


PER CAPITA PERSONAL INCOME, 1947 - 2000
(1972 dollars)
$9000
8000
7000
6000
5000
4000
3000
2000
1947
1950
1955
1960
1965
1970
1975
1980
1985
1990
1995
2000
U.S.A.

Average Annual Growth Rates, U.S.
(1973-1983 and 1983-2000)

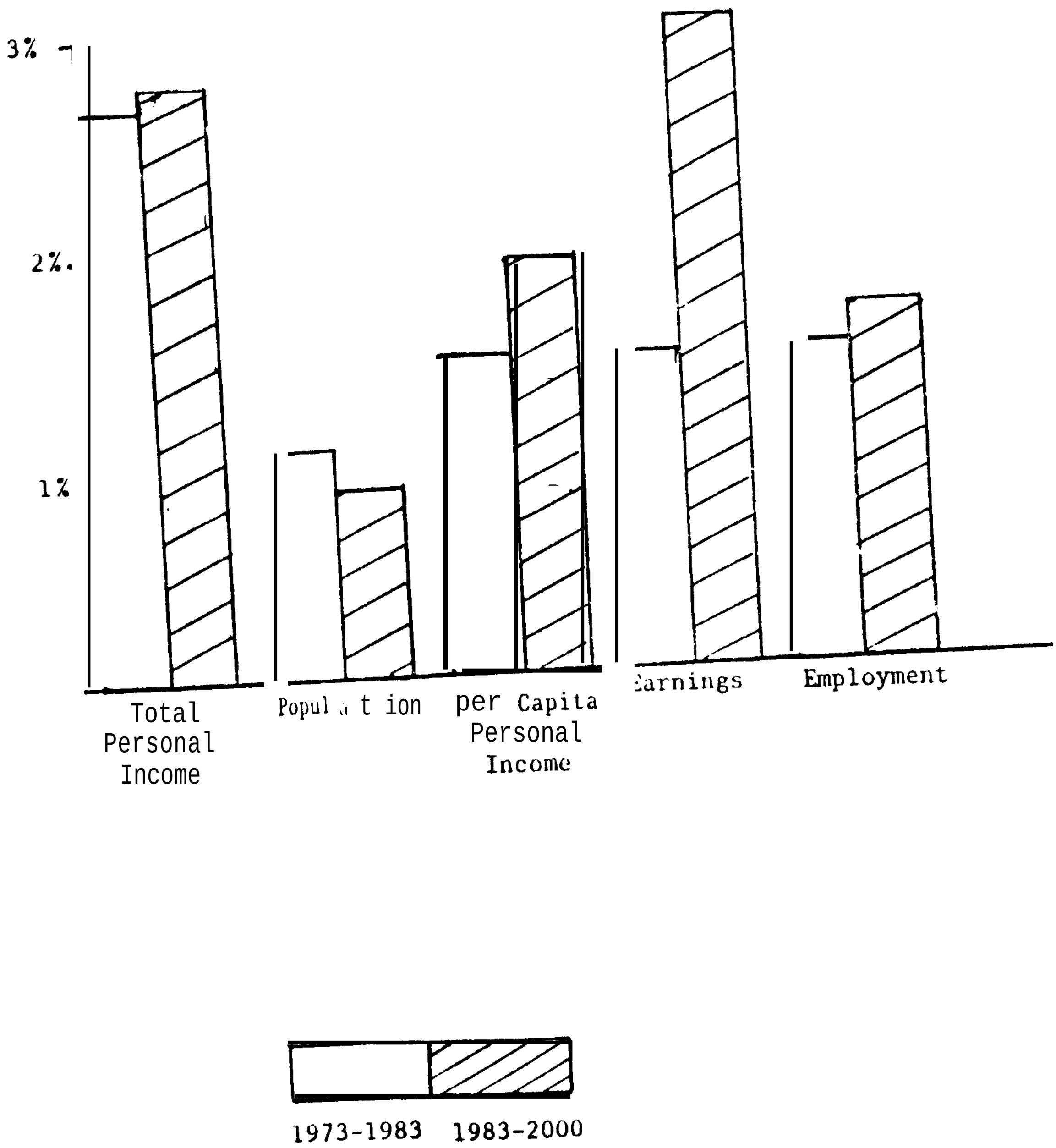
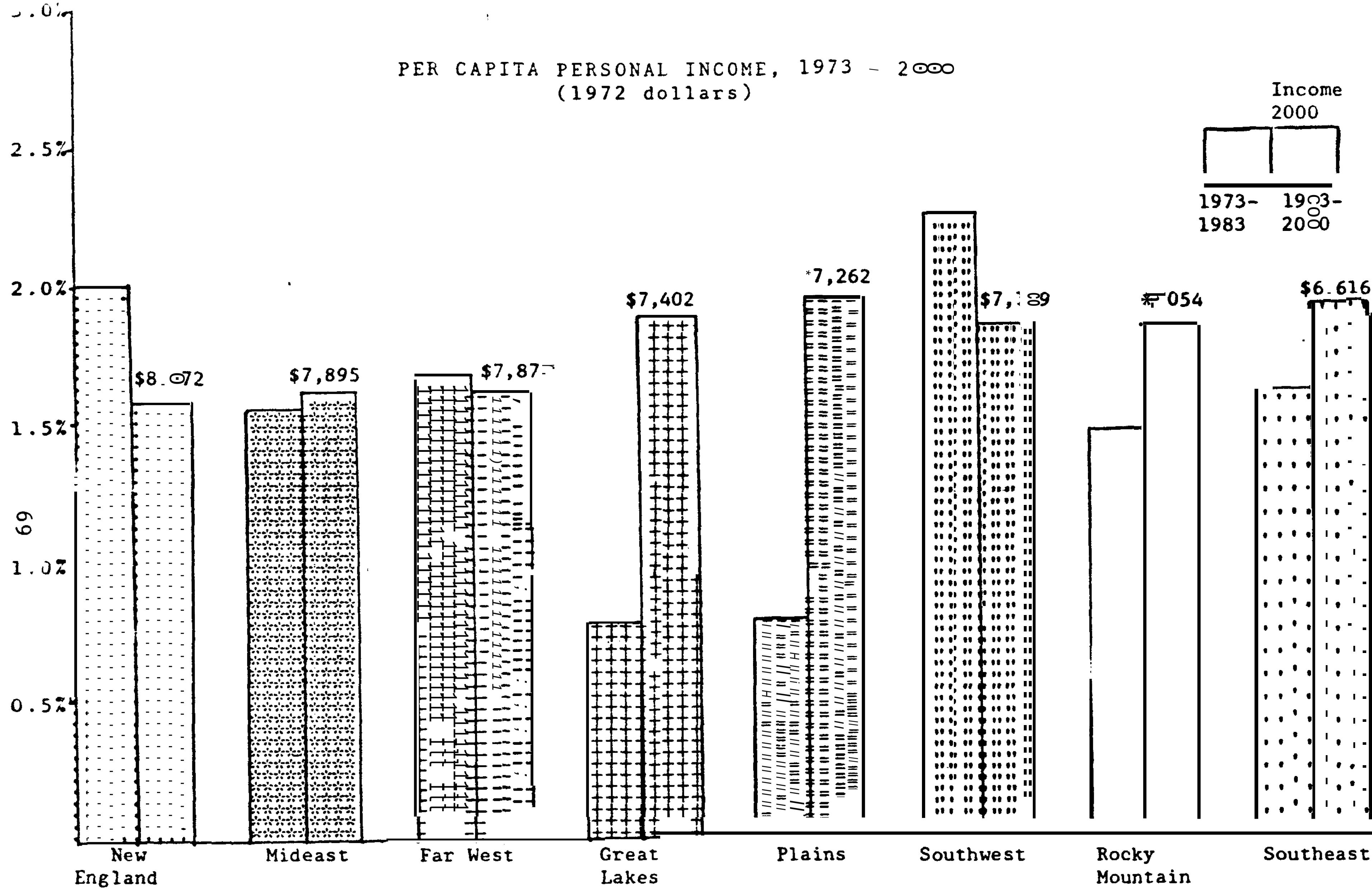
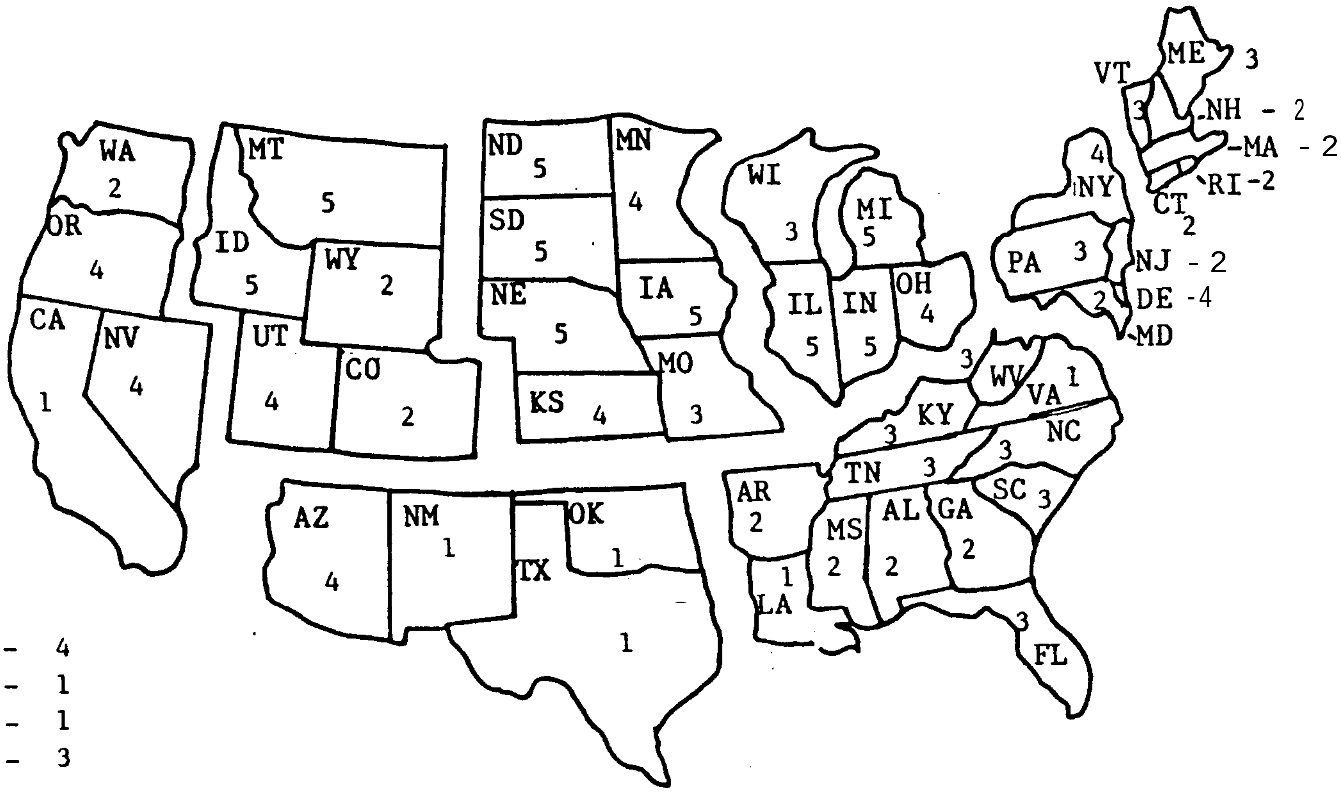


Table c


PER CAPITA PERSONAL INCOME, 1973 - 2000
(1972 dollars)
Income 2000
1973-1983
1983-2000
3.0%
2.5%
2.0%
1.5%
1.0%
0.5%
$8.072
$7,895
$7,87
$7,402
*7,262
$7,189
$7,054
$6.616
New England
Mideast
Far West
Great Lakes
Plains
Southwest
Rocky Mountain
Southeast

PER CAPITA PERSONAL INCOME

AVERAGE ANNUAL GROWTH RATE - 1973-1983



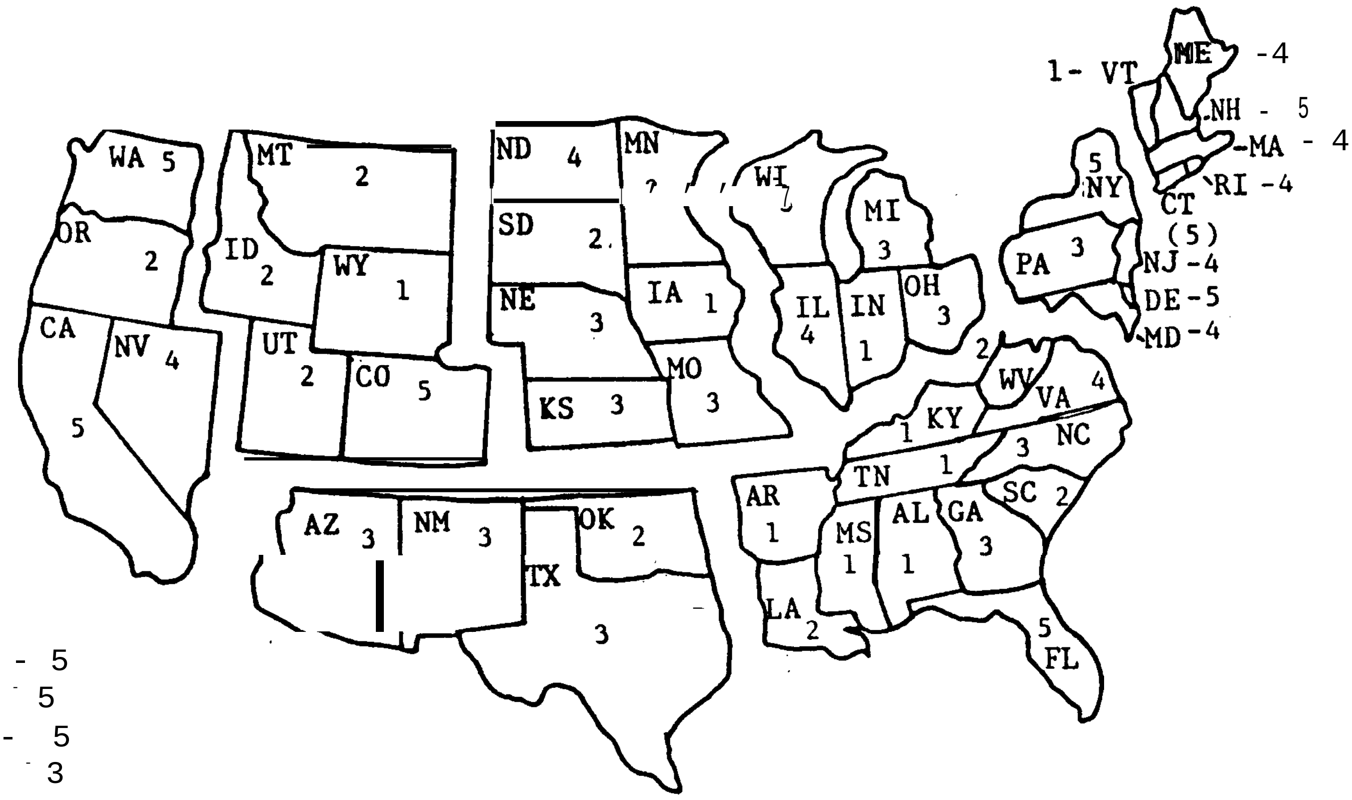
Hawaii - 4
Alaska - 1
D.C. - 1
U.S. - 3

1 - 3.3-1.9%
2 - 1.8-1.6X
3 - 1.5-1.4%
4 - 1.3-.8%
5 - .7--1.1X

Map2

PER CAPITA PERSONAL INCOME

AVERAGE ANNUAL GROWTH RATE - 1983-2000



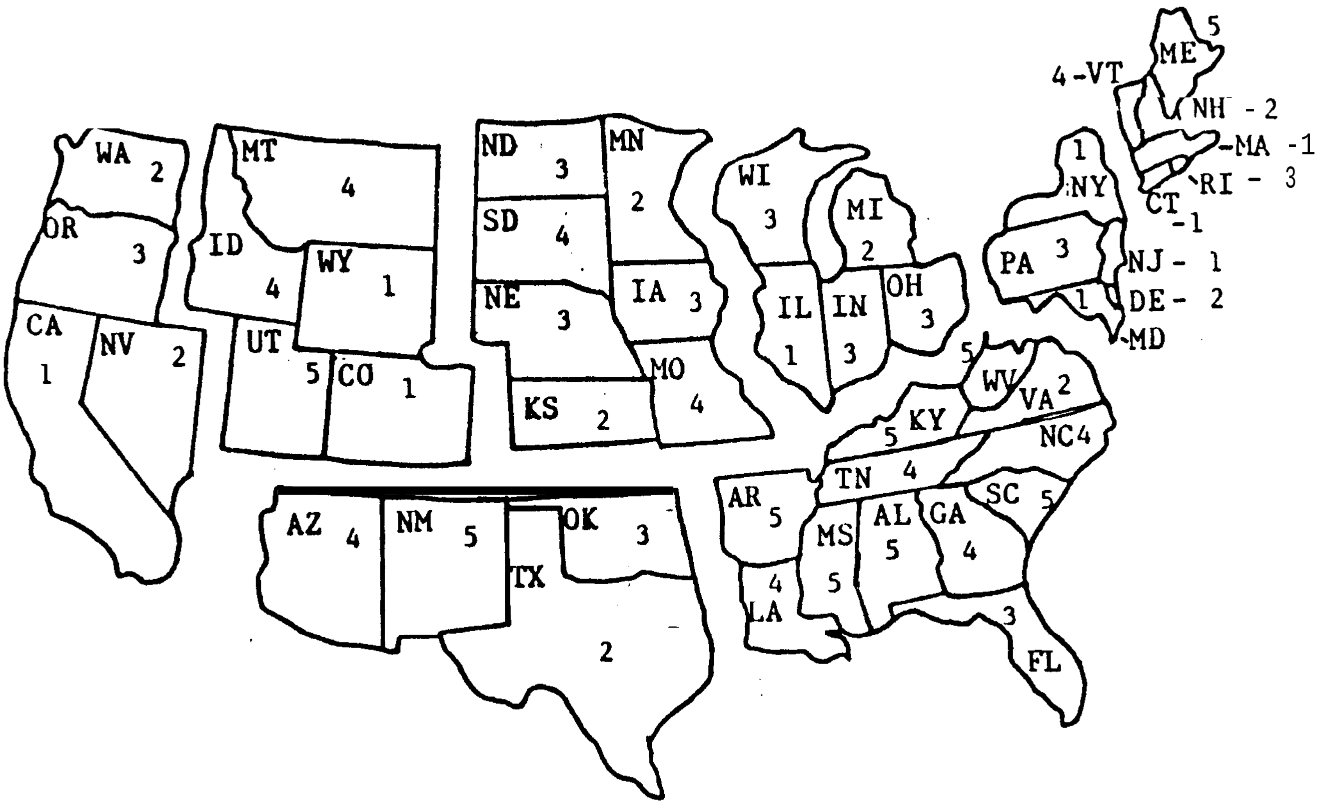
Hawaii - 5
Alaska - 5
D-C. - 5
U.S. - 3

1 - 2.3-2.1%
2 - 2.0%
3 - 1.9-1.8%
4 - 1.7%
5 - 1.6-1.3X

PER CAPITA PERSONAL INCOME

Map 3

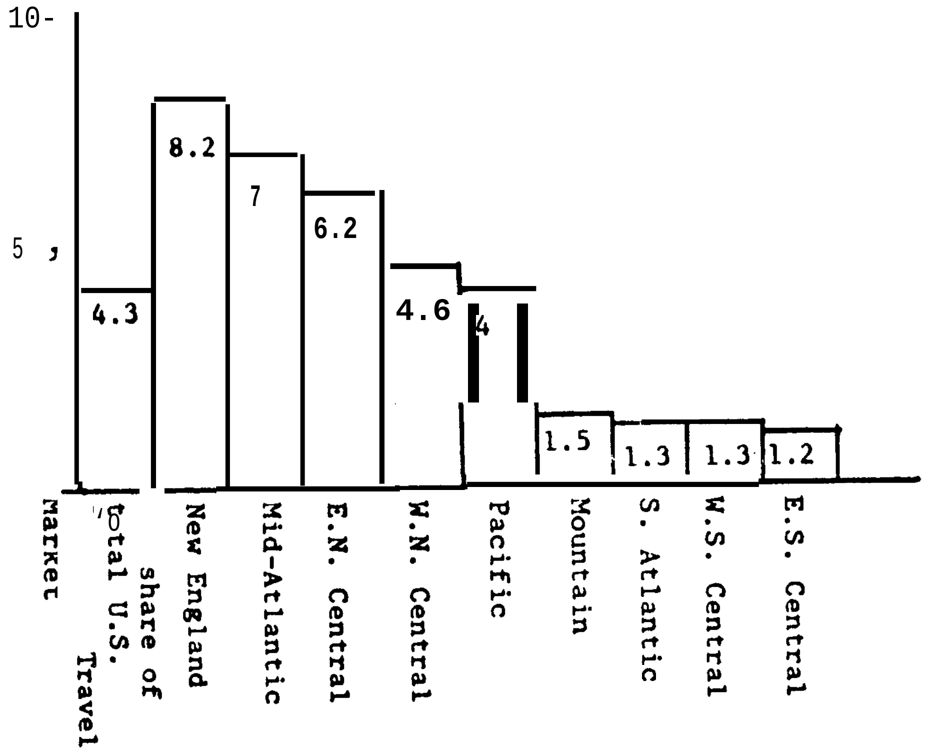
YEAR 2000 (billions of 1972 dollars)

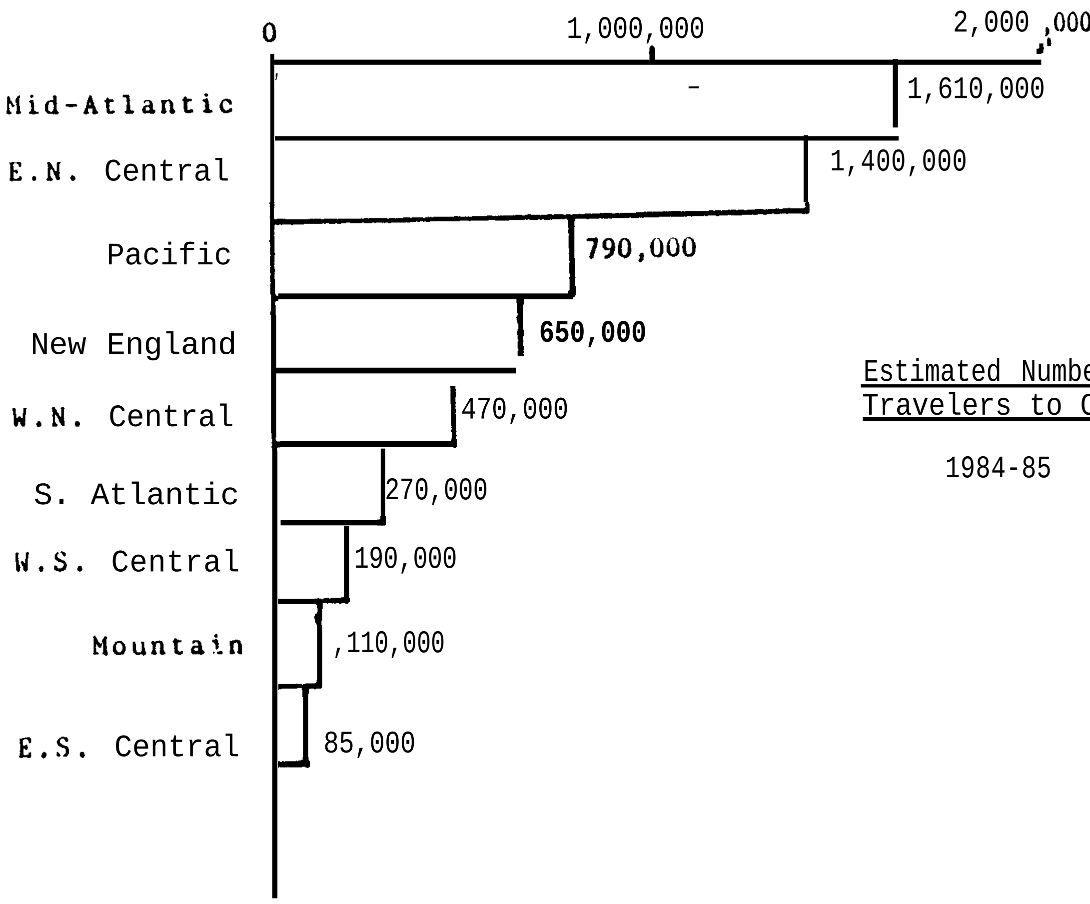


1 - $9,960-7,760	2 - $7,750-7,350	3 - $7,305-7,040	4 - $6,990-6,290
Alaska - $7461	DE - $7709	FL - $7120	AZ - $6891
CA - $8035	HA - $7461	IA - $7132	GA - $6719
co - $7829	KS - $7750	IN - $7042	ID - $6290
CT - $9134	MI - $7419	ND - $7288	LA - $6719
DC - $9467	MN - $7509	NE - $7244	MO - $6984
IL - $7763	NH - $7413	OH - $7267	MT - $6506
MA - $8207	NV - $7652	OK - $7121	NC - $6373
MD - $8112	TX - $7356	OR - $7046	SD - $6435
NJ - $8662	VA - $7515	PA - $7256	TN - $6305
NY - $7854	WA - $7492	RI - $7305	VT - $6606
WY - $7928	us - $ 7369*	WI - $7232	

5 - $6,285-5,600		
AL - $6170	ME - $6187	SC - $6054
AR - $5982	MS - $5601	UT - $5889
KY - $6285	NM - $6217	WV - $5996

SOURCES OF CANADA'S PLEASURE TRAVEL MARKET.
(Percentage of US Pleasure Travellers visiting Canada in past year by U.S. Census Division; 1984-85)



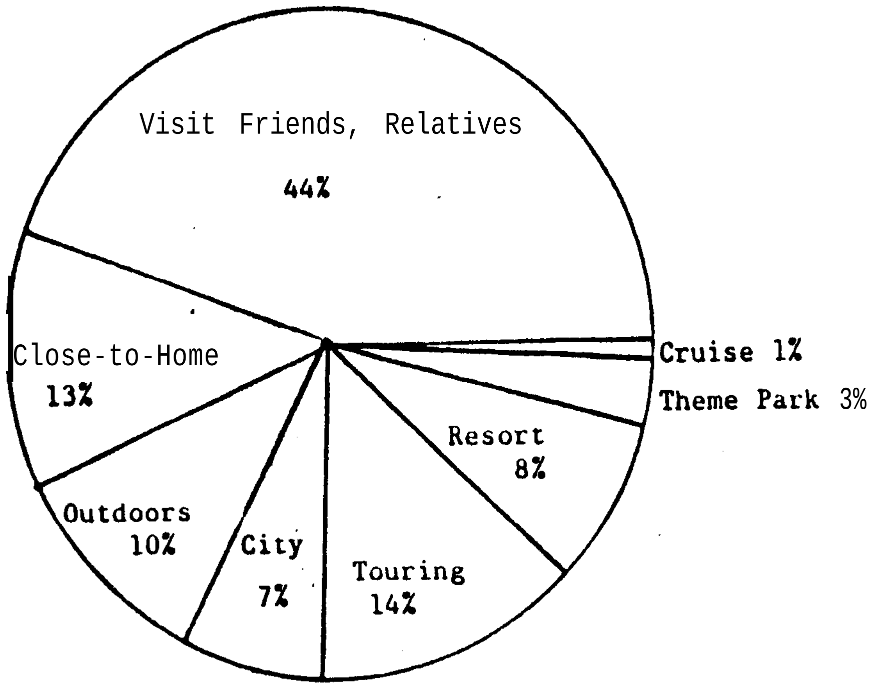


Estimated Numbers of Travelers to Canada

1984-85

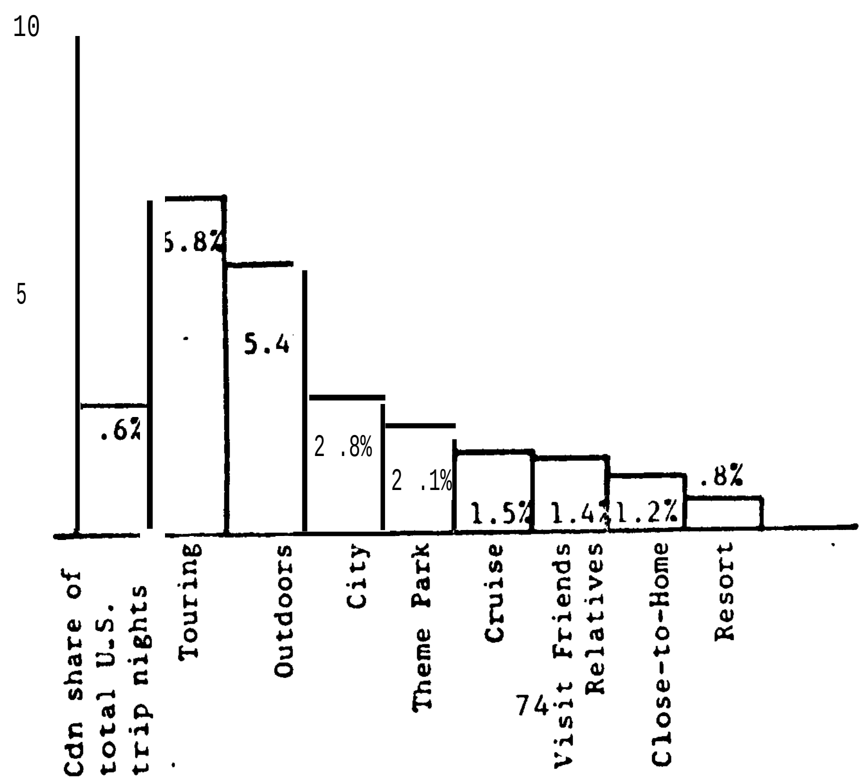
STRUCTURE OF US PLEASURE TRAVEL MARKET — Chart 1

(Based on Total Trip Nights)



CANADA'S SHARE OF US PLEASURE TRAVEL MARKET — Table II

(Based on Total Trip Nights by Trip Type)



VII IMPLEMENTATION PLAN

21.0. MARKETING PLAN

21.1. MARKET CATEGORIES

The N.W.T. 'S market categories comprise the following:

* Outdoors/Adventure Traveller
* Arts/Culture/Touring Traveller
* Business Traveller
* Travel Trade (Agencies, Wholesalers, etc.)
* The N.W.T. Tourism Industry Operators and Associations
* The Tourism and Special Interest (vertical) Media
* Influential affiliate clubs and organizations with the ability to set trends.

Geographically, these target markets are located anywhere in the world, but the prime potential concentration for the N.W.T. is North America, specifically the United States followed by Canada.

Each of these target markets can be segmented further by activity, interest or primary vacation motivation. The extent to which American industries (manufacturing, retail, publishing, etc.) have documented these segments and established marketing/communications links with them is not comparable in Canada or anywhere else in the world. This offers a competitive advantage to the N.W.T. in selecting precise market segments and matching precise marketing/communications efforts with a maximum potential for results.

21.2. MAINTENANCE OF CURRENT-TOURISM BASE

The axiomatic object of maintaining existing visitor bases would be supported through the continued practice of:

a) producing a comprehensive Explorer's Guide;
b) representing the industry at trade/consumer shows and sales functions world-wide;
c) participating in cooperative marketing/market development programs with partners ranging from other governments to travel trade.
d) maintaining a travel counseling service with complimentary brochure distribution for the tourism industry;
e) providing support and assistance to travel trade in target market areas;
f) producing/distributing image and information materials and any promotional items vital to the process of creating/maintaining/increasing market brand awareness and product education.

21.3. MARKETING ENTRY PERSPECTIVES

It is recommended that in order to stem the current erosion of visitor volumes to the NWT, and to offset further declines in 1986 (due to environmental impacts), specific market entry initiatives be pursued immediately.

Since funding is expected to be constrained it is not possible to execute a consumer campaign in all markets and therefore the best potential market, the United States will be targetted geographically. Some spill-over benefits will occur in Canada.

However, the Canadian and overseas markets will be reached primarily through media relations, public relations programs and travel trade programs.

21.4. TARGET MARKET INTRODUCTION

The two main product categories (general outdoors/adventure and arts/culture/touring) will be promoted together. Also, since it offers the greatest short-term potential results, the American sportsfishing market segment will be targetted in a separate campaign.

Each of these campaigns are detailed only as an introduction to the target market and do not reflect a thorough saturation process. However, the sportsfishing campaign is structured for strong penetration and impact in high potential regions.

21.5. COOPERATIVE PROGRAMMING

It reflects an integrated marketing and communications mix, with each component contributing compounded results as part of the entire program. Furthermore, it is integrated horizontally with collateral industries and businesses.

This program is also recommended as a cooperative initiative with other NWT organizations, in order to achieve the highest results. Measurement and evaluation are assumed to be inherent in all processes.

21.6. MAXIMIZING MARKET PENETRATION

Leveraging concepts should be used as often as possible in all markets. Some ideas are offered on the following pages. Since contests and sweepstakes appeal to human nature’s greed and self-orientation, these techniques are extremely successful in attracting attention and creating awareness. However, they are not good producers of sales prospects and therefore they should be used for image building primarily.

In each product category, there are media leaders. Some of these are identified, although not in detail. Also, since there are many media options, a thorough media analysis is recommended as part of the planning process.

22.0. LEVERAGING CONCEPTS

Maximizing the potential of existing visitors involves efforts to influence current visitors to provide positive testimonials about their visit and refer contacts to vacation in the N.W.T., and to motivate the business travel segment to increase their length of stay beyond the business itinerary.

Without significant injection of additional funds, the only way to obtain significant volumes of new business is through leveraging tactics. Examples follow.

22,1. OUTDOOR/ADVENTURE TRAVEL GROUP

Increase effort to obtain editorial coverage in major media addressing this market.

Negotiate a national contest with a major outdoors retailer (equipment or clothing) totally dedicated to N.W.T. tourism products.

Negotiate a proprietary line of manufactured products which have a direct correlation and impact on N.W.T. tourism, and which are distributed throughout Canada, the United States or world-wide.

Conduct a sweepstakes cooperatively with major market influencers -- brand-name airlines, outdoors clubs, camera clubs, special interest media -- to hype destination name and profile.

Conduct trivia quiz contest for travel agents, comprising N.W.T. facts, with major prizes being family trips and or unique items (art, craft).

Conduct trivia quiz contest for fishing clubs or hunting clubs, with major prizes offered including trip(s) and unique item(s) (art, craft).

Create and sustain newsworthyness with news releases about major contest milestones (i.e. the launch, the process, the results, and the after trip reporting).

Use all promotions as leverage to create media events.

22.2. ARTS/CULTURE/TOURING

All of the above tactics, plus:

Negotiating with major exhibitors of fine art for profile and display opportunities in key geographic target markets.

Cooperative efforts with affiliate groups and influencers.

22.3. BUSINESS TRAVELER

Provide incentives to stay longer than business itinerary (discounts, additional service, upgrading, etc.)

Provide incentives to act as catalyst in referring friends and relatives to visit (group discounts, bonuses, etc.)

22.4. TRAVEL TRADE

Use familiarization trips as leverage for more product knowledge about the N.W.T. ,

Use public relations pressure to motivate selling process.

Conduct special contests to increase profile, positive image and awareness.

22.5. OTHER TARGET GROUPS

Offer exceptional service and customer relations to all groups, and promote services as much as possible.

23.0. CONCENTRATING SCARCE ADVERTISING RESOURCES

The major recommendations for change for 1986/87 involve the advertising activities which were conducted for the first time in 1985/86.

Rather than attempt to blanket the Canadian and American markets with approximately Cdn. $40,000 media buy of black and white 1/6 page ads, it is recommended that TravelArctic concentrate these resources in a single, integrated market approach. Also, since independent operators advertise their products separately yet often in the same medium, it is suggested that TravelArctic canvas the industry for advertising schedules and offer a cooperative cohesive alternative.

For example, six independent N.W.T. advertisers placing 1/6 page ads would have significantly more impact with a cooperative full page ad under a TravelArctic banner.

Furthermore real cost reductions would be realized.

24.0. LEADING INTEGRATED MEDIA OPTIONS

Magazine and television advertising is strongly recommended for image and brand development, supported by other media.

In order to create target market attention, the insert approach is recommended for magazines, heavily supported by merchandising and promotional efforts. The principle insert would be directed to the potential traveller, while the merchandising and promotion would be aimed at increasing the reach of the target market beyond that reached by the prime media, and reinforcing travel trade awareness.

Merchandising would entail the use of the insert reprints in mailings and as information handouts at trade and consumer shows. They would be best used for casual enquiries about NWT travel, in cases where the prospect does not indicate strong motivation or cannot be qualified sufficiently. In this manner, the more expensive Explorerts Guide would be distributed to higher potential prospects.

Promotional activities would include press releases, initiated by TravelArctic and/or magazine publishers; mailings to the top 1000 travel agencies selling Canada and outdoors/adventure packages, sweepstakes, contests, catalogue promotions, in-store retail promotions, etc. Public relations would include items such as special events, media events, etc.

The following are sketches of marketing options for various target markets and market segments which could be negotiated. All costs are quoted in U.S. funds except where indicated.

24.1. SPORTSFISHING MARKET IN THE U.S. AND CANADA

As one of the main sources of information for the Canadian sportsfisherman , American media would be a better purchase than a thinner fractured buy.

American sportsfishing magazines are abundant. However, there are uniquely integrated media packages which may produce better results.

a) The " IN-FISHERMAN group offers combinations of commercial time in four, one-hour television specials each March, a new 10-week fall series of 1/2 hour programs, promotional videos (for trade shows, travel trade presentations, etc.), radio talk shows, consumer and trade seminars, presentations, workshops, a national magazine with dominance in the north and mid-western U.S., and an educational fishing camp program for youths.

b) BABE WINKELMAN PRODUCTIONS also offer integrated properties: a 20-week spring series of 1/2 hr. TV shows, educational videos, consumer and trade seminars, workshops, presentations, a retail distribution network in sporting goods/fishing tackle merchandise, and an annual sweepstakes which is highly publicised.

c) The FLY-FISHERMAN also offers insert discounts, through their "advertorial" program. The advertiser can purchase 4 pages in full colour for $18,000 U.S. with estimated costs of overruns at 12 cents each.

Budget costs for the above options are as follows:

In-Fisherman Group: entry cost of single item: $10, 000;
Multi-media package: $50,000

Babe Winkelman Productions: Entry cost related to
Television commercials: $50,000
Sweepstakes Promotion: $50,000

Fly-Fisherman Magazine: 4 page insert @ $18,000.

24.2. GENERAL OUTDOORS/ADVENTURE MARKET IN THE U.S.

This category, which encompasses a wide variety of activities is also best defined in the United States, and there is now one magazine totally dedicated to the "yuppies" who are interested in outdoors/adventure travel.

* OUTSIDE MAGAZINE offers the opportunity to access this lucrative market as well as a national retail network of clothing and equipment, through a sister property: OUTSIDE BUSINESS. Other negotiating options include editorial coverage, photo features, -mailing of promotional pieces to influential groups, clubs, travel agents.

Budget estimates for inserts of various sizes are as follows:

4 pages:	$40,000 Us. , including 20,000 reprints additional reprints at $38./M
8 pages:	$63,200
12 "	$92,100
16 "	-$113,710

Insertion of same section (8 pages) in OUTSIDE BUSINESS would be $7,000.

This would include additional distribution at the annual retailers' trade show in Nevada.

24.3. ARTS/CULTURE/TOURING

This category reflects a target audience with special profile attributes. This target ❑arket. enjoys travel as a lifestyle and wishes to experience different cultural environment from that by which they are surrounded. A spirit of adventure is also integral to the destination choice for this **group,** which tends to comprise frequent travelers.

The main regions of the United States which offer the best potential for NWT tours of this type include the Pacific Coast states (predominantly California), **Texas, Arizona,** and the New England states (who have a strong commitment to historical documentation and new cultural experiences).

The American media has segmented this market in a variety of ways, at the extremes concentrating solely on the travel and touring aspect or only on local arts. There are numerous magazines and travelogue television programs. However, there are few with a strong record of producing consumer motivation and actual tourism.

a) SUNSET MAGAZINE provides the most thorough coverage of any magazine, in the Pacific “states. Furthermore, it gives tremendous influence throughout the tourism markets of the west and provides legitimacy to tourism product offers. Orientation seminars and product knowledge conferences can be staged at SUNSET’s Menlow Park facilities as part of a total promotional campaign.

b) TRAVEL AND LEISURE magazine is the travel magazine of American Express Corporation. It is distributed to all American Express Card subscribers around the world and provides excellent credibility to tourism products.

   This publication has a tremendous influence on its audience, who are upscale, sophisticated and usually heavy travelers. Furthermore, American Express has developed its own travel agency business and would be particularly interested in selling exotic upscale tours. Negotiations with this company are strongly suggested.

25.0. FIRST YEAR MARKETING PROGRAM ACTIVITIES: 1986-87 FISCAL YEAR

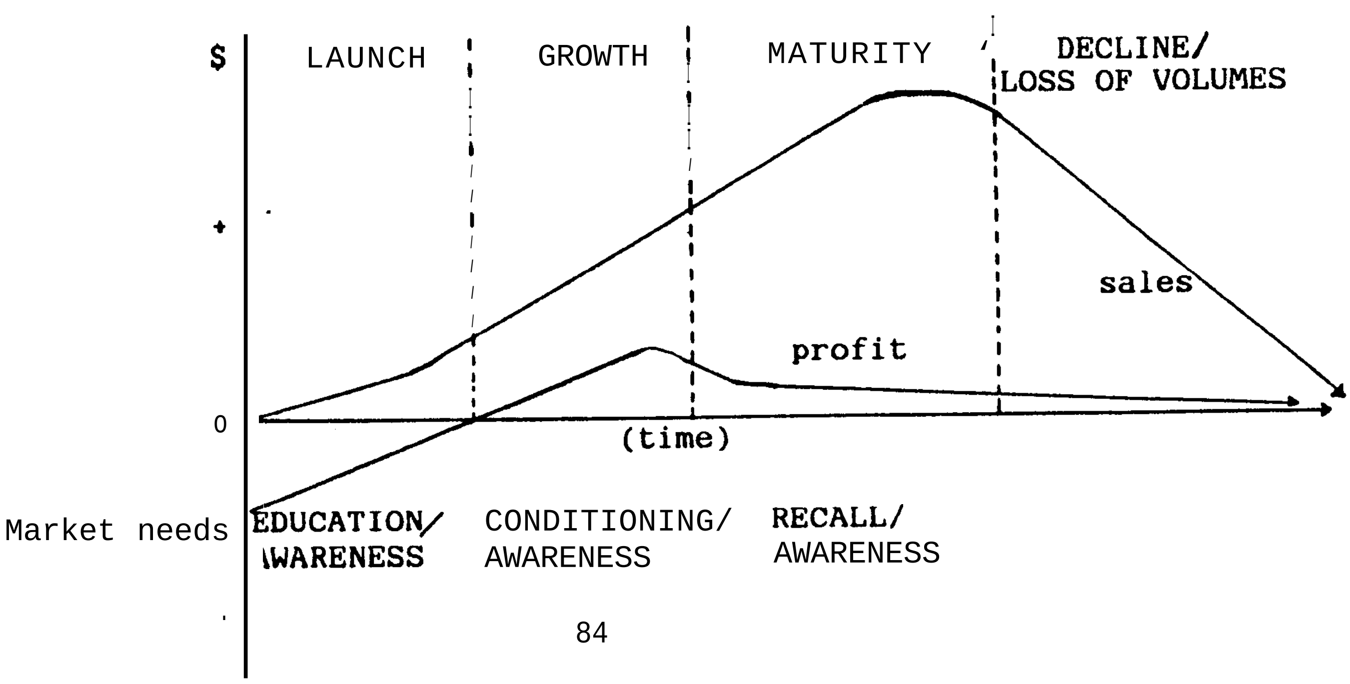
25.1, INTRODUCTION

The **activities** detailed for the first year, 1986-87, are representative of the minimum components required to enter the primary target markets and maintain a presence in current secondary and longer-term **potential markets.** They do not represent an aggressive market development program, which should be initiated during the second year, **as** part of a five-year **plan.**

The tourism industry of the Northwest Territories is in its infant phase and market development resources thus far have been **so** limited that 'the product's introduction to the marketplace has not yet **occured.** The first year's marketing program will cause the necessary introduction.

The required market education/product knowledge process **will** be developed over the medium term, concurrent with product life cycle development. It should also be noted that although the program **is** intended to generate gross tourism revenues equal to program expenditures as early as possible, contributions to net revenues (profit) are not expected until the third year, and contingent upon the necessary market development expenditures during the first three years. Marketing industry practice reflects **losses** during the product launch/consumer education phase with the break-even point occurring when the product experiences rapid growth and the marketplace **is** being conditioned to increase purchasing volumes.

25.2. TYPICAL PRODUCT LIFE CYCLE



25.3. TARGET MARKET

AFFLUENT VACATIONING OUTDOORS/ADVENTURE PRODUCTS ENTHUSIASTS AND PARTICIPANTS

25.3.1. TARGET MARKET SEGMENTS

1. Non-consumptive users of outdoors/adventure products, such as wildlife viewers, outdoors enthusiasts, naturalists, wildlife photographers, adventure seekers, general outdoors participants in camping, hiking, canoeing/boating, climbing, mountaineering, etc.

2. Consumptive users: Sportsfishermen, Hunters.

25.3.2. PRIMARY GEOGRAPHIC TARGET MARKETS

The United States Census Regions:
1. East North Central, 2. West North Central, 3. New England, 4. Mountain, 5. Pacific.

25.3.3. SECONDARY GEOGRAPHIC TARGET MARKETS

1. Canada:
   Alberta, Ontario, British Columbia.

2. Overseas Regions:
   Germany, 'Switzerland, Oceania (particularly Australia and New Zealand).

25.3.4 TERTIARY GEOGRAPHIC TARGET MARKETS

The United States generally, and Canada generally.

25.3.5. PLAN OBJECTIVES

1. To create measurable awareness, positive attitudes and perceptions towards the Northwest Territories as a world-class outdoors/adventure -destination.

2. To establish positive influence and strong motivation towards travel to the NWT in the primary target markets.

3. To generate 140,000 qualified consumer leads for the NWT tourism industry and TravelArctic to follow-up and develop into sales, from 1986-87 marketing activities.

4. To assist the industry in converting a minimum of 2% of the first year's outdoors/adventure products enquiries and 5% of sportsfishing enquiries to actual sales (1,373 + 3,653) in the same year; a further .8%/2% for year two and .4%/1% more for year three.

5. To achieve a 2% response rate from target market advertising in magazines, .2% response rate from special interest electronic media, '.1% response rate from target market electronic media (cable TV) and .2% response rate from national promotions (sweepstakes) ...during the first and second years.

6. To double these response rates during the third year.

7. To convert the qualified enquiries at the rates of 2% in the first year, 5% in the second year and 10% during the third.

8. To create a distribution network for consumer literature and other product information materials, in the U.S., which represents 4% of the outdoors apparel/equipment retailers in the U.S. (480 of 12,000); and 4% of the sportsfishing tackle/equipment retailers in the U.S. (800 of 20,000 retailers) in the first year; up to 10% in year 3.

9. To develop comprehensive prospect profiles, which include researched information and characteristics of program respondents.

<u>25.3.6. EXECUTION METHODOLOGIES</u>

1. Implementing a comprehensive, integrated marketing program dedicated to the outdoors/adventure product category.

2. Conducting a small creative test for the arts/culture/touring category, a major general outdoors/adventure creative test and a separ-ate sportsfishing campaign.

3. Executing a competition strategy aimed at blocking competition in primary markets.

4* Delivering the program cooperatively with the tourism private sector and leveraged assistance from collateral sectors.

5. Incorporating a measurement and evaluation process into the program.

6. Incorporating a lead-generating mechanism in all communications.

7. Providing comprehensive orientation and product/price information for qualified leads, such as NWT Maps, the Explorer’s Guide, private sector literature.

8. Including self-administered mini-questionnaires with lead-generating mechanisms.

9. Organize the various target “market programs as follows:

(a) Outdoors/Adventure Target Market

(b) Sport sfishing Target Market

(c) Distribution/Network Program (Retailers)

(d) Marketing Aids

(e) Travel Trade Program

(f) Media Relations Program

(g) Public Relations

(h) Industry Support Program

(i) Research and Evaluation Program

(j) Monitoring and Commercial Intelligence Program.

26.0. OUTDOORS/ADVENTURE TARGET MARKET

26.1. DEMOGRAPHICS

Male 70%; Female 30%
- Age: 24 to 54
- Income: $30,000 + "
- Education: Highschool graduate +

26.2. PSYCHOGRAPHICS

- lovers of nature and outdoors environments, participants in outdoor recreation and leisure activities, frequent travelers, long-haul travelers, prefer vacation settings which include: spectacular scenery, unique wildlife 'and flora, many points of interest, different regions, lots to see and do; social/intellectual status orientation.

26.3. KEY INFLUENCERS

personal special interests and hobbies;
media/communications;
societal affiliations; (clubs, associations)
- community.

26.4. CONSUMER COMMUNICATIONS/ADVERTISING

Since it is imperative that the market entry time-frame be collapsed as much as possible, the most productive media has been selected for short term results and the minimum frequency is being planned, whose schedule would mirror the peak consumer decision period for vacation travel.

A deeper media plan is necessary in the second year for sound NWT tourism market penetration, which would include increased frequency and a larger mix of media.

Additional access to the consumer will be initiated through retail outlets selling collateral equipment and clothing in the United States. Efforts in this area will need reinforcement during subsequent years, to produce high in-market visibility and top-of-mind awareness of the NWT tourism products. In this regard also, the communications planned are nominal during the introductory phase of the first year.

26.5. OUTDOORS/ADVENTURE CONSUMER MEDIA AND DESCRIPTION (U.S.A.)

OUTSIDE MAGAZINE	- Circ. 240,000 - 8 pg 4 colour impact section xl; scheduled March; - $73,000 production and space costs.
NATURAL HISTORY	- circ. 135,000 *- 1 pg 4 colour ad xl; scheduled March; - $12,700 *- Business Reply Postcard (B.R.C.) xl; - scheduled March; - $6,800 *- 8 pg 4 colour impact section (same as OUTSIDE MAGAZINE insert) x 1; scheduled April; - $91,700 production and space costs. - 3 reader service cards; scheduled April, May, June - $0
SUNSET MAGAZINE	- circ. 1,275,000 - 2 pg 4 colour spread x 1; scheduled March; - $50,000 *- 1 pg 4 colour ad x 2; scheduled February and April; - $27,000 each ($54,000/year) -B.R.C--- 1 colour xl; scheduled April; - $17,000
TRAVEL HOLIDAY	- circ. 975,000 *- 1 pg 4 colour ad x 3; scheduled February, March, April; - $13,685 each ($41, 055/yr) *- B.R.C . -1 colour xl; scheduled March; - $10,300 each
TRAVEL & LEISURE	- CIRC. 975,000 *- 1 pg 4 colour ad xl; scheduled February; - $24,940 *- 1/2 pg 4 colour ad x2; - scheduled March, April; -$15,434 each ($30,868/yr)

FOOTNOTE: There is no advertising in other geographic markets. All costs are quoted in 1986 U.S. funds.

26.6. OUTDOORS/ADVENTURE ENQUIRY MOTIVATION AND CONVERSION PLAN: YEAR #1

MAGAZINES	CIRCULATION	RESPONSE RATES	# of LEADS	# of SALES @ 2% CONVERSION
OUTSIDE MAGAZINE	240,000	.02	4,800	96
NATURAL HISTORY	135,000	.02	2,700	54
SUNSET MAGAZINE	1,275,000	.02	25,500	510
TRAVEL HOLIDAY	808,000	.02	16,160	323
TRAVEL & LEISURE	975,000	.02	19,500	390
TOTALS:	3,433,000		68,660	1,373

26.7. OUTDOORS/ADVENTURE MEDIA BUDGET

- OUTSIDE MAGAZINE:	1 x 8pg insert	$ 73,000
- NATURAL HISTORY:	1 x 1pg ad	12,700
	1 x BRC	6,800
	1 x 8pg insert	91,700
	3 x reader service ads'	0
- SUNSET MAGAZINE:	1 x 2pg spread	50,000
	2 x 1pg ad	54,000
	1 x BRC	17,000
- TRAVEL HOLIDAY:	3 x 1pg ads	41,055
	1 x BRC	10,300
- TRAVEL & LEISURE:	1 x 1pg ad	24,940
	2 x 1/2pg ads	30,868

- Production of the 8 page insert includes 20,000 extra copies for enquiry servicing and network development.

TOTAL: $412,363 U.S.

*converted at 1.35 exchange rate = $556,690 Cdn.

26.8. OUTDOORS/ADVENTURE CONTRIBUTION TO REVENUE PLAN

Since this market is still developing and growing, and the Northwest Territories' relative products are unknown, low sales lead conversion rates are expected of .02 for the first year.

As marketing efforts are increased, prospect intent to travel to the NWT will be significantly reinforced and conversion rates of those motivated to request additional information will steadily grow to 10% over the three years.

However, because the NWT is marketing a new (to the market-place) product, the initial two years are expected to yield low enquiry response rates of 2%. At the stage of solid product knowledge and market conditioning, the response rates should reflect 4% of the circulation figures of magazines. Please note that industry norms vary from medium to medium and from product to product.

The following table indicates the impact of the first year's activities alone, over a three year time-frame. . .if all further activity was ceased. To be noted is the steep attrition rate of market impact when product presence is eliminated from the marketplace.

In essence, after a two year absence the marketer is out of business!

a) Year #1 sales: 1373 x $550 each = $755,150 Cdn.

b) year #2 sales: 549 x $550 each = $301,950 Cdn.

c) Year #3 sales: 275 x $550 each = $151,250 Cdn.

TOTAL: $1,208,350 Cdn.

NOTES : Year #1 R.O.I. ratio = 1:1.36
b) = 40% of a) or .8% conversion of enquiry base.
c) = 20% of a) or .4% conversion of enquiry base.

27.0. SPORTSFISHING TARGET MARKET

27.1. DEMOGRAPHICS

- Male 90%; Female 10%
- Age: 35 to 54
- Income $40,000 +
- Education: Highschool Graduate +

27.2 PSYCHOGRAPHICS

avid sportsfishermen who fish often as a lifestyle, fish out of state and country, long-haul travelers, heavy and regular purchasers of fishing related merchandise, such as equipment and clothing: sportsfishing enthusiasts who fish for a variety of species and enjoy new environments and challenges; outdoors enthusiasts who enjoy adventures; social/intellectual status orientation.

27.3. KEY INFLUENCERS

- personal special interest, hobbies, habits;
  societal affiliations; (clubs and associations)
  media/communications ; -
  special events/sportsman shows;
- community.

27.4. CONSUMER COMMUNICATIONS/ADVERTISING

The sportsfishing market offers the highest potential for short term results for the Northwest Territories. Unlike the outdoors/adventure market which is still undergoing development and growth, the sportsfishing market of the United States has stabilized. and is well established.

With the exception of some areas of the NWT, the sportsfishing product resources are excellent and have an inherently world-class appeal and integrity. The result is a solid product-market match., which can be exploited immediately.

The strong base of credibility and awareness of Canada's sportsfishing resources and outdoors products will produce quicker benefits for the NWT, from association. The response rates for the various communications efforts will increase dramatically compared to the outdoors/adventure product category, as will the conversion rates to sales.

27.5. SPORTSFISHING MEDIA AND DESCRIPTION (U.S.A.)

BABE WINKELMAN PRODUCTIONS PROPERTIES:

- 10x 30 second TV commercials on the "Good Fishin" Series; commercial production;
- 2 x 5 second TV Billboards;
- Billboard production
- Sweepstakes Grand Prize & Five First Prizes; 1/2 Hour TV program Dedicated to the NWT; Feature Article penned/by-lined by Babe Winkelman;
- Still Photography;
- Babe's Image Use;
- Babe's personal appearance at coincidental exhibits;
- Babe's personal appearance at one special event;
- 10-minute promotional video about NWT sportsfishing
- Magazine advertising;
- Production, Misc. costs.

PACKAGE PRICE: $300,000

IN-FISHERMAN PROPERTIES:

- 10 x 30 second TV commercials on Al Lindner's Sportsfishing Series
  - Sept-Dec. '87;

  commercial production
- 1 Hour TV special dedicated to the NWT sportsfishing and outdoors/adventure products;
- 4 x 60 second TV commercials on Al Lindner's four Spring Specials;
- 7 x 2 pg 4 colour spreads in IN-FISHERMAN MAGAZINE;
- Editorial support throughout the year.

PACKAGE PRICE: $134,000

27.6. SPORTSFISHING MEDIA BUDGET TOTAL: $434,000 Us.

*converted at 1.35 exchange rate = $585,900 Cdn.

27.7. SPORTSFISHING
ENQUIRY MOTIVATION AND CONVERSION PLAN: YEAR #1

MEDIUM	CIRCULATION	RESPONSE RATE	# OF LEADS	# OF SALES @ 5% CONVERSION
GOOD FISHIN SHOW	1,500,000	.002	3,000	150
NATIONAL SWEEPSTAKES	2,000,000	.002	4,000	200
MAGAZINES:				
SPORTS AFIELD	500,000	.02	10,000	500
FLY-FISHERMAN	142,000	.02	2,840	142
NATURAL HISTORY	135,000	.02	2,700	135
IN-FISHERMAN	245,564	.02	4,911	246
Al Lindner's Spring Specials	4,800,000	.002	9,600	480
Al Lindner's TV SERIES	36,000,000*	.001	36,000	1,800
TOTALS:	45,322,564		73,051	3,653

* This represents the average annual audience levels, which peak at-39.9 million households in the U.S.

27.8. SPORTSFISHING CONTRIBUTION TO REVENUE PLAN

Due to the excellent opportunity for matching product and market in this product category, the response rates will increase at a faster pace than the outdoors/adventure category. Also, the conversion rate to sales will start at a much higher level, since market demand already exists.

From a first year conversion yield of 5%, it is not improbable for increased marketing initiatives in subsequent years to , result in at least 10% during the third year and 20%-30% by the fourth year.

The following tables are modeled after the same formulae for attrition used for the outdoors/adventure category.

a) Year #1 sales: 3653 x $550 each = $2,009,150 Cdn.

b) Year #2 sales: 1461 x $550 each = $ 803,550 Cdn.

c) Year #3 sales: 731 x $550 each = $ 402,050 Cdn.

NOTES: Year #1 R.O.I. ratio = 3.43:1

27.9. SUCCESS FACTORS

All program results and conversions to sales are indications of the minimum levels which should be achieved. Only the highest producing media have been recommended for immediate results. However, longer term development requires broader coverage and increased frequency, which cannot be accommodated by the first year plan.

All program results as stated are also contingent upon employing the latest state-of-the-art techniques of marketing, marketing creative and communications, and comprehensive marketing mix integration vertically and horizontally wherever possible and appropriate. In this manner, lifestyle conditioning can occur over time with strong registration of the NWT brand name in the minds of adventure travelers worldwide.

The sportsfishing program, in particular, is an example of vertical and horizontal integration.

A full complement of communications media, promotions, ❑edia relations and public relations programming are combined for maximum impact on the consumer. In addition, horizontal channels are added to increase marketplace penetration at the community level. This is achieved through 45,000 retail outlets which will be promoting the national sweepstakes and other first-class corporate sponsors who will be promoting and participating in the contest.

The following pages offer a detailed review of the implementation plan for the sportsfishing campaign in the U*S. market. The intense market coverage of broadcast television and the magazines will also impact on Canadian markets, particularly in border regions of Canada.

27.10. SPORTSFISHING/TOURISM MARKETING PROGRAM IN THE UNITED STATES: IMPLEMENTATION PLAN

27.10.1. INTRODUCTION

The following marketing program is submitted for the consideration of TravelArctic and all sportsfishing/tourism organizations in the Northwest Territories.

The program is designed for maximum impact and results in the United States sportsfishing market as well as collateral industries, during the latter part of 1986 and particularly during the 1987 calendar year.

This proposal assumes strong consortium underwriting and a subsequent correlation of benefit distribution. A financial allocation is suggested for consideration which reflects specific direct benefits by types of organizations as well as indirect benefits.

The principle intent of this multi-faceted program is to create measurable awareness and recall of the NWT as a very attractive sportsfishing destination, in the greatest possible share of American sportsfishermen who have the potential to travel outside the U.S.

Furthermore, it is important-to generate shorter term ultimate results in the form of conversions as to sales of incremental sportsfishing trips during the 1987 and 1988 seasons.

Since the NWT will be competing in a mature market, it is vital that it dominate at least one medium for effectiveness.

27.10.2. MARKET RESEARCH

The NWT is predominantly associated with outdoors/adventure tourism products, although it is attempting to diversify this image. The outdoors product line focusses on sportsfishing, moderate hunting and some non-consumptive activities.

According to the U.S. 1980 National Survey of Fishing, Hunting and Wild-life Associated Recreation*, 42.1 million Americans fished, 17.4 million hunted and 83.2 million engaged in a non-consumptive activity, for which wild-life was the primary purpose.

There is considerable overlap between these groups as the following figures indicate. In 1980, 73% of hunters also fished and 62% were involved in non-consumptive activities. Only 30% of fishermen also hunted, while 66% participated in non-consumptive activities. Of the non-consumptive group, only 36% also fished and/or hunted.

Of the entire sportsfishing population, only 24% fished in states other than that of their residence and only 3% fished in other countries (including Canada). That is to say that 1,263,000 American sportsfishermen fished outside the U.S. in 1980, reflecting the true size of the potential market universe.

Approximately half of all American fishermen fish for bass and/or panfish. ..many exclusively for these species -- particularly in the Southern United States.

The following table illustrates what percentage of each census region population (1980) participates in fishing, hunting and/or non-consumptive activities.

CENSUS REGION	% FISHING	& HUNTING	& NON-CONSUMPTIVE
Pacific	24 -	7	51
Mountain	29	15	54
West North Central	33	16	58
East North Central	26	10	60
Middle Atlantic	1 5	8	44
New England	19	6	54
South Atlantic	26	9	41
East South Central	30	15	40
West Sou-th Central	29	15	41

* This survey was conducted by the U.S. bureau of the Census in two phases: the first, a sample of 116,000 households nationwide and qualified by phone; the second phase, personal interviews of 30,300 fishermen and hunters and 6,000 non-consumptive users. The most recent survey results (1985) will not be available until 1987.

With the exception of the Middle Atlantic and the New England Census Regions, from one-quarter to one-third of the American population fishes. However, due to proximity and target fish species considerations, four census regions offer the best short and medium term potential for development: W.N. Central, E.N. Central, Mid-Atlantic, and New England.

Other census regions, particularly W.S. Central - which includes Texas - offer long-term development potential, especially for exotic adventure fishing trips.

27.10.3. THE AMERICAN SPORTSFISHING MARKET: A PROFILE

From an economic perspective, expenditures associated with wildlife-related activities form a significant part of the American economy. The 1980 survey, referred to previously, revealed that 99.8 million Americans aged 16 and older spend approximately $41 BILLION annually, to participate in these activities.

Of that total, $17.3 billion was spent for fishing equipment and $8.5 billion was for hunting equipment. Only equipment bought primarily for these purposes are considered for these figures.

The economic impact of this particular market segment has resulted in the deliberate evolution of well-defined market structure and organization. Hence, a lot of information has been compiled about this lucrative market, driven by the supply side rushing to satisfy market demand.

The American sportsfishing market is highly organized and structured according to variables which include demographics, geographies, psychographics and behavior characteristics. In contrast to Canadian practices, there is a “grooming” process which occurs amongst the American fishermen. ..in the form of very active fishing clubs, associations, derbies, how-to workshops, fishing shows, community programs and other life-style conditioning exposures. The organization and structure of the Canadian market is not as strongly or systematically developed.

The large sportsfishing industry of the United States comprises an extensive network of manufacturers of equipment and apparel, distributors, retailers, and service organizations. There are many American publications which cater to the fishing and/or hunting and/or non-consumptive users; as there are many broadcast programs which are dedicated to outdoors /wildlife .

Most media are regional in perspective and audience distribution. Furthermore, while there are national media, most fishing ones are dedicated to bass/panfishing and the others tend to be very general--including several outdoors activities (fishing and hunting) together without specific emphasis on any.

Until recently, individual broadcast stations in the northern Us. offered the best broadcast coverage for Canadian sportsfishing interests. However, programming in these circumstances must be usually negotiated on an individual basis, resulting in spotty coverage and less than optimum geographic exposure to the Canadian industry’s product offering.

In addition, little consolidated information existed concerning the effectiveness and impact of advertising or editorial exposure in special interest (vertical) publications serving the sportsfishermen. Research and market testing by Tourism Canada over several years has revealed the following magazines as generators of high-quality enquiries for sportsfishing in Canada, including the NWT: Fins & Feathers; Natural History; Sports Afield; Fishing Facts; Great Lakes Sportsman; Fly Fisherman; Outdoor Life; The In Fisherman.

Testing would be strongly recommended in conjunction with this program to identify the most productive components of this integrated program. Sufficient funding may not be available to test all publications and in this case, the following "short list" is suggested: Fins & Feathers; Natural History ; Sports Afield; Fly Fisherman and The In-Fisherman.

There are five national television series which exclusively target the American Bass fisherman. Now, there are two organizations producing national television series which portray the diverse types of fishing practices and fish species found throughout the Northern U.S. and Canada: In-Fisherman Inc. and Babe Winkelman Productions Inc. These programs are broadcast and cablecast, and are supported by a host of merchandising and promotional collateral programs. Through such a collateral program, the previously recommended publications could be tested through feature articles and editorials -- not strictly through advertising.

The intent of a thoroughly consolidated program is to cannibalize some of the existing American market activity for the benefit of the NWT sportsfishing industry.*

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* According to the 1980 survey mentioned, 42.4 million fishermen took 751.2 million fishing trips and fished 857.6 million days. Of these, only 1.3 million fished outside the Us., including Canada.

27.10.4. PROGRAM PROFILE

The N.W.T. sportsfishing industry has hitherto marketed its products on an individual/independent basis, with few attempts at a consolidated onslaught against the American sportsfishing market. In addition to a separated approach by individual organizations, presence in the marketplace has been hampered by weak/non-existing funding, against intense competition from traditional destinations.

Through the properties of BABE WINKELMAN PRODUCTIONS INC. the opportunity exists to enable clients to aggressively increase market share as well as develop future markets. Also, economical testing can be executed to identify best short, medium and long-term potential markets.

The program components which are "shelf items" include the following:

* Television Programs
* Feature Films
* Video Tapes/Home Movies
* A/V Shows
* Still Photography
* Feature Articles
* Editorial Coverage
* Advertising
* Publishing
* Public Relations
* Promotional Programs
* Show Programs (trade & consumer)
* Dealer Networks
* Manufacturers Coop
* Special Events
* Media Relations
* Research
* Lead Generation

Through the added properties-of THE IN-FISHERMAN INC., the sportsfishing/tourism industry of the NWT would be able to dominate the non-bass American market. Domination is vital if this market is to be quickly developed and captured for the NWT industry. Also, this process eliminates competition...critical to success.

This organization offers a variety of marketing vehicles for sportsfishing advertisers:

* Television programs
* Television advertising
* One-hour features
* Video tapes
* Radio talk shows
* In-Fisherman Magazine
* Show programs (trade and comsumer)
* Editorial coverage
* Public relations
* Promotional Programs
* Feature Articles
* A Special Fish Camp for youths.
* Special Events
* Seminars
* Workshops
* Media Relations
* Research

However, the most efficient buys are multi-media packages which can be negotiated, as indicated in the following pages.

Also, The In-Fisherman have conducted research of specific significance to the Northwest Territories.

The results of a subscriber study indicated that their audience has high disposable income and spends an average of $711.66 annually, excluding gas or lodging. Furthermore, 68% are intending to fish out of state this year, compared to the national average of 24%.

When asked which Canadian provinces had been visited only 4% indicated the NWT. However. <u>33%</u> indicated an interest in visiting the Northwest Territories.

The combination of the In-Fisherman vehicles and Babe Winkelman (BWP) marketing channels would collapse the time-frames significantly of market entry and development.

In hierarchy of optimum exposure and results-generating opportunities, BWP's sweepstakes promotion and the television series advertising rank the highest of all their activities. These programs receive intense pre-event publicity, audience building promotions as well as on-going advertising and promotions to keep the market awareness levels extremely high during the program timeframes.

The same is true of the In-Fisherman TV and radio programs. These would therefore provide the Northwest Territories with tremendous additional exposure and reinforcing support, in addition to the direct benefits of specific television advertising, radio advertising, magazines or sweepstakes sponsorship.

All other initiatives provide solid reinforcement to the main marketing vehicles. As a total group, the powerful synergy and dynamics would result in significant measurable impact and actual shorter term results (sales) from this market segment.

It is strongly recommended that if a complete program cannot be implemented, that a modified version be developed in an integrated format.

Program options with each organization are described separately as follows.

27.10.5. IN-FISHERMAN PROPERTIES: PROGRAM NUMBER 1 COMPONENTS

* Television Series Advertising for 10 weeks on "Angling Adventures", ESPN, the Total Sports Network (Oct-Dec '86) - 30sec. each

* Corporate sponsorship billboards at the end of each episode.

* One full-page, full colour advertisement in each issue of the 1987 In-Fisherman publications, including the annual Walleye Guide.

* Editorial support wherever applicable in 1987 In-Fisherman Magazine.

27.10.6. PROGRAM NUMBER 2 COMPONENTS

* One hour television special as a 1987 Al Lindner In-Fisherman Television Special, to air in 40 major Northeastern and Midwestern markets.

* Advertising on 4 annual one-hour Al Lindner Television Specials (Mar'87)- 60 sec. each.

* One full-page, full colour advertisement in each issue of the 1987 In-Fisherman publications, including the Walleye Guide.

* Editorial support as in-Program Number 1.

27.10.7. BWP PROPERTIES: PROGRAM VERSION 1 COMPONENTS

* Television Series Advertising for 10 weeks, during the second half of the 20-week season.

* Corporate Sponsorship Billboard advertising by major carrier (?) during the same 10 week period, timed at opposite end of T.V. Program from 30 second commercials.

* Sweepstakes Program Sponsorship of Grand Prize and Five First Prizes.

* Still Photography
* Film Footage for 1/2 hour T.V. episode
* Feature Article by 'Babe Winkelman
* Use of Babe's image in promotional material (subject to approval).
* Use of Babe, in personal appearance at GOV'T or lodge owners/operators, other exhibitors' booths during trade and/or consumer shows which Babe is attending as guest speaker.

* Inclusion in audio/visual presentations, lectures, and workshops delivered by Babe (varying from still photography with commentary to film).

27.10.8. BWP PROGRAM VERSION 2 COMPONENTS

* Television Series Advertising, 10 weeks.

* Corporate Sponsorship Billboards: 2 per program, straddling the show.

* Sweepstakes Program Sponsorship of Grand prize and the Five First Prizes.

* Still photography.

* Film Footage for 1/2 hour T.V. episode.

* Feature Article by Babe Winkelman.

* Use of Babe's image, subject to approval.

* Use Babe's personal appearance at coincidental trade and consumer show exhibits.

* Use of Babe's personal appearance at special U.S. public relations event.

* Inclusion of specific information in Babe Winkelman's presentations and lectures.

* 10 minute promotional .video for use by operators and outfitters in presentations to small groups of the travel trade, or as part of trade and consumer show exhibits.

* Modest advertising in special interest magazines, with 1/2 page four-colour ads to complete the marketing mix.

27.11.0 DESCRIPTIONS OF PROGRAM COMPONENTS AND RELATIONSHIPS BETWEEN EACH

27.11.1. IN-FISHERMAN MULTI-MEDIA BUYS enable the NWT to gain competitive advantage by creating a very high profile with a very high potential target segment.

Each package offers advantages. The fall package comprises ten 1/2 hour television programs throughout the E.S.P.N. cablesystem, which will reach approximately 39.9 million households during that season. That represents 42% of American households, and although only a portion will choose to view this program, the potential is unquestionable.

In combination with a strong spring schedule of advertising, this mass exposure will provide the appropriate market conditioning and awareness building necessary prior to the main travel decision-making period. The NWT may also wish to take seasonal advantage of this program to enlarge the product offering to include other outdoors categories.

The famous Al Lindner Specials each March have tremendous credibility and tradition with the sportsfishing prospect for the NWT. However, they are few and therefore cannot provide an awareness building vehicle, which takes time. They should be used for very hard-sell ❑otivation ads which almost push specific products, with a family resemblance to the other TV ads.

The heavy year-long exposur-e of double-page spreads, or 2 single ads, per issue of In-Fisherman Magazine will make significant inroads in market development. However, the development of a full-hour feature on the Northwest Territories would complete a very sound campaign for 1987, when combined with the BWP opportunities.

27.11.2. BABE WINKELMAN'S GOOD FISHING TELEVISION SERIES will be broadcast and cablecast in a minimum of 60 American markets in a twenty-week season, between January and May of 1987. This is a national program which is not exclusively dedicated to bass fishing and which depicts a variety of species and fishing techniques. An outline of some shows' contents are included in the information folder.

Each episode is an educational presentation of methods and techniques by individual fish species in the context of a particular region; environmental evolution; a description of the ecosystems which produce the fish stock; as well as an analysis of the various factors of industrialized civilization which effect the environment and sportsfishing.

The NWT has a tremendous environmental and resource advantage which is not generally known in the United States. By positioning itself as an exotic, adventure fishing destination, the NWT could create a substantial impact on a strong potential target market of 1.5 million non-bass fishermen. Reinforced by the tremendous awareness and exposure of its name through the Sweepstakes promotions, a minimum time-block of ten commercials (30 seconds each) would enable the NWT to control its marketing message and product offer.

Specific enquiries would be generated for the industry to convert to actual sales for the following season either by mail or phone.

The intent of the commercials would be to provide more specific product information, not just name awareness. costs of each commercial are estimated at $10,000.

The Babe Winkelman's Good Fishing television series comprises a twenty-week schedule of 1/2 hour programs which air January to May each year.

Each program is structured roughly as follows:

* 2 minute introduction and review of program content;

* cut to sponsors -- such as... "this program brought to you by Canadian Pacific Airlines, the choice of American sportsfishermen traveling to the NWT and other Canadian destinations"; station identification; advertising, etc. for 1 minute;

* 5 minute "how-to" segment;

* cut to 2 Minute commercial break;

* 9-1o minute fishing episode with "travelogue" -- "today, we are fishing for . . . . in the . . . region. We arrived by . . . and found . . . The area is full of beautiful, pristine waterways . . . which should be great habitat for . . . etc.";

* cut t. 2 minute commercial break;

* 5 minute "where-to" segment;

* cut to 1 minute sponsor" break;

* 2 minute wrap up, preview of next week's show, sign off.

Since the NWT will be launching its first concerted effort to gain visibility and recognition amongst this audience, it is important that it uses the most credible spokesperson available in BWP commercials: Babe Winkelman. Through his "testimony", the commercial content will marry the program content, although there will be no N.W.T. content for the 1987 season (due to no previous filming there).

Furthermore, if the commercials are produced in a "donut" format, actual lodge names, locations and trip types can be mentioned along with the carriers). In this case, the commercials would rotate through the scheduled 10 weeks with one "corporate" commercial which would not mention any names. It would be used as a powerful introduction to the destination and to the major air carrier flying from the U.S. (CP Air/Air Canada).

No more than 4 lodges could be mentioned during one commercial, and aside from these inserts, the commercial content would stay the same. A high-powered, hard-sell approach is recommended to generate the maximum impact.

Commercial content would be derived from existing stills and appropriate footage, with production handled by Babe Winkelman productions in consultation with the client. A budget has been identified at $'10,000 based on cost-recovery for B.W.P.

Following the filming of the Grand Prize trip during the 1987 fishing season, footage would then be available for the 1988 television season advertising.

Preliminary storyboards and scripts will be provided to the client, with the approval to proceed with commercial production. With the approval of the final storyboards and scripts by the client, production will be completed.

Scheduling the commercials during the last half of the series' season, will ensure that they are viewed by the audience during the peak trip decision making period: March through May; and after the show's audience has been well established for the season.

<u>27.11.3. CORPORATE SPONSORSHIP BILLBOARDS</u> are short, 5 second announcements which offer additional, highlighted exposure to organizations. These are not to be confused with the credit rolls which appe-ar at the end of a program, in which advertisers are also mentioned.

By using a billboard, name recognition will be greatly increased through repetition and recall. A billboard would also provide CP Air with an opportunity to clearly position itself as the carrier from the United States.

In order- to appear to "dominate" the program, the use of two billboards is recommended in Program Version 2. In that case, it 'is suggested that they be used as opening and closing billboards with the GNWT commercial appearing after the first show segment.

In this manner, the audience would not yet be conditioned by the main fishing episode and would be receptive to destination information.

The closing billboard would reinforce the commercial content and would install higher awareness and recall value. Destination name and carrier's corporate identity would be maximized amongst this audience.

As an alternative, each billboard could promote a different corporate identity (e.g. two different carriers). However, this is not recommended since the overall impact would be diminished.

Production of the billboard(s) would be executed by Babe Winkelman Productions, in consultation with the client.

27.11.4. BABE WINKELMAN'S FISHING SAFARI SWEEPSTAKES offer the sportsfishing industry the greatest impact opportunity, since it is a completely integrated promotional program which involves all levels of the American sportsfishing industry -- from manufacturers to sporting goods retailers. Through a variety of media exposure, the sweepstakes will reach approximately 30 million viewers throughout the U.S., with heavy concentration on the Northern States.

By sponsoring the Grand Prize and the Five First Prizes, the NWT will dominate the Sweepstakes publicity and all supporting public relations/promotions. Furthermore, positive "notoriety" will be achieved by association with strong brandname co-sponsors: GM; Ranger Boats; Sears; Mariner Outboards Dupont Stren Shimano True Value Hardware Stores Anheiser Busch. These co-sponsors will provide an assortment of merchandise, increase the distribution of point-of-sale sweepstakes displays and entry boxes, and will execute their own advertising and promotions in support of the campaign.*

During the 1986 season, over 45,000 retail outlets were involved in the promotion of the sweepstakes and distributing entry forms, plus, over 250,000 catalogues did the same. It is expected that this figure will at minimum be the same for retail outlets and dramatically increase for catalogue exposure.

Sponsorship costs for each prize level: $50,000 U*S. plus product costs.

Sponsor would provide transportation from nearest gateway, American city plus lodging, food, etc. for exotic fly-in fishing trip in 1987, for 6 people, as the Grand Prize. At this point, it is estimated that the 6 people would include: one contestant, one retailer, Babe Winkelman and a production crew of three.

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* Confirmation of final program sponsors to follow.

This trip would be filmed and would be televised as a Babe Winkelman series segment between January and May 1988 in all Babe Winkelman T.V. markets. Part of the sweepstakes promotion of the Grand Prize would be themed as “win a safari trip with Babe Winkelman and appear on T.V. with him next season”.

Promotional value through Babe Winkelman Productions (BWP) would cover the entire sweepstakes, as would that obtained through other sponsors.

The Five First Prizes will be billed together, but will still enable each lodge to be individually recognized. Sponsor(s) would provide transportation, accommodation, etc. for 10 people to various destinations. (Two to each lodge.) These trips would not be filmed.

Total promotional value received through B.W.P. is presently estimated as $369,600 for T.V. Series Ads, $100,000 for Magazine Ads, $18,000 through sports show promotions, and $10,000 through direct mail. ..about $500,000 in total U.S.

Promotional value of other ‘promoters”, such as Anheiser Busch, Sears, etc. is estimated over $1,000,000 U.S.

Specific exposure would be provided for each organization involved in sponsoring one of the prizes.

The GRAND PRIZE would automatically receive top billing in all promotions, resulting in highlighted exposure for:

a) the air carrier(s) and other transportation companies involved in transferring the winners and production crew to their destination;

and

b) the destination sportsfishing lodge and the fish species which will be targetted.

The FIVE FIRST PRIZES will receive second billing and will receive the next greatest level of exposure throughout the promotions. The merchandise prizes will receive the least publicity “value”.

The FIVE FIRST PRIZES can comprise five trips of two people to one lodge each (five lodges). This would provide exposure to:

a) the carrier(s) and transportation companies;

b) each of the destination lodges, by name and location, as well as targetted fish species.

Listing of all lodges and the carrier(s) would appear in all of the contest entry blanks and the direct mail promotional material. Wherever space allowed on the magazines and other printed matter, the same listings would appear. Corporate logos for the carriers could be incorporated.

27.11.5. A THOROUGH CROSS-MERCHANDISING SUPPORT PROGRAM is provided with each program version.

As part of the Sweepstakes Promotion program, filming will follow the winning contestants of the Grand Prize and Babe Winkelman, the show's host, as they enjoy the exotic fishing adventure.

The production crew accompanying them will produce still photography, research notes for articles and video footage for post-trip production requirements.

If the film footage is of prescribed quality for their broadcast and cablecast audiences, then a full 1/2 hour program could be ensured. However, if the safari yields a poor fishing experience or the quality of the filming is not acceptable (e.g.: poor weather, etc.) then one segment would be guaranteed, as promised in the Sweepstakes Promotion to contestants.

If the filming yields excellent material, a series of "how-to" and "where-to" tips could be produced for airing not only throughout the 1988 Good Fishing Series, but also in another B.W.P. series called "The Facts of Fishing Show".

In addition to providing a possible 1/2 hour program of film footage and still photography, Babe Winkelman would pen or by-line a feature article of the trip and his fishing experience(s) in the NWT. This article would be sent to influential publications and other media (e.g. radio and T.V. talk show producers, etc.).

In Program Version 2, it is-recommended that the filming be used to further the impact on the American potential sportsfishing market by generating a short, 10-minute hard-sell video presentation about the exotic adventure fishing/ tourism opportunities of the Northwest Territories.

Unquestionably, a well-produced "canned" audio/visual selling vehicle will offer the most effective packaging of the NWT's sportsfi-shing and outdoor product. ..for use during small-group presentations to the trade and as part of a traffic-stopping exhibit at consumer and trade shows.

It is also recommended that this video be so full of "educational" information that it can be used as a broad/cablecast program filler or edited as a news feature, by American media.

Not only does this item provide one more marketing tool for the Northwest Territories sportsfishing industry, but the total coordination and synergy of all promotional components will optimize the program's results. It too will contribute to increased awareness of the NWT as a preferred sportsfishing destination and ultimately assist in the generation of actual sales from a highly motivated potential base.

A totally integrated visual approach will also enable presentations and exhibits to reinforce awareness of the NWT and enhance market development efforts.

At all shows (trade or consumer) in which the NWT industry is participating, and which Babe Winkelman is attending as a guest lecturer or featured speaker, Babe will visit the booths between scheduled presentations. Announcements will be made in advance, advising the show attendees of the time and booths where he will be to answer any questions about the advertiser's products/destination and his personal recommendations, experiences, etc.

During his own presentations, he will include information about sportsfishing, where-to-tips, how-to-tips! and whenever appropriate, he will include visual material (photographic slides or film).

These NWT information inserts will be injected whenever appropriate, not only during the talks at the shows that both he and industry attend.

Obviously, he has a demanding "lecture tour" schedule and therefore his personal appearance at specific exhibits will coincide with this schedule.

A one-day, separate personal appearance by Babe Winkelman is part of Program Version 2. This would be organized as part of a major event dedicated exclusively to sportsfishing in the Northwest Territories, involving a lot of influential media and travel trade in the U.S.

As a highly credible spokesman, Babe would provide a solid thread throughout all marketing efforts with constant reinforcement of NWT's sportsfishing/tourism identity and offering strong testimonial of the product's appeal to America's sophisticated sportsfishermen.

Although the ten minute video presentation would not be available until after the 1987 Grand Prize trip, Babe Winkelman has allowed the use of his image (with his approval on item content) for advertising and promotional purposes. Therefore, exhibit material could include the use of his image and a slogan such as: "as advertised on Babe Winkelman's Good Fishing Show!", for the 1987 exhibit season.

Brochures could also include such a slogan and his photograph. This approach would coordinate the various marketing activities and provide a consistent memory aid to the sportsfishing enthusiast.

Also, a "testimonial" from a well'known "authority" figure generates the best results.

27.11.6. THE ADVERTISING PROGRAM which is included in Program Version 2 is the remaining marketing tool which completes the NWT's market development arsenal, for the United States market. The proposal is very modest but offers a solid, balanced selection of magazines which complement the other marketing initiatives.

Audience profile and geographic distribution are a **good** match for the sportsfishing target market of the Northwest Territories. These also reflect and reinforce the exposure which will be achieved through the rest of the marketing initiatives.

It is recommended that the tourism/sportsfishing industry also take advantage of the listing service which IN-FISHERMAN magazine provides to its advertisers. An advertiser may provide the magazine with 40 words describing **a** product/ service, particularly if it is 'newsworthy". This information is then printed in a. special "Information Please" section at no extra charge, for three months. The text must be received 60 days prior to the first magazine cover date in which it will appear.

This may be an opportunity to list each lodge owner/operator or carrier, etc. in clusters of" twelve per month, with a single address for more information.

NATURAL HISTORY magazine is strongly recommended, based on its superior track record in Tourism Canada's past sportsfishing campaigns. It consistently outpulls many publications which specialize in fishing and the outdoors.

Its editorial environment is concentrated on scientific research of and conscientious management of the outdoors and wild-life resources. It is adventure travel-oriented as well as exploration and discovery-oriented . In the process of encouraging participation by its readers, this magazine has proved to **be** a powerful catalyst for adventure travel and "exotic" sportsfishing.

It is extremely important that the NWT achieve a high level of awareness and recall in order to begin to develop its potential American sportsfishing market. Hence, nothing smaller than a one-half page advertisement is recommended.

Also, full colour is strongly recommended for reader impact, interest and motivation to digest the information.

A minimum frequency of two is required for good results, which is reflected with the exception of Sports Afield. Budget constraints simply do not accommodate additional frequency, or additional media.

Vertical magazines are recommended for the audience match, shelf-life (a monthly magazine is exposed to its reader for at least 6 weeks), and the ability to convey more information through print. Editorial environment is an important consideration, as are collateral advertiser services.

PROPOSED MAGAZINE:	#X	COLOURS:	SIZE:	COST EA:	TOTAL
SPORTS AFIELD	1	Four	1/2 pg	$10,624	$10,624
FLY FISHERMAN	2	Four, Bleed	1/2 pg	$ 4,110	$ 8,220
NATURAL HISTORY	2	Four	1/2 pg	$ 6,275	$12,550
				Sub-total	$31,394

Since ads which bleed off a page are usually more effective, this technique is recommended in FLY FISHERMAN magazine which does not charge extra for this service.

27.11.7. COOPERATIVE PROGRAM STRUCTURE

It is recommended that as many private and public sector organizations involved in the sportsfishing/tourism industry as possible participate in this program.

Pooling of financial and human resources will result in a powerful entry into and participation of the United States market, greatly facilitating the industry's development of market share in a significantly collapsed time frame. This strategy is particularly vital in circumstances where individual resources are generally few and constrained, and when industry initiatives are usually fragmented and "competitive".

The tourism plant and infrastructure are not yet sufficiently developed to benefit from internal competition in an external marketplace arena. This will evolve concurrently with the health of the industry and its strength as a whole.

The first task is to establish the identity as an appealing sportsfishing destination. From a solid awareness and recognition base, each of the individual organizations will benefit and prosper at a level which would not be possible on their own, since the overall product name has not been generally established.

At least one of the industry "partners" can offer brand name awareness leveraging: Canadian Pacific Airlines, Pacific Western, NWT Air, 1st Air, etc. The development of its corporate identity into brand name status particularly supports CP Airts individual high visibility in cooperation with the NWT sportsfishing industry.

A major carrier's brand name credibility will engender positive attitudes and confidence in the overall ability of the entire sportsfishing/tourism industry to provide modern, efficient transportation and services. Therefore, Canadian Pacific Airlines and a regional carrier should specifically participate as highly visible partners.

Visibility would be provided in the 30 second television commercials (as the 'American connection"), in the 5 second television billboards as corporate sponsor, in the Sweepstakes promotion as carrier, in the feature article(s) in the promotional video, and all magazine advertising. CP Air's corporate identity would be highlighted throughout all components by logo use, in addition to any descriptive text.

Other individual entities may wish to be individually recognized, but it is strongly recommended that priority be assigned to presenting a "collective" name (such as N.W.T. Sportsfishing/Outfitters Association, etc.) to maximize awareness and positive attitudes and perceptions. Having reflected this strong unified image first, there will be opportunity for individual organizations to be highlighted.

Partners who contribute product resources for the Sweepstakes promotion will definitely be identified in all contest entry blanks and printed promotional material, wherever possible. Also, the production of a “donut” T.V. commercial, which allows for a variation of voice-over narration or super-imposed visual text, would provide name exposure. Much greater and detailed features of each partner would be possible in the 10 minute promotional video.

OPTIMUM

ORGANIZATIONAL STRUCTURE

FOR A COOPERATIVE PROGRAM

Public Sector -

* tourism
* economic development
* recreation/leisure
* parks
* sportsfishing
* environment
* wildlife resources
* natural resources

Private Sector -

* Individual Lodge Owners/Operators
* Fishing Outfitters
* Sports/Recreational Organizations
* Environment/Outdoors Organizations

Private Sector Associations -

* Sportsfishing/Outfitters
* Travel/Tourism Members
* Marketing Consortiums

Influential -

* Tourism/Sportsfishing Packagers and Wholesalers
* Carriers/Transportation Companies
* Sportsfishing Clubs
* Environmental/Outdoors/Wilderness Clubs and Associations

27.11.8. FINANCIAL RESOURCE ALLOCATION PROPOSAL

The program is proposed as a cooperative initiative for the N.W.T. sportsfishing/tourism industry. It is recognized that many variables will dictate the final formula for funding such as initiative, and this understanding is reflected in the following.

Each component of the proposed program may be purchased individually (as the other on-the-shelf items), and may be funded entirely by one advertiser or cooperatively with other public/private organizations. As indicated on the budget summaries, discounts apply to test programs.

The funding ratio which is suggested is:

33.3% Federal Government
33.3% Territorial Government
33.3% Private Sector

Alternatively, cooperative funding could be assigned 50-50 public/private sectors; totally assumed by a private sector consortium; or individual organization.

In any case, it is recomm-ended that the private sector contribution be derived from a consortium structure. Furthermore, it is suggested that a specific sponsorship value be assigned to CP Air, . since this company will receive individual and highlighted exposure throughout the campaign. A 50% contribution towards the private sector financial commitment is suggested, reflecting normal cooperative funding practices.

27.11.9. SPORTSFISHING BUDGET REVIEWS: BWP PROPERTIES

MARKETING COMPONENT	BWP VERSION 1	BWP VERSION 2
Television advertising: 10 weeks x 30 seconds	$100,000	$100,000
Commercial production	10,000 (1)	15,000 (donut)
Television billboard: 10 weeks x 5 seconds	25,000 (1)	45,000 (2)
Billboard production	5,000	5,000
Sweepstakes:		
Grand Prize	50,000	50,000
Five First Prizes	50,000	50,000
1/2 hour T.V. program	N/A*	N/A*
Feature article by Babe	2,500	2,500
Still photography	N/C	N/C
Mailouts to influential publications and media .	(*)	(*)
Use of Babe’s image, subject to approval	N/C	N/C
Use of Babe’s personal appearance at exhibits	N/C	N/C
Use of Babe’s personal appearance at special event in U.S.		2,500
10 minute promotional video for presentations/shows Master plus 30 copies		20,000
Magazine Advertising		32,000
10% rate increase over 1986		3,200
Advertising production, misc. ‘costs and (*)		5,000
GROSS BUDGETS:	$242,500	$330,200
TOTAL BUDGET ESTIMATES: (INCLUDING DISCOUNTS) FOR ABOVE	$225,000	$300,000

27.11.10. IN-FISHERMAN PROPERTIES

Television Advertising: 10 weeks x 30 seconds	25,000	25,000
Commercial Production	10,000	10,000
7 x full-page ads in In-Fisherman Mag.	(4, 000ea.) 28,700	28,700
Editorial support	N/C	N/C
GROSS BUDGETS:	$63,700	$63,700
INCLUDING DISCOUNTS:	$50,000	$50,000
	PROGRAM # 2	PROGRAM # 2
One hour television special	39,000	39,000
Television advertising: 4 x Specials-60 seconds		
One full-page ad in 7 issues of in-Fisherman Magazine	45,000	
Program # 2 GROSS BUDGETS:	$84,000	

FOOTNOTE: ALL FIGURES ARE QUOTED IN 1986 U.S. DOLLARS

27.11.11 TENTATIVE PRODUCTION SCHEDULE

*	May 30, 1986:	Memo of Understanding/Contracts
*	May - Nov. 1986:	Research, creative preparation, film production for In-Fisherman
*	Sept. - Nov. 1986:	Production of ads and commercials for BWP, commercials running for I.F.
*	Nov. - Dec. 1986:	Distribution of materials to magazines, television stations.
*	December 1986:	Media prep and publicity for major program elements.
*	JANUARY:	PROGRAM LAUNCH
		Television and Magazines
*	March 1987:	Magazine Advertising peak Television peak
*	May 1987:	Sweepstakes Draw
*	July (?) 1987:	Fishing Trips (Prizes), FAM for I.F. with production crew filming and researching for future T.V. episode(s), articles, etc.
*	Sept. - Nov. 1987:	Production of commercials, lhr. and 1/2 hr. T.V. program, and 20 minute promotional video presentation.
*	Nov. - Dec. 1987:	Post-production and distribution of materials.
*	JANUARY 1987:	Season program launch.

28.0. DISTRIBUTION/NETWORK PROGRAM

In order to ensure sound communications/information support in the home community of NWT's target markets, an orientation and education process is needed for all of the principle influencers in the community. This extends beyond the travel trade sector, since it usually performs a service function after the travel experience(s) and destination have been decided upon by the tourist.

Other sources of information and influence include the retail community and clubs/associations.

During the first year, a small introduction to the retail communities is recommended for the outdoors/adventure category and the sportsfishing market segment.

It is intended that through marketing communications, a network of retail outlets which sell collateral merchandise will be developed to disseminate NTW product literature specific enough to include seasonal and price information for the potential NWT tourist.

28.1. MEDIA AND DESCRIPTION

OUTSIDE BUSINESS	- circ. 12,000 outdoors products retailers *- 8 pg. OUTSIDE MAGAZINE insert xl; scheduled March additional distribution at national trade show for these retailers; - $7,000 *- B.R.C. xl; scheduled for March - $1,350
FISHING TACKLE RETAILER	- circ. 20,000 *- 2 pg. 4 colour spread x 1 scheduled for October Buyer's Guide which has a shelf life of 12 months; - $5,200 *- 1 pg. 4 colour x 2; scheduled March and May/June combination issue; $2,600 each ($5,200/yr) *- 2 x BRC ; scheduled March and October $2,665 each ($3,330/yr)

28.2, DISTRIBUTION/NETWORK BUDGET TOTAL: $22,080 U.S.

*converted at 1.35 exchange rate = $29,808 Cdn.

29.0. MARKETING AIDS

The following items will be used to assist in the marketing process, in cooperation with the NWT private sector.

They will be used alone or in combinations, as necessary, for purposes of enquiry fulfillment as well. Quantities, where indicated, reflect estimates of need for consumer and trade request for information and sales aids.

ITEMS	QUANTITY	COST
Explorer's Guide	200,000	$100,000
Outdoors/Adventure Guides	100,000	88,000
Fishing Guides	100,000	88,000
Rivers North Guide	15,000	15,000
Map	200,000	50,000
Posters (4 Different scenes)	32,000	19,200
Plastic Bags	150,000	6,000
Promotional Items		25,000
Compliment Card	50,000	2,500
Envelopes	10,000	10,000
Letterhead		18.000
Business Reply Card	10,000	500
Portable Displays		10,000
New Photography		5,000

29.1. MARKETING AIDS BUDGET

TOTAL : $437,200 Cdn.

30.0. TRAVEL TRADE PROGRAM

30.1. OBJECTIVES

1. To create a measurable image and awareness level of - coupled with positive perceptions and attitudes towards - the Northwest Territories as an attractive destination for world-class outdoors/adventure experiences amongst the world-wide travel trade.

2. To build necessary base of NWT tourism product knowledge resulting in more efficient customer servicing.

3. To motivate an incremental number of the travel trade to sell NWT products.

4. To increase TravelArctic's present database of travel agents (who have previously indicated interest) by 10% or 230 new contacts.

5. To facilitate the tourism customer servicing process through the travel trade.

30.2. STRATEGIES

1. Conducting an advertising campaign in the influential trade press of the United States and Canada, persistently throughout the year.

2. Participating in the Canada West program for overseas markets.

3. Promoting NWT tourism at major trade shows and conferences.

4. Conducting special events/promotions in cooperation with public/private sector partners.

5. Providing recommendations/direction for familiarization tours to the Zone Associations/Operators who would be the primary delivery group.

6. Generating well-qualified leads/enquiries for the Travel-Arctic database from all activities.

7. Providing support and assistance, which includes free information/resource materials and selling aids.

8. Negotiating increased and immediate reservations through automated systems of airlines, hotels, etc.

30.3. TRAVEL TRADE ADVERTISING

The intention of the travel trade advertising plan is to create and maintain a substantial base of positive image and awareness of the Northwest Territories as an attractive destination for world-class outdoors/adventure travel.

In order to facilitate the customer servicing process, it is also necessary to build a solid base of product knowledge, information resources and sales aids.

Strong year-round visibility will be achieved through frequency, particularly during the peak decision-making period - January through May. Also during this buying timeframe, special inserts will be used to increase audience registration of featured NWT tourism products. A travel trade guide, produced in cooperation with the NWT private sector, will be the main sales aid and will be distributed through ASTA Travel News as well as in response to trade enquiries.

30.4. MEDIA & DESCRIPTION

U.S.A.

TRAVEL WEEKLY — circ. 45,000

*- 1/4 pg black/white ad x52; premium position facing editorial; top right-hand corner of page 3;
  $655.00 each ($34,060/yr)

*- 1 pg 4 colour ad x18
  scheduled January 15 - September 15;
  $4,315 each ($77,670/yr)

*- 4 pg 4 colour insert x2;
  scheduled March and May
  $3,000 each insertion cost ($6,000/yr)

THE TRAVEL AGENT - circ. 40,000

*- 4 pg 4 colour insert x2;
  scheduled February and April
  - $4,410 each insertion cost ($8,820/yr)

*- 1 pg 4" colour ad x 2;
  - scheduled March and May
  - $4,410 each ($8,820/yr)

THE TOUR OPERATOR'S MANUAL	- CIRC. **40,000** plus 6,000 to members of NTA, ABA, TIA;	
	*- 4 pg 4 colour insert x2; scheduled January and April;	
	- $4,410 each ($8,820/yr)	
	*- 1 pg 4 colour x2; scheduled August and October	
	- $4,410 each ($8,820/yr)	

ASTA TRAVEL NEWS	- circ. 40,000
	- 32 pg 4 colour insert xl; scheduled for February; includes 8 pages of advertising from the NWT private sector;
	- $20,740 each

CANADA: THE CANADIAN TRAVEL COURIER	published x26/year;
	- 1 pg 4 colour X 18; scheduled January 15 - September 15;
	- $3,300 each ($59,400/yr)

SPONSORSHIP ADS	to be placed as opportunities arise to maximize impact on the travel trade.

30.5. ADVERTISING BUDGET

- TRAVEL WEEKLY:	52 x 1/4 pg ads	$34,060
	18 x 1 pg ads	77,670
	2 x inserts	6,000
- TRAVEL AGENT:	2 x inserts	8,820
	2 x 1 pg ads	8,820
TOUR OPERATOR'S MANUAL:	2 x inserts	8,820
	2 x lpg ads	8,820
- ASTA TRAVEL NEWS:	32 pg insert	20,740
- CANADIAN TRAVEL COURIER:	18 x 1 pg ads	59,400
- SPONSORSHIP ADS		20,790

- PRINTING of 250,000 inserts for the publications (including 10,000 for spoilage), plus 25,000 for enquiry servicing: @ $.25 each = $68,750.

SUB-TOTAL: $242,500 U. S.*

*converted at 1.35 exchange rate =$327,375. Cdn.

plus : $ 80,190. Cdn.

TOTAL: $407,565. Cdn.

BOOTH, FURNITURE RENTAL

30.6. TRAVEL TRADE PROMOTIONS

30.6.1. TRADE SHOW PROMOTIONS

NTBA -

- N.T.A. (USA)	$4,000 Cdn.
- ACTA ANNUAL CONFERENCE	4,000 Cdn.
- RENDEZVOUS CANADA	8,000 Cdn.
- TOURISM CANADA JOINT TRADE PROMOTIONS	10,000 Cdn.
- CANPLAN	3,000 Cdn.
- ITB BERLIN 4100	4,000 Cdn.

ODYSSEY - 10,000 WTM - 2000
TOURCAN -

30.6.2. OVERSEAS PROMOTIONS

- CANADA WEST CONSORTIUM	40,000 Cdn.

30.6.3. TRADE SUPPORT

- FAMILIARIZATION TOURS & cooperative MARKETING .	30,000 Cdn.

- Other support and materials, such as posters and consumer guides, which are provided to the travel trade as required , are itemized under the "Marketing Aids" section.

30.6.4. TRADE PROMOTIONS BUDGET — TOTAL : $103,000 Cdn.

31.0. MEDIA RELATIONS PROGRAM

31.1. OBJECTIVES

1. To generate editorial coverage and features worth $100,000 of advertising space value in all influential media (newspapers, magazines, radio, television) over a period of twelve months.

2. To generate 20 major articles, featuring the full range of NWT private sector outdoors/adventure products and services, for use by the press.

3. To develop excellent relations with the press and other travel influencers.

4. To develop a high quality database of influential press contacts.

31.2. STRATEGIES

1. Sponsoring up to 15 media guests, giving primary consideration to supporting TravelArctic's advertising initiatives, other target market media and the private sector.

2. Engaging the services of staff and freelance writers to develop and produce newsworthy feature articles.

3. Leveraging special coverage by influential media, such as the Smithsonian Institute and Natural History.

4. Conducting special media events/promotions, including Minister's functions.

31.3. MEDIA RELATIONS BUDGET

- 15 Media Guests	$30,000 Cdn.
- Writers' Fees	2,000 Cdn.
- Database Development	0
- Special Coverage	0
Media Events/Promotions	5,000 Cdn.
TOTAL:	$37,000 Cdn.

32.0. PUBLIC RELATIONS PROGRAM

32.1. OBJECTIVE

To increase and improve the public's knowledge and understanding of NWT tourism marketing programs and opportunities, especially in all regions of the Northwest Territories.

32.2. INITIATIVES

1. A newsletter program which specifically relates to the marketing program and its various activities, their impacts, potential results, and identifies opportunities for increased participation by the private sector in the program as it is being implemented. Newsletters would be issued three times annually.

2. The production of 10-15 press releases annually, which highlight current tourism sector developments in the Northwest Territories - distributed through the Department of Culture and Communications.

3. Maintaining existing public relations activities in all markets, including lectures, special functions, presentations, public promotions efforts, etc.

32.3. PUBLIC RELATIONS BUDGET

- Newsletter program -	$ 6,000
- Press Release program	0
"- Existing public relations activities:	0
TOTAL:	$6,000 Cdn.

33.0, INDUSTRY SUPPORT

33.1. OBJECTIVE

To assist and facilitate the development and sale of the NWT private sector's tourism products/services.

33.2. INITIATIVES

1. Providing opportunities to the private sector for joint and cooperative marketing.
2. Providing the NWT private sector with high quality leads for followup and conversion to sales.
3. Providing the NWT with planning assistance, direction and guidance.
4. Providing the NWT private sector with image materials to maximize marketing impact and facilitate consistency in the marketplace.
5. Maintaining existing industry support activities in all markets.

33.3. INDUSTRY SUPPORT BUDGET

- image materials	$1,000
other services and activities are funded through other budgets, such as operating overhead.	

34.0. RESEARCH AND EVALUATION PROGRAM

34.1. OBJECTIVE

To obtain the quantitative and qualitative research necessary for management functions of the tourism marketing program, leading to improved program effectiveness and efficiencies.

34.2. INITIATIVES

1. Conducting benchmark surveys of TravelArctic's target markets, in order to establish a quantified base of awareness of the NWT tourism products and services. This is vital to prove current assumptions and to allow the measurement of impact on the marketplace and improvement in programming.

2. Pretesting of marketing communications, through methods such as focus tests and diagnostic testing. This activity is necessary to correct inappropriate messages, images, impressions, and solicitations in the various components of the marketing communications - prior to releasing the communications into the marketplace. This important step also provi_des an excellent opportunity to fine-tune the communications, in order to overcome negative attitudes and perceptions towards NWT tourism products.

3. Conducting tracking studies and impact analysis of the various marketing activities. These provide quantifiable and qualitative evidence of the relative merits of each activity in the achievement of the corporate goals. In addition, they also offer further opportunity for program modifications and adjustments throughout the implementation period. Impact analysis of communications activities include post-testing of awareness and recall levels of the target audience, and lead conversion studies.

4. Developing a detailed profile of the characteristics of the current NWT tourism prospect. Although these profiles reflect current potential for NWT tourism, as a composite, the characteristics will offer insight to the best product features and attributes, as presently perceived by the marketplace. Potential market survey and research data can be assessed from excellent sources outside of TravelArctic in the short term, since proprietory research of this type is prohibitively expensive.

5* Measuring and evaluating the performance of the marketing program, which includes the measurement of results vs the objectives and the determination of the effectiveness and efficiency of the program. This process provides the ability to fine-tune future programs for increased effectiveness in the marketplace.

34.3. RESEARCH AND EVALUATION PROGRAM BUDGET

- Benchmark surveys	$50,000	
- Pretests	45,000	
- Tracking studies	40,000	
- Profile Development	0	
- Evaluations	0	
TOTAL:	$135,000	U*S.
Converted @ 1.35 Exchange =	182,250	Cdn.

35.0. MONITORING & COMMERCIAL INTELLIGENCE PROGRAM

The intent of a formal program of monitoring and commercial intelligence gathering, analysis and evaluation is to provide management with the best quality information necessary for purposes of strategic planning and program management.

Not only is it vital to instill a rigorous routine of monitoring the conduct and impact of proprietary programs, but also any reflective impact on or behaviour change of competitors and any modifications/alterations in global environmental conditions or sector development.

The level of detail of the target information should be determined by management priorities with the procedures of collection, analysis" and evaluation structured to balance available resources and an ideal plan.

VII I ANNUAL BUDGETS

&

TARGET RESULTS

36.0. FISCAL YEAR #1: 1986-87 BUDGET SUMMARY

	$
OUTDOORS/ADVENTURE CONSUMER ADVERTISING. . .	556,690
SPORTSFISHING CAMPAIGN	585,900
DISTRIBUTION/NETWORK ADVERTISING	29,808
MARKETING AIDS	437,200
TRAVEL TRADE ADVERTISING	407,565
TRAVEL TRADE PROMOTIONS	103,000
MEDIA RELATIONS PROGRAM	37,000
PUBLIC RELATIONS PROGRAM	6,000
INDUSTRY SUPPORT/COUNSELLING	1,000
RESEARCH AND EVALUATION PROGRAM	182,250
TOTAL:	$2,346,413

36.1. GROSS REVENUE PROJECTIONS: YEAR #1

2% conversion of outdoors/adventure program leads = $755,150

5% conversion of sportsfishing leads = $2,009,150

TOTAL : $2,764,300

37.0. FISCAL YEARS #2 AND #3: STRATEGIC OVERVIEW

37.1. PLANNING PROCESS

The planning process for the second year's marketing activities must begin with the analysis and evaluation of results from the first year's activities, together with a charting of progress against corporate goals and objectives.

The first year's activities reflect the minimum level required to enter the U.S. market for outdoors/adventure travel and the highly developed American Sportsfishing market. In order to maintain the new base and then develop increased market share, it will be necessary to increase the relevant level of marketing activities over the next two years.

The same is necessary for the development of the travel trade, collateral industry support, media and public relations. Furthermore, specific marketing initiatives should be implemented in special interest markets of Canada and Overseas Regions for longer term development, particularly with the travel trade in these geographic markets.

The increased cost of development will increase the cost of acquisition of sales in the short term, but will return significant net revenues in the third year and beyond.

Assuming that the stated levels of enquiries and sales conversions are achieved in the first year, these would represent:

* a cost per lead for outdoors/adventure products of $8.10 each; and

  a cost per sale of $405.45.

* a cost per lead for the sportsfishing product of $8.02 each; and

  a cost per sale of $160.39.

The second year's objective for enquiries and sales would be to not exceed the product cost ($550) while increasing market share in the outdoors/adventure category, and to aim for increased cost of market share limited at a maximum cost of new leads of $30 each (new average of $19 each for the second year) for the sportsfishing market, converting at a cost per sale of $432.00 ea.

The following budget forecast reflects estimated costs of ‘ manageable market share growth.

The third year would yield sportsfishing enquiries at a much lower cost per enquiry and all product categories would begin “ to yield significant increases in sales conversion rates (10%), lowering cost of sales to: $236.00 ea.

38.0. FISCAL YEAR #2: 1987-88 BUDGET FORECAST

	$
OUTDOORS/ADVENTURE CONSUMER ADVERTISING. . .	
100,000 leads @ $10.00 each	1,000,000
SPORTSFISHING CAMPAIGN:	
30,000 leads @ $ 8.00 each	240,000
30,000 leads @ $19.00 each	570,000
30,000 leads @ $30.00 each	900,000
DISTRIBUTION/NETWORK ADVERTISING increase reach and frequency	70,000
MARKETING AIDS increase quantities	487,000
TRAVEL TRADE ADVERTISING	450,000
TRAVEL TRADE PROMOTIONS	135,000
MEDIA RELATIONS	40,000
PUBLIC RELATIONS extend to the U.S.	10,000
INDUSTRY COUNSELING	5,000
RESEARCH AND EVALUATION add market testing	200,000
TOTAL:	$4,107,000

38.1. GROSS REVENUE PROJECTIONS

5% conversion of 100,000 outdoors/adventure leads
= 5,000 sales x $550 each = $2,750,000

5% conversion of sportsfishing leads
= 4,500-sales x $550 each = $2,475,000

TOTAL : $5,225,000

39.0. FISCAL YEAR #3: 1988-89 BUDGET FORECAST

	$
OUTDOORS/ADVENTURE CONSUMER ADVERTISING. . .	
100,000 leads @ $10.00 each	1,000,000
SPORTSFISHING CAMPAIGN:	
36,000 leads @ $ 8.00 each	360,000
32,000 leads @ $14.00 each	448,000
ARTS/CULTURE/TOURING	300,000
DISTRIBUTION/NETWORK PROGRAM includes coop marketing	200,000
MARKETING AIDS	550,000
TRAVEL TRADE ADVERTISING	450,000
TRAVEL TRADE PROMOTIONS	145,000
SPECIAL OVERSEAS TRAVEL TRADE PROMOTIONS	200,000
MEDIA RELATIONS	50,000
PUBLIC RELATIONS	10,000
INDUSTRY COUNSELING	5,000
RESEARCH AND EVALUATION	250,000
TOTAL:	$3,968,000

39.1. GROSS REVENUE PROJECTIONS

10% conversion of 100,000 outdoors/adventure leads
= 10,000 x $550 each = $5,500,000

10% conversion of 68,000 sportsfishing leads
= 6,800 X $550 each = $3,740,000

TOTAL : $9,240,000

40.0. PLANNED REVENUE PROJECTIONS

The following program results are calculated on two scenarios:

1. a pessimistic trip revenue value of $550 per visitor; and
2. a moderate trip revenue value of $750 per visitor - (based on past research, "as high as $1,500 per visitor has been attributed - "Visitors to the N.W.T. and Activity of N.W.T. Tourism Business 1983").

40.1. SCENARIO #1 (PESSIMISTIC AT $550 VALUE PER TOURIST);

Year #1 results:	5,026 sales @ $550 each	=	$ 2,764,300.
year #2 results:	9,500 sales @ $550 each	=	5,225,000.
	*plus .8% residual impact (lead conversion) of Year #1 marketing activities: 2,011 sales @ $550 each	=	1,106,050.
year #3 results:	16,800 sales @$550 each	=	9,240,000.
	*plus .4% residual impact (lead conversion) of Year #1 marketing activities: 1,005 sales @ $550 each	=	552,750.
	* plus .8% residual impact (lead conversion) of Year #2 marketing activities: 3,800 sales @ $550 each	=	2,090,000.
	Subtotal		$20,978,100.
year #4 residual results (if program stops in 3 years):	*.4% of Year #2 marketing impact (lead conversion) 1900 sales	=	$1,045,000.
	*.8% of Year #3 marketing impact (lead conversion) 6720 sales.	=	3,696,000.
Year #5	.4% of Year #3 3,360 sales		1,848,000.
			$27,567,100.
Program Costs:	$ 2,346,415.		
	4,107,000.		
	3,968,000.		
	$10,421,415.		

40.2. SCENARIO #2 (MODERATE AT $750 VALUE PER TOURIST);

Year #1	5,026	sales	@	$750	each	=	$ 3,769,500.
Year #2	9,5oo	sales	@	$750	each	=	7,125,000.
	2,011	sales	@	$750	each	=	1,508,250.
Year #3	16,800	sales	@	$750	each	=	12,600,000.
	1,005	sales	@	$750	each	=	753,750.
	3,800	sales	@	$750	each	=	2,850,000.
							$28,606,500.
Year #4	1,900	sales	@	$750	each	=	1,425,000.
	6,720	sales	@	$750	each	=	5,040,000.
Year #5	3,360	sales	@	$750	each	=	2,520,000.
							$37,591,500.

Program Costs: $ 2,346,415.
4,107,000.
3,968,000.
$10,421,415.

R.O.I.: 3.61:1

Footnote: @ $1,500 per visitor, total revenues would be $75,183,000 and the R.O.I. would be 7.22:1.

IX CHARTS & TABLES

41.0. CHARTS & TABLES

41.1 Table of Contents for Charts and Tables

Table of Contents (Cont.)

41.2. Table References:

1. International Tourism

Tables 1-4: Tourism Canada, A Statistical Analysis of Overseas Travel to and from Canada, 1972-1983. (January , 1985) .

2. Travel in or to Canada

Tables T5-T8: Tourism Canada, A Statistical Analysis of Overseas Travel to and from Canada 1972-1983, (January, 1985).

3. Travel to NWT:

Tables T9, TIO, T12-T20: Government of NWT, Visitors to the Northwest Territories, (1982, 1983, and 1984 reports).

Tables T11 and T22 Acres International, Conversion Study for 1984 Sportsmen's Shows, (March 1985) .

Tables T21 and T23 Government of Northwest Territories, Conversion Study of Edmonton Sportsmen's Show (First and Second Round), (Feb. '84 and Jan. '85).

4. Overseas Visitors: By Province and Region of Origin

Tables T24-T36 Tourism Canada, A Statistical Analysis of Overseas Travel to and from Canada, 1972-1983, (January, 1985).

5. U.S. Outdoors Market:

Tables T37-T41 U.S. Department of the Interior, 1980 National Survey of Fishing, Hunting and Wildlife-Associated Recreation, (November 1982).

WORLD INTERNATIONAL TOURISM

		Tourist Arrivals (Market Share %) 1972	1980	1983	Market Share of Tourism Receipts (%) 972	1980	i983
CANADA	Overseas	745	1,822	1,578	.59	.66	.63
		.40	.64	.55			
	Overseas & US	13,812	12,785	12,491	4.5	2.3	2.7
		7.5	4*5	4.4			
USA	Overseas	2,862	8,200	7,873	4.7	5.7	6.5
		1.55	2.88	2.75			
	Overseas ,Can., & Mexico	13,057	22,785	21,729	11,4	10,9	11.9
		7.1	8.1	7.6			
	N. America	26,869	35,933	34,220	15.9	13.3	14,6
		14.5	12.6	12			
	All Americas	39,400	54,747	51,170	24.8	23.2	24.6
		21.4	19.3	17.9			
	Latin America	3,231	12,037	10,200	5.2	6,5	5.9
		4.6	4.2	3.&			
	Caribbean	4,300	6,777	6,750	3.7	3.5	4.2
		2.3	2.4	2.4			
	Europe	131,800	196,923	196,150	65.3	63.5	59.2
		71.5	69.3	68,5			
	East Asia & Pacific	4,960	17,462	21,780	4.9	6.2	8.2
		2.7	6.1	7.6			
	South Asia	980	2,290	2,450	.60	1.0	1.3
		.53	.81	.86			
	Middle East	3,310	5,821	7,000	1.6	3.3	3,4
		1.8	2*1	2.4			
	Africa	2,580	6,408	6,700	2.6	2.0	2.1
		1.4	2.3	2.3			
	Australia & N.Z.	600	1,206	1,470	.86	1.2	1.4
		.33	.42	.51			
	WORLD TOTAL	184,300	784.300	286,478			

(in thousands)

WORLD INTERNATIONAL TOURISM: Trends in receipts and Arrivals by Region, 1972=100

		TOURIST ARRIVALS			TOURIST RECEIPTS		
		1973	1980	1983	1973	1980	1983
CANADA	Overseas	124.8	244.6	211.8	136.1	433.3	410.9
	Overseas & U.S.	104.6	92.6	90.4	115.8	202.8	232.7
USA	Overseas	123.2	286.5	275.1	129.2	476.1	538
	Overseas, Can, & Mex.	106.4	177.3	166.9	121.1	375.9	405
N. America		105.7	133.7	127.4	119.5	326.7	356.1
All Americas		100.3	139	129.9	120.3	366	385.5
Latin America		85.2	146.2	123.9	118	483.9	440.2
Caribbean		94.9	157.6	157	127.2	368	434.8
Europe		103.7	149.4	148.8	127.2	380.6	351.9
East Asia & Pacific		109.9	352.1	439.1	141.5	554	729.5
South Asia		117.3	233.7	250	133.3	668	833.3
Middle East		103.3	175.9	211.5	125	538	550
Africa		136.4	248.4	259.7	133	325.3	333.3
Australia, N.Z.		116.7	201	245	123	553	643.2
WORLD TOTAL		103.8	154.3	155.4	126.2	391.3	388

WORLD INTERNATIONAL TOURISM: TOURIST ARRIVALS - TOP 10 DESTINATIONS

(arranged in order of 1982 importance)

	1977	1980	1982	% change 1977-1982	% of World Total. 1982	Arrivals per 1000 population 1982	Population 1982
1. FRANCE	26,265	30,100	33,156	26.2%	11.6%	610	54,353
2. SPAIN	21,000	22,500	25,291	20.4%	8.9%	665	38,018
3. ITALY	17,549	22,087	22,223	26.6%	7.8%	394	56,266
4. U.S.	18,610	23,148	21,794	17.1%	7.6%	94	232,057
5. AUSTRIA	11.7[illegible]8	13.87[illegible]	1[illegible].253	21.3[illegible]	5[illegible]	1.882	7.[illegible]70
6. CANADA	12,673	12,785	12,183	-3.9%	4.3%	494	24,625
7. U.K.	12,281	12,420	11,646	-5.2%	4.1%	208	56,004
8. W. GERM.	[illegible].[illegible]93	11.122	11,075	13.1%	3.9%	180	61.[illegible]38
9. SWITZ.	8,341	8,873	9,186	10.1%	3.2%	1,424	6,448
10. CHINA	3.100	5.[illegible]03	7,924	155.6%	2.8%	7	1,044,818

(in thousands) (in thousands)

AIRLINE TRAFFIC TREND:

(1972=100)

	Passengers Carried			Passenger Miles Flown		
	1973	1980	1983	1973	1980	1983
WORLD	106.1	162.3	169.6	106.1	187	201.7
U.S.	105.7	155.2	166.2	106.3	167.5	184.7
CANADA	121.5	198.6	169.4 (1982)	119.3	216.3	190.4 (1981)

TOTAL NORTH ATLANTIC

Passengers Carried

	Scheduled Service	Charter Service	TOTAL
1973	105.1	115.2	107.6
1980	170.4	63.6	143.5
1983	177.6	69.7	150.4

Person Trips in or to Canada by three segments.

	By Canadians	By US Visitors	Overseas Visitors	Total	
1972	NA	36,246	902	NA	(in thousands) (% of total)
1979	114,004	31,192	2,010	147,206	
	(77.4%)	(21.2%)	(1*4%)		
		-13.9%	+122.8%	(%	change)
1981	110,154	39,808	2,145	152,107	
	(72,4%)	(26.2%)	(1.4%)		
	-3.38%	+27.6%	+6.7%	+3.3%	
1982	101,642	32,432	1,975	136,049	
	(74.7%)	(23.8%)	(1.5%)		
	-7*7Z	-18.6%	-7.9%	-10.6%	
	-10.8%	-10.5%	+119%	-7.6%	(cumulative change)

Total US and Overseas Visitors.

	Total US & Overseas Visitors	U.S. Share	Overseas Share	
1972	37,148	97.6%	2.4%	(in thousands)
1977	33,198	95*7%	4.3%	
	-10.6%			(% change)
1980	40,664	94.7%	5.1%	
	+22.5%			
1983	34,256	94.8%	5.2%	
	-15,8%			
	-7,8%			(cumulative change)

Total Foreign Visitors from US and Overseas

(1 or more nights, in thousands)

	Us.	Overseas	Total	
1972	13,607	745	14,352	
1983	10,913	1,578	12, 491	
	-19.8X	+111.8%	-13%	% change

% visiting for 1 or more nights

	U.S.	Overseas
1972	36%	82.6%
1983	33.6%	88.8%

Total Overseas Visitors to Canada: Direct and Via US.

(in thousands)

	Direct	Via US	Total	
972	452	450	902	
	(50. 1%)	(49 .9%)		
981	994	1,151	2,145	
	(46 ● 3%)	(53 . 7%)		% of total
	+119.9%	+155.8%	+137.8%	% change
983	849	927	1,776	
	@:. 8%)	(52. 2%)		
	. 6%	-19. 5%	-17.2%	
	+87.8%	+106%	+96.9%	cumulative change

Person Nights Spent in Canada.

(in thousands)

	By Canadians	By US Visitors	By Overseas Visitors	Total	
972	NA	58,050	12,495	NA	
979	301,417 (79.9%)	52,531 (13.9%) -9 .5%	23,264 (6.2%) +86 .2%	377,212	% of Total % change
982	256,433 (78%) -14 ,9x	47,325 (14.4%) -9.9% -18.5%	25,203 (7 .6%) +8, 3% +101.7%	328 961 -12 .8%	Cumulative change

	Combined US & Overseas Visitors	Us. Share	Overseas Share	
1972	70,545	82.3%	17.7%	
1979	75,795 +7.4%	69.3%	26.9%	% change
1982	75,528 -.4% +7.1%	55.3%	44.7%	cumulative change

Travel Expenditures in Canada.

(in $millions)

	By Canadians	By us Visitors	By Overseas Visitors	Total	
i972	3,878 (75.9%)	1,023 (20%)	207 (4%)	5,108	% of total
1983	14,710 (79.3%) +279%	2,664 (14.4%) +160.4%	1,177 (6 .3%) +468.6%	18,551 +263.2%	% change

	Combined US & Overseas Visitors	Us. Share	Overseas Share
1972	1,230	83.2%	16,8%
1983	3,841 +212.3%	69.4%	30.6%

Travel by Canadians In and Out of Canada: Person Trips.

	In Canada	To United States	To Overseas	TOTAL	
972	114,004*	30,497	1,144	NA	in thousands
	75.9%	NA	NA	NA	% of total
	NA	NA	NA	NA	% change
980	110,996	34,743	1,585	147,324	
	75.3%	23.6%	1.1%		
	-2.6%	+13.9%	+38.5%		
982	101,642	33,322	1,489	136,453	
	74.5%	24.4%	1.1%		
	-8,4%	-4.1%	-6.1%		
	(-10.8%)	(+9 .3%)	(+30 .2%)	(-7 *4%)	% cumulative change

*1979 figure

Total Canadian Person-Trips to US and Overseas.

	TOTAL, To US & Overseas	AS % OF TOTAL To us	To Overseas	
1972	31,591	96.5%	3.5%	
1980	36,328 +15%	95.6	4.4	% change over previous period
1983	40,731 +12.1% (+28 .9%)	95.7	4.3	% cumulative change
	(in thousands)			

VISITORS TO NWT - Number and Mode of Entry

		Ft. Smith	Inuvik	Kitikmeot	Keewatin	Baffin	All NWT	
Summer 1982	Air	19,300 (65.9%)	7,000 (63.6%)	400 (100%)	600 (100%)	2,500 (100%)	29,800 (67.7%)	(% of total using mode of transpo
	Road	10,000 (34.1%)	4,000 (36.4%)		-	-	14,000 (33.3%)	
	Total	29.300	11.000	400	600	2,500	44,000	(rounded to nearest)
Summer 1983	Air (Charter & Private Aircraft)						15,000 (11,300) (59.8%)	
	Road						17,500 (39.8%)	
	Total						44,000	
Summer 1984	Air	14,000 (63.6%)	11,750 (74.6%)	400 * (100%)	400 100%)	3,250 (100%)	29,800 (71.2%)	
	Road	8,000 (36.4%)	4,000 (25.4%)	-	-	-	12,000 (28.7%)	(rounded to neares 250)
	Total	22.000	15.750	400 *	400	3,250	41,800	
		-24.9	+30.2	0	-33.3%	+30%	-5.0% +40.2%	

* Estimate based om assumption there was no change in amount from 1982.

VISITOR SPENDING IN NWT

		[illegible]	[illegible]	Kitikmeot	Keewatin	Baffin	NWT Total	
Summer 1982	Air	18,103,400	14,511,000	440,000	660,000	2,702,500	36,416,900	Dollars
	Road	2,180,000	516,000	-	-	-	2.69[illegible].000	
	Total	20 283.[illegible]	15,027,000	440,000	660,000	2,702,500	[illegible]0.000.000	(rounded to nearest million)
Summer 1983	Total	-	-	-	-	-	65,000,000 +62.5%	
Summer 1984	Total	24,000,000 +18.3%	17,000,000 +13.1%	600,000 +36.4%	600,000 -9.1%	3,500,000 +29.5%	46,000,000 -29.2% +26.3%	(rounded to nearest million)

ACRES CONVERSION STUDY (1984 shows)

Purpose of Trip.

	Vancouver	Toronto	Edmonton	Calgary
Pleasure	53%	75%	47%	67%
Business	47%	8 %	33%	27%
Plea& ure/Bus	0	17%	19%	7%
No Reply	0	0	0	0

Pleasure Travel vs. Camping and Meal Preparation.

	Vancouver	Toronto	Edmonton	Calgary
Pleasure* Travel	53%	83%	60%	70%
Campers	33%	75%	61%	67%
Made most meals	33%	75%	53%	60%

* Those stating pleasure as purpose of visit and 1/2 of those stating combined pleasure/-business (etc) as purpose of visit.

Do you intend to visit in 1985?

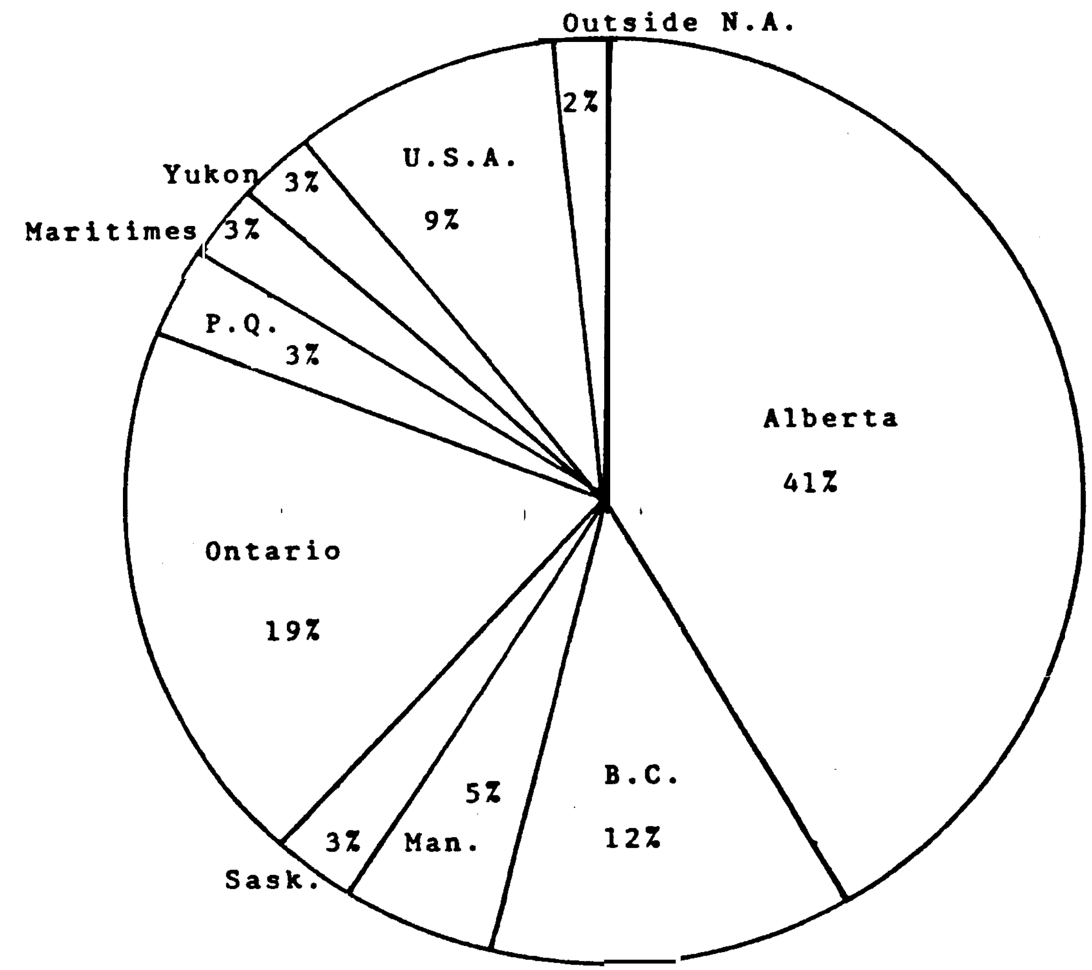
	Vancouver	Toronto	Edmonton	Calgary
Yes	7%	8,7%	20.7%	12.6%
No	62.1%	64.3%	46.7%	55.5%
Not sure	30.9%	27%	32.6%	31.9%

RATES OF CHANGE, NWT, 1982-1984: VISITOR EXPENDITURES & VISITATION

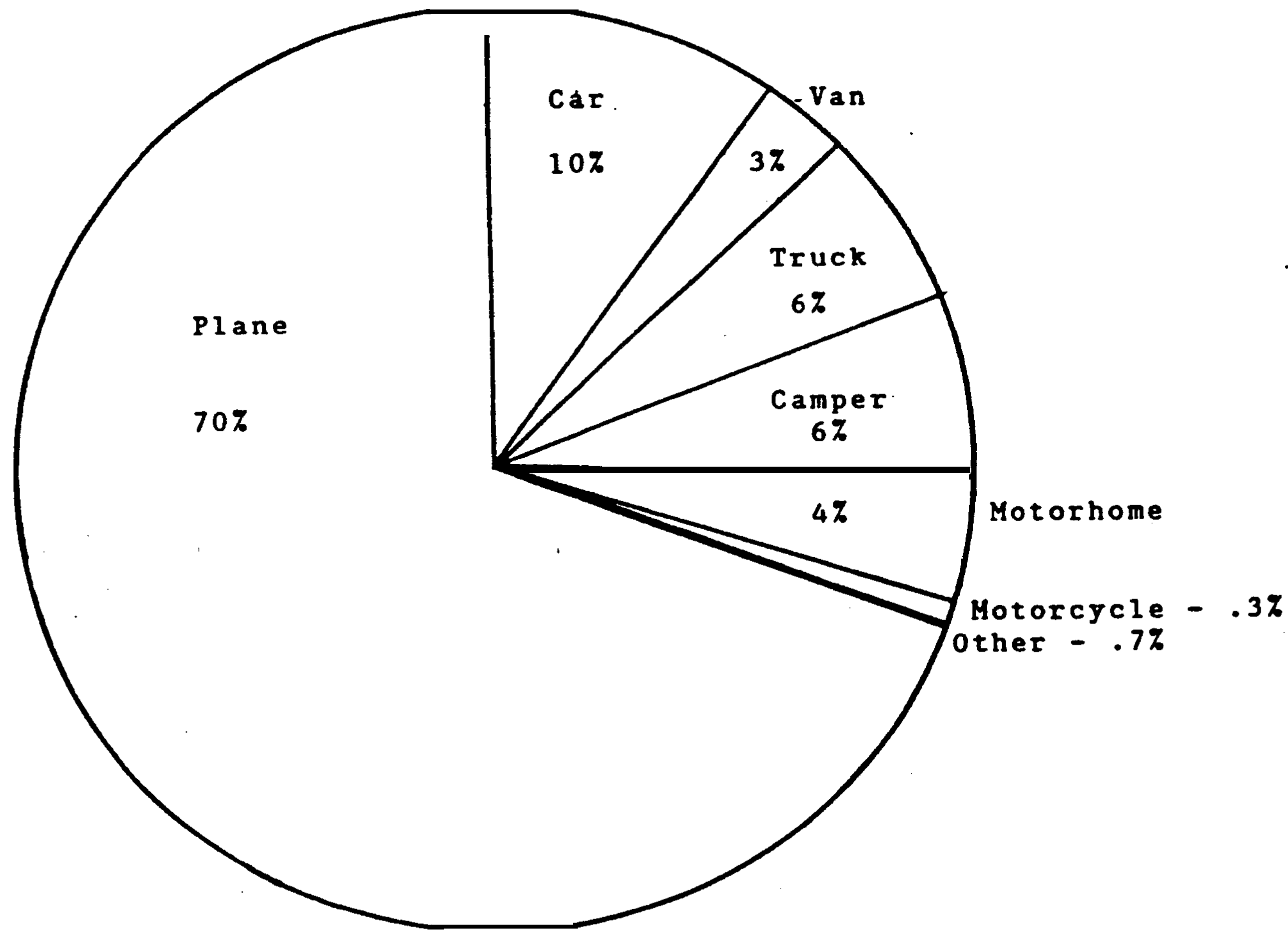
	Expenditures	Visitations
Baffin	+13%	+37%
Inuvik	-3%	+74% (air only)
Fort Smith	-1.5%	-26% (air) -16% (road) -22% (total)
Change in Total Expenditures & Visitation	+1%	-7%

* Based on surveys taken for 70 day periods in summers.

NWT Visitor - PLACE OF RESIDENCE - June-September 1984

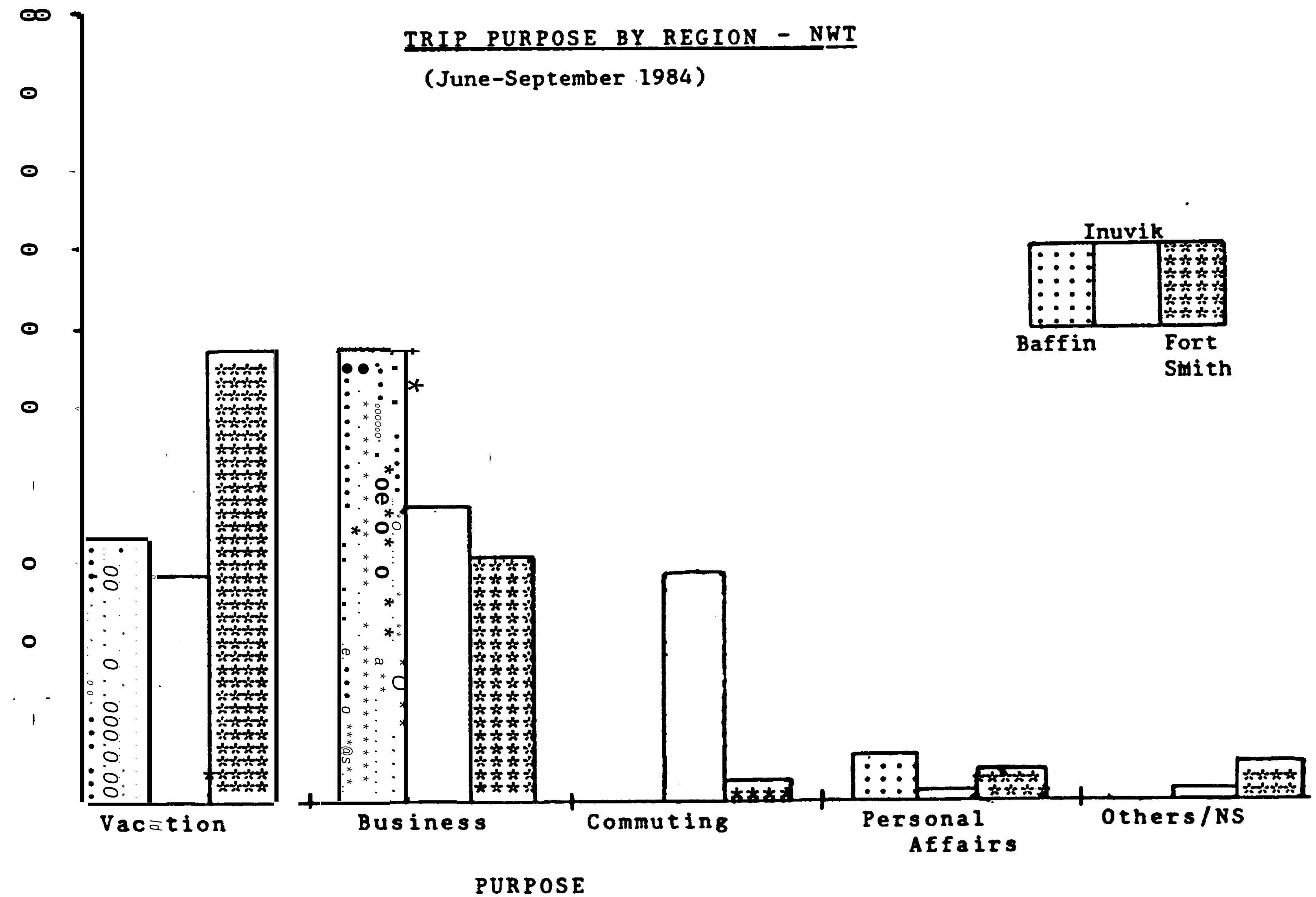


MODE OF TRANSPORTATION - ALL NWT
(June-September 1984)



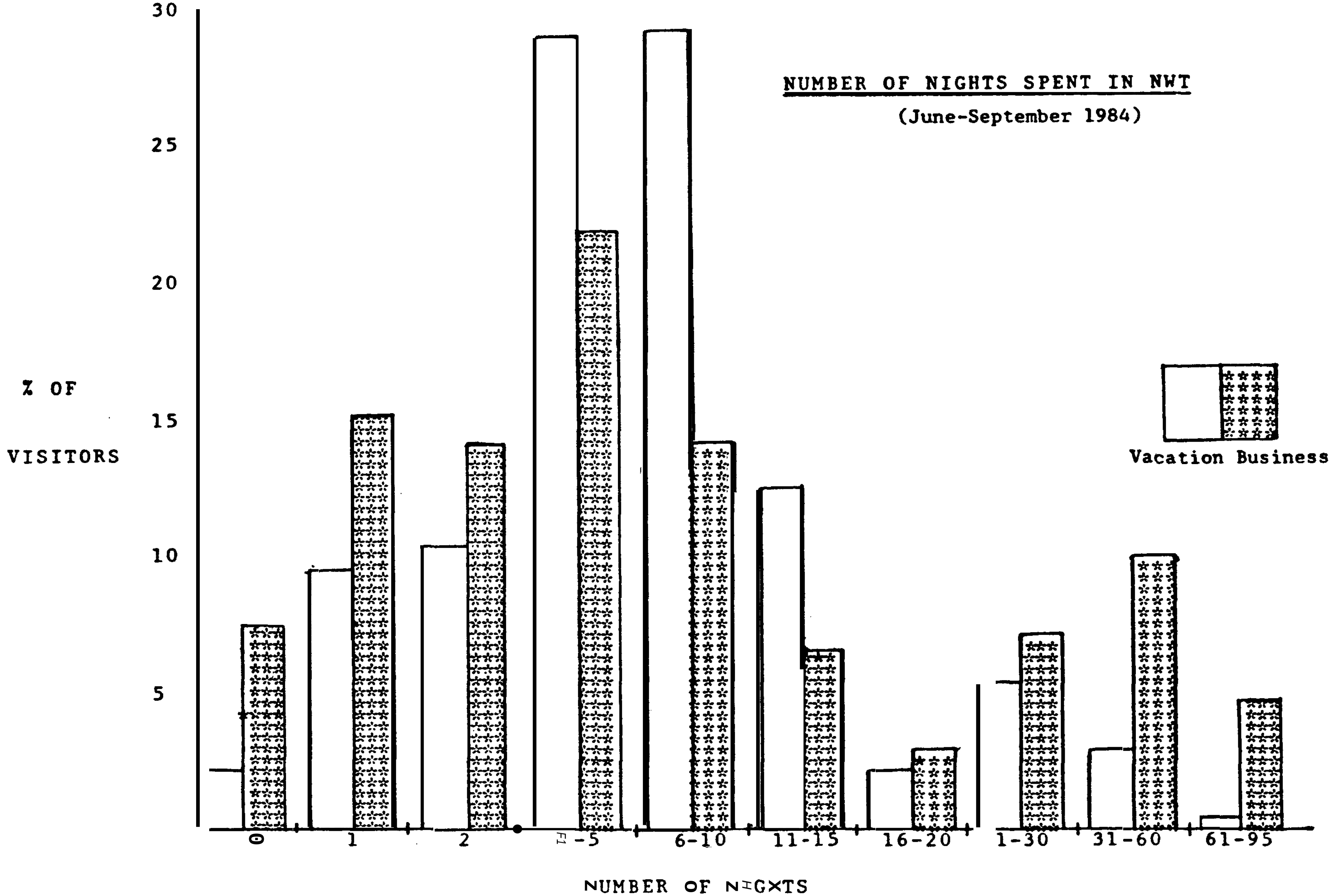
TRIP PURPOSE BY REGION - NWT

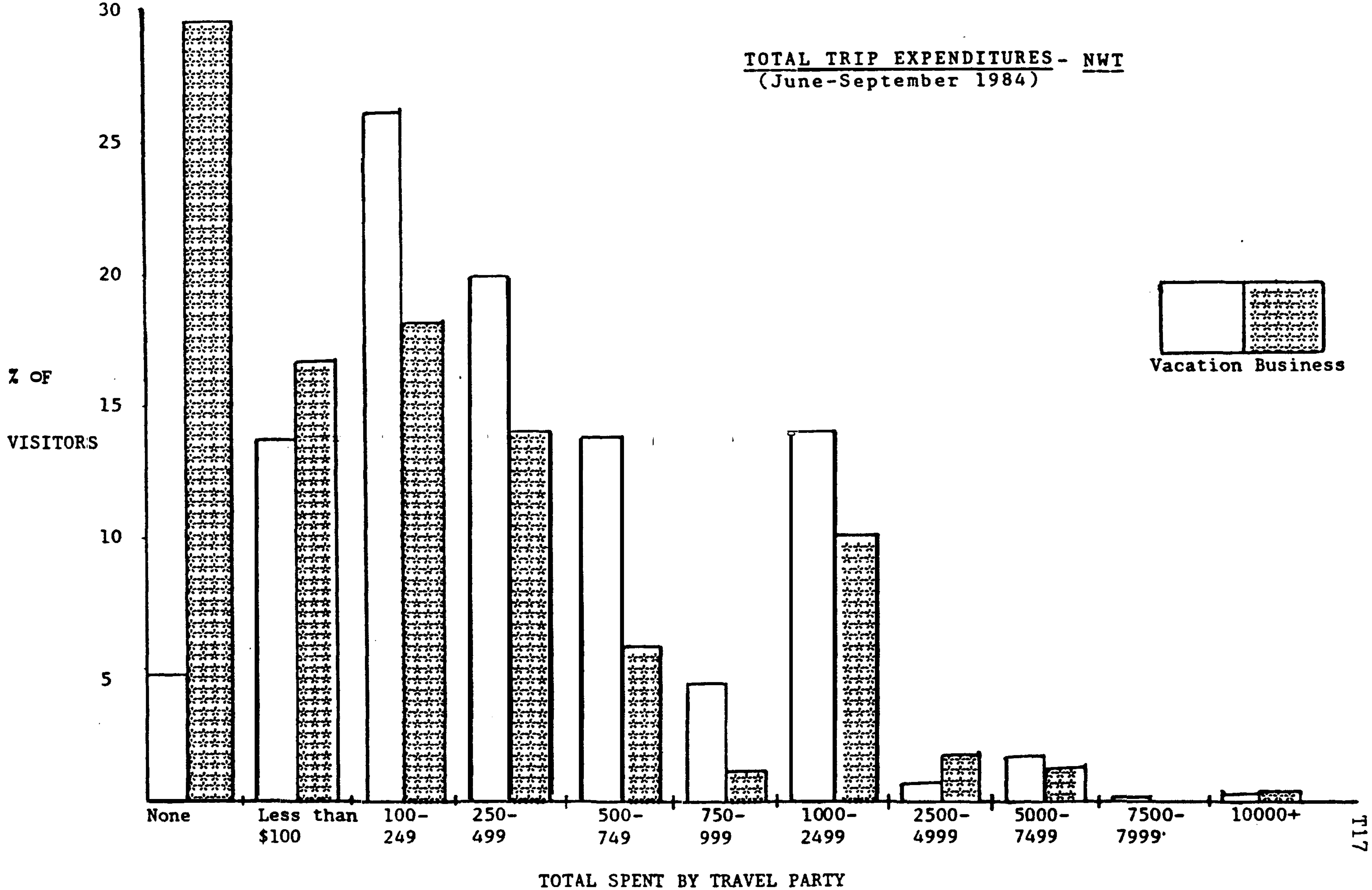
(June-September 1984)



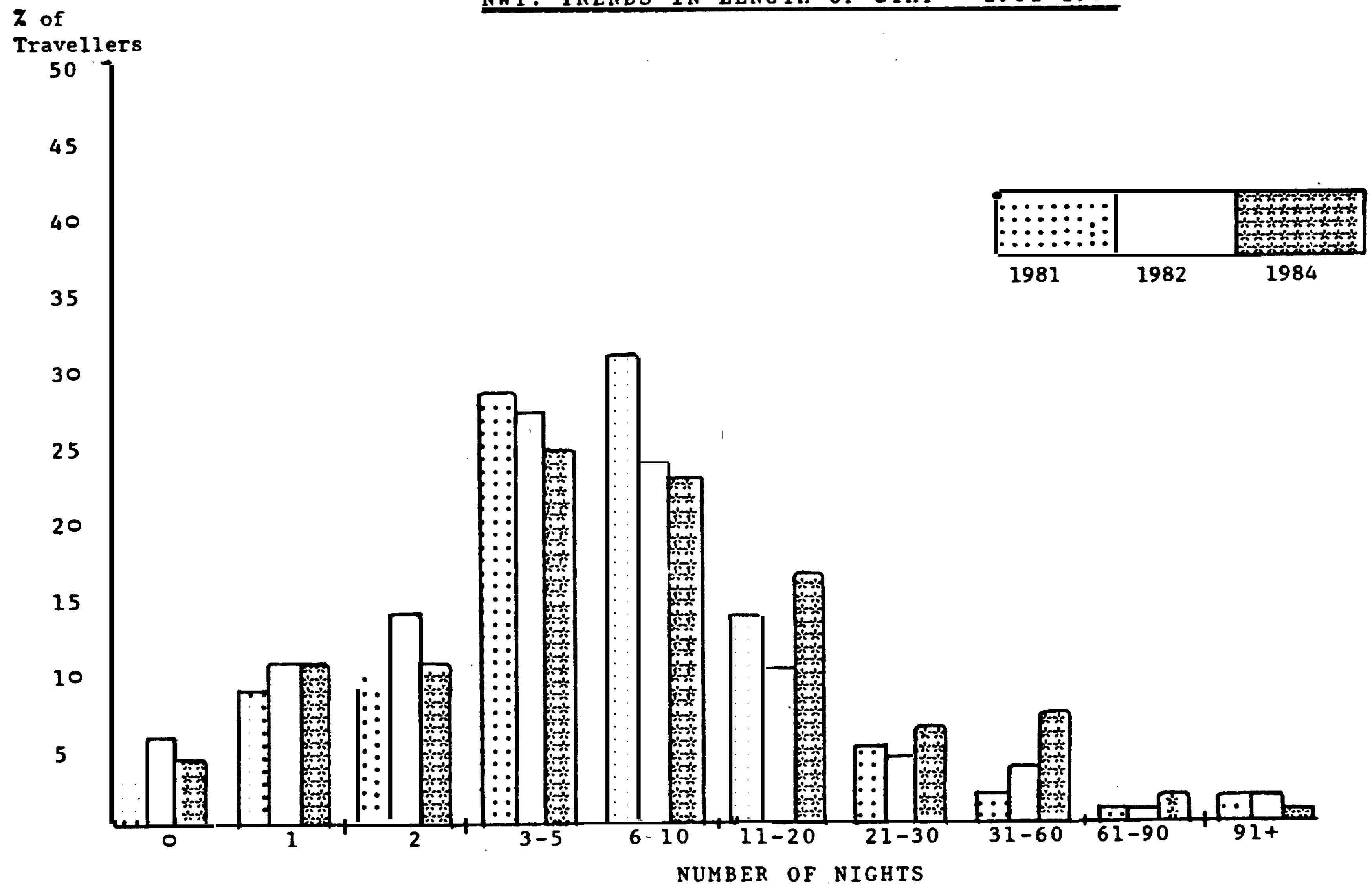
NUMBER OF NIGHTS SPENT IN NWT

(June-September 1984)

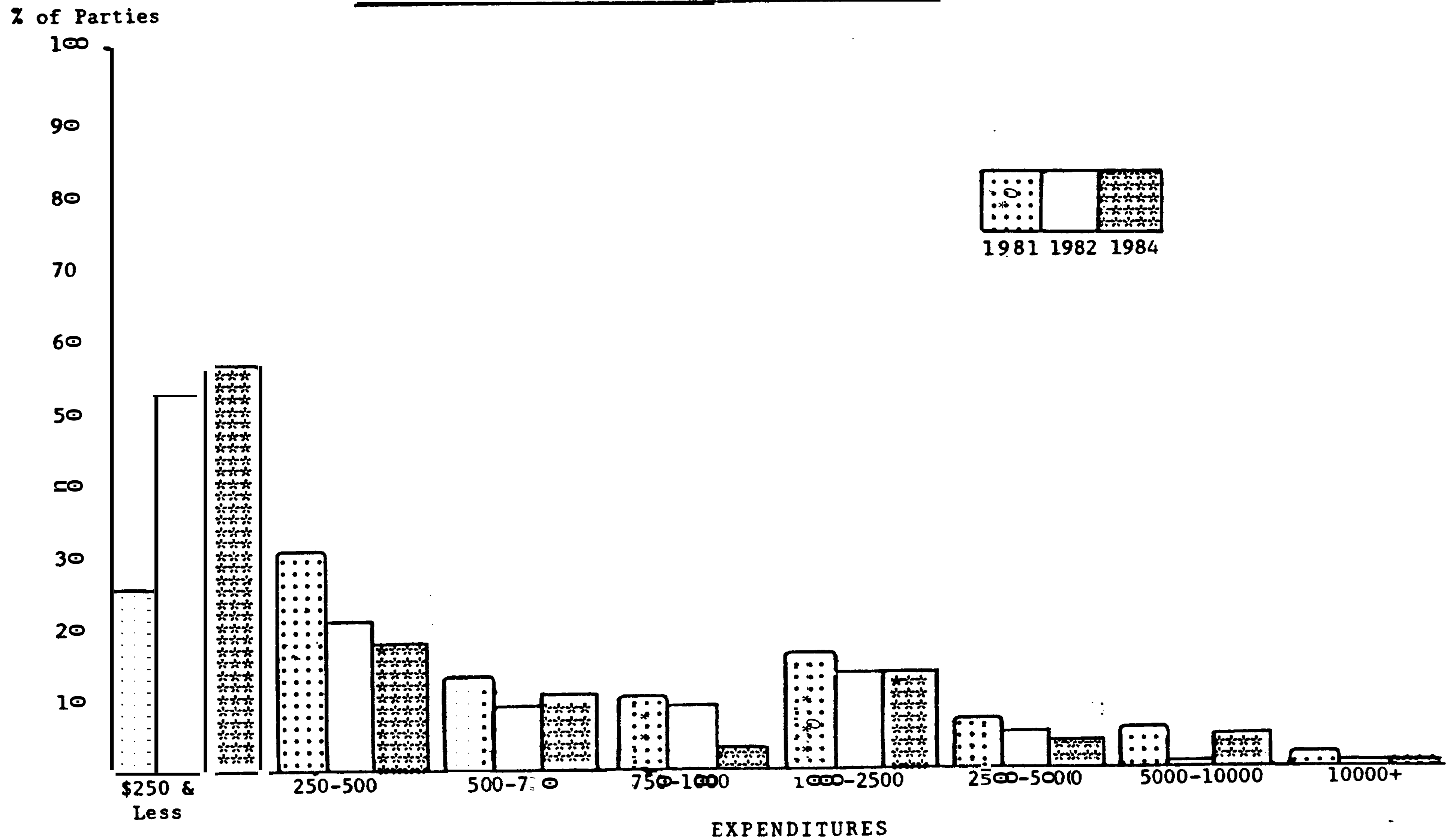



TOTAL TRIP EXPENDITURES- NWT
(June-September 1984)
Vacation Business
% OF
VISITORS
30
25
20
15
10
5
None
Less than $100
100-249
250-499
500-749
750-999
1000-2499
2500-4999
5000-7499
7500-7999
10000+
TOTAL SPENT BY TRAVEL PARTY

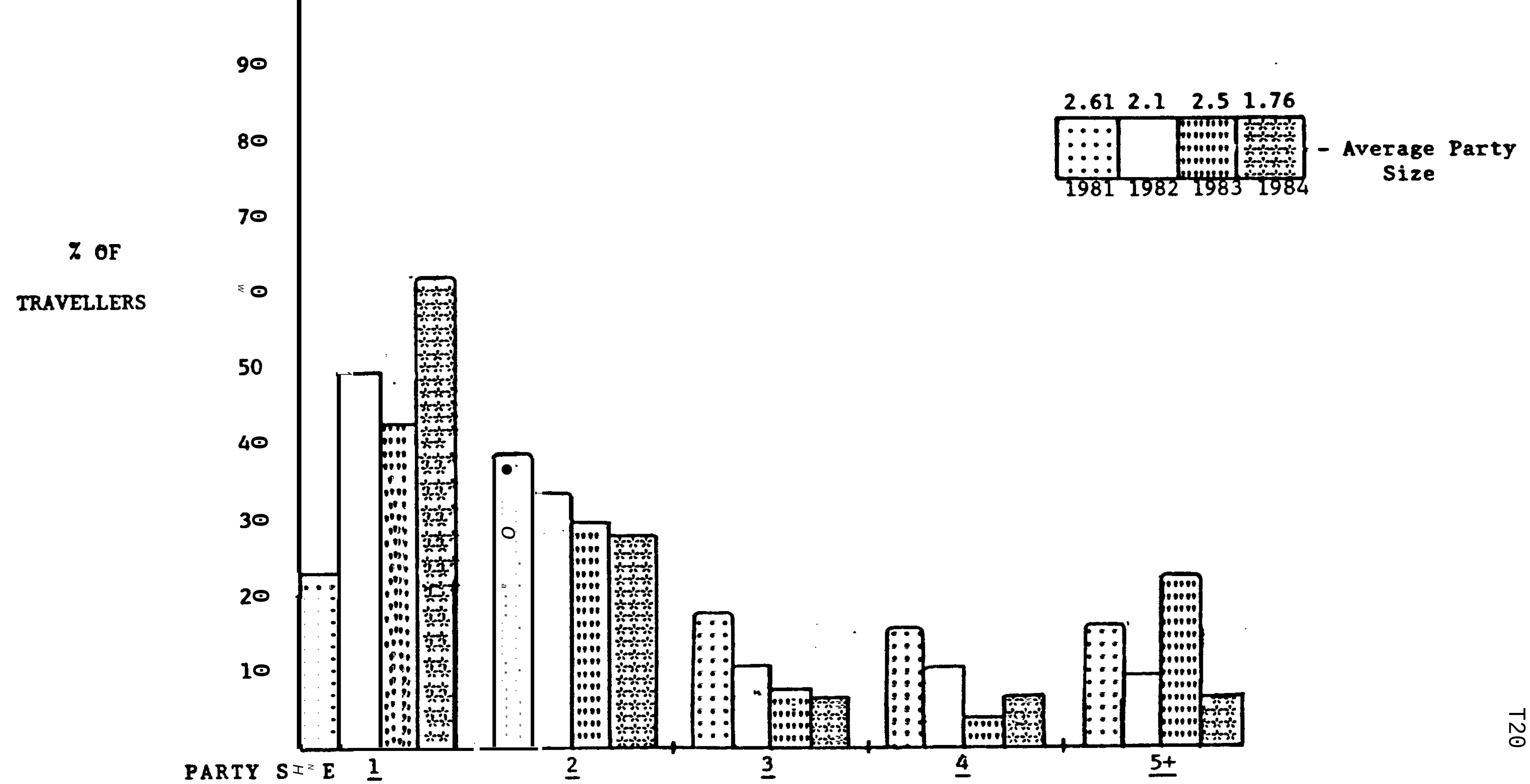
NWT: TRENDS IN LENGTH OF STAY - 1981-1984



NWT - TRENDS IN EXPENDITURES: 1981-1984



NWT - PARTY SIZE TRENDS: 1981-1984



- Lone Travel Parties are becoming increasingly popular.

CONVERSION STUDIES Based on March 1983 Edmonton Sportsmen's Show)*

1. Are you considering trip to NWT?

	in 1984? Feb '84	in 1985? Jan '85
Yes	35.4%	34.4%
No	6.6%	17.2%
Maybe	56.4%	48.4%
No Reply	1.6%	NA

2. Did you or your family visit NWT?

	in 1983? Feb '84	in 1984? Jan '85
Yes	16.6%	20.3%
No	82.3%	78.6%
No Reply	1.1%	1.1%

* Both samples are from respondents to the original survey of inquirers at the TravelArctic booth at the March '83 Edmonton show. Thus, the same people were surveyed for the Feb '84 and Jan '85 conversion studies.

CONVERSION STUDY (based on sportsmen's shows in Vancouver, Toronto, Edmonton, and Calgary in 1984)*

1. Did you visit the NWT in 1984?

	Vancouver	Toronto	Edmonton	Calgary
Yes	5.9%	3.7%	13.8%	6.3%
Error Bounds, + or -	2.6%	1.9%	3.8%	2.6%

2. Did you visit the NWT because of the TravelArctic information?

	Vancouver	Toronto	Edmonton	Calgary
Yes	2%	.9%	4.6%	2.1%
Error Bounds, + or -	1.5%	1%	2.3%	1.5%
Base (number who recalled TravelArctic booth)	252	322	261	238

* Study by Acres International.

<u>CONVERSION STUDIES</u> (based on March 1983 Edmonton Sportsmen's Show)

3. Did you visit NWT for pleasure business personal?

	1983 Visit Feb '84	1984 Visit Jan '85
Pleasure only)	48%	21
Business (only)	30%	11
Personal (only)	-	1
Pleasure Bus.	14%	11
Pleasure/Pers.	2%	4
Business/Pers	2%	1
Pleasure Bus/Pers	-	-
No Reply	7%	-
		49*

* Absolute figures. Base too small to reach conclusive results.

TOTAL OVERSEAS VISITORS: NUMBER OF VISITS (1981) BY REGION & PROVINCE

PROVINCE VISITED / REGION OF ORIGIN	Nfld	PEI	NS	NB	PQ	Ont	Man	Sask.	Alta	B.C.	Yukon NWT	Can.
Europe	10,809	5,236	32,115	20,073	358,281	900,667	50,400	32,263	169,694	308,699	10,209	1,888,516
France	8[illegible]5	1,[illegible]2	3,414	4,236	1[illegible] 222	67,681	3,236	2,336	6,460	9,077	960	203,509
W. Germ.	[illegible]50	498	3,775	2,702	40,503	161,786	10,031	6,802	41,927	70,833	5,120	345,027
Italy	158	-	464	661	21,228	52,428	2,110	1,282	3,183	6,826	246	88,586
Neth.	324	128	1,463	930	11,611	56,351	3,835	2,637	16,257	26,974	404	120,914
Switz.	88	272	712	821	22,742	31,585	1,876	1,220	5,500	11,014	2,040	77,870
U.K.	5,041	2,949	17,685	8,525	73,493	376,593	21,256	14,538	78,861	141,501	721	741,163
Africa	259	129	1,256	512	20,735	30,350	1,031	583	6,856	11,816	125	73,652
Asia	1,318	800	4,359	1,348	71,073	262,664	6,123	3,894	59,979	155,199	346	567,103
Japan	[illegible]74	[illegible]48	1,5[illegible]8	22[illegible]	19,113	8[illegible],8[illegible]	2,[illegible]13	1,797	[illegible]1,214	79,275	220	233,642
Central America	83	-	396	531	28,639	52,159	1,586	1,055	4,347	15,826	236	104,858
Mexico	[illegible]1	-	26[illegible]	2[illegible]5	25,664	46,379	1,342	947	3,431	15,034	135	93,478
Caribbean	278	99	1,858	1,[illegible]7	24,539	84,563	1,777	1,087	3,296	6,351	3	124,858
South America	34	196	800	[illegible]8[illegible]	35,58[illegible]	59,374	968	410	4,371	13,851	76	116,145
Oceania	372	388	1,[illegible]93	1,305	14,942	48,060	5,137	4,396	24,714	47,391	1,664	150,062
Australia	351	333	1,331	896	11,821	[illegible]7,744	4,095	3,371	19,498	33,333	1,325	114,098
Other	3,046	14	5,571	112	1,776	674	32	3	5	13	2	11,[illegible]48
TOTAL	16,199	6,862	48,048	25,3[illegible]8	555,570	1,438,511	67,054	43,691	273,2[illegible]2	549,216	12,[illegible]1	3,036,[illegible]

TOTAL OVERSEAS VISITORS TO CANADA: NUMBER OF VISITS BY PROVINCE (1981)

(Percentage of Visits to Each Province, By Region of Origin)

	NFLD	PEI	NS	NB	PQ	ONT	MAN	SASK	ALTA	BC	YUKON/ NWT	CANADA
Europe	66.7	76.3	66.8	79.1	64.5	62.6	75.2	73.8	56.2	56.2	80.6	62.2 %
France	5	15.8	7.1	16.7	18.8	4.7	4.[illegible]	5.4	2.4	1.7	7.6	6.7
W. Ger.	6.5	7.3	7.9	10.7	7.3	11.3	15	15.6	15.3	12.9	40.4	11.4
Italy	1	-	1	2.6	3.8	3.6	3.2	2.9	1.2	1.2	1.9	2.9
Neth.	2	1.9	3	3.7	2.1	3.9	5.7	6	6	4.9	3.2	4
Switz.	.5	4	1.5	3.2	4.1	2.2	2.8	2.8	2	2	16.1	2.6
U.K.	[illegible]1.1	43	36.8	33.6	13.2	26.2	31.7	33.3	28.9	25.8	5.7	24.4
Africa	1.[illegible]	1.9	2.[illegible]	2	3.[illegible]	2.1	1.[illegible]	1.3	2.5	2.2	1	2.[illegible]
Asia	8.1	11.7	9.1	5.3	12.8	18.3	9.1	8.9	22	28.3	2.7	18.7
Japan	2.3	9.4	3.3	.9	3.4	6	3.6	4.1	15.1	14.4	1.7	7.7
Central Am.	.5	-	.8	2.1	5.2	3.6	2.[illegible]	2.4	1.6	2.[illegible]	1.9	3.5
Mexico	[illegible]5	-	.5	.[illegible]	4.6	3.2	2	2.2	1.3	2.[illegible]	1.1	3.1
Caribbean	1.[illegible]	1.4	3.9	[illegible]	[illegible]	[illegible].9	2.7	2.5	1.2	1.2	-	4.1
S. America	.2	2.9	1.7	1.9	6.4	4.1	1.4	.9	1.6	2.5	.6	3.8
Oceania	2.3	5.7	3.5	5.[illegible]	2.7	3.3	7.7	10.1	9	8.6	13.1	4.9
Australia	2.3	4.9	2.8	3.5	2.1	2.6	6.1	7.7	7.1	6.1	10.5	3.8
Other	18.8	.2	11.[illegible]	.[illegible]	.3	.05	.05	–	–	–	–	.[illegible]
TOTAL	100	100	100	100	100	100	100	100	100	100	100	100

TOTAL OVERSEAS VISITORS TO CANADA: NUMBER OF VISITS BY PROVINCE (1981)

Percentage of Visits By Province Visited)

	NFLD	PEI	NS	NB	PQ	ONT	MAN	SASK	ALTA	BC	YUKON/ NWT	CANADA
Europe	.6	.3	1.7	1	19	47.7	2.[illegible]	1.7	9	16.3	.5	100 %
France	.4	.5	1.7	2.1	51.2	33.2	1.6	1.1	3.2	4.5	.5	
W. Ger.	.3	.1	1.1	.8	11.7	46.9	2.9	2	12[illegible]	20.5	.5	
Italy	.2	-	.5	.7	24	59.2	2.4	1.4	3.[illegible]	7.7	.3	
Neth.	.3	.1	1.2	.8	9.6	46.6	3.2	2.2	13.4	22.3	.3	
Switz.	.1	.3	.9	1.1	29.2	40.6	2.4	1.6	7.1	14.1	2.6	
U.K.	.7	.4	2.4	1.2	9.9	50.8	2.9	2	10.6	19.1	.1	
Africa	.3	.2	1.7	.7	28.2	41.2	1.4	.8	9.3	16	.2	
Asia	.2	.1	.8	.2	12.5	46.3	1.1	.7	10.6	27.4	.06	
Japan	.2	.3	.7	.1	8.2	37.1	1	.8	17.6	33.9	.1	
Central Am.	.1	-	.4	.5	27.3	49.7	1.5	1	4.2	15.1	.2	
Mexico	.1	-	.3	.2	27.5	49.6	1.4	1	3.7	16.1	.1	
Caribbean	2	.1	1.5	.8	19.7	67.[illegible]	1.4	.9	2.6	[illegible].1	-	
S. America	.03	2	.7	.4	30.6	51.1	.8	.[illegible]	3.8	11.9	.1	
Oceania	.3	.3	1.1	.9	10	32	3.4	2.9	16.4	31.6	1.1	
Australia	.3	.3	1.2	.8	10.3	33.1	3.6	3	17.1	29.2	1.1	
Other	27.1	.1	[illegible]9.5	1	15.8	6	.3	-.	[illegible]	.1	[illegible]	
TOTAL	.5	.2	1.6	.8	18.3	47.[illegible]	2.2	1.5	[illegible]	18.1	.[illegible]	

TOTAL OVERSEAS VISITORS TO CANADA: NUMBER OF VISITS BY PROVINCE & REGION OF ORIGIN.

1982

	NFLD	PEI	NS	NB	PQ	ONT	MAN	SASK	ALTA	BC	YUKON/ NWT	CANADA
Europe	10,816	5,914	29,698	18,082	332,856	799,709	48,394	32,082	159,758	260,530	7,887	1,705,726
France	657	792	2,444	3,940	100,123	67,[illegible]23	2,193	1,396	5,786	8,526	457	193,737
W. Ger.	1,425	1,741	5,844	2,363	36,080	138,348	11,314	7,557	40,189	64,387	4,107	313,355
Italy	99	-	353	49	18,531	[illegible]1,851	2,097	1,058	3,240	5,483	373	83,134
Neth.	261	261	2,370	1,033	13,673	50,881	4,200	2,853	12,957	18,336	245	10[illegible],070
Switz.	208	362	9[illegible]1	1,029	21,057	30,033	3,346	2,601	6,681	12,596	1,096	7[illegible],990
U.K.	4,417	2,278	14,527	7,613	59,999	322,352	19,056	11,992	71,886	120,109	781	634,990
Africa	198	213	1,327	616	21,335	30,484	1,417	1,321	6,613	10,609	59	74,192
Asia	1,280	1,321	3,784	2,323	64,643	226,115	7,932	6,559	60,261	155,19[illegible]	582	529,993
Japan	229	1,139	955	510	18,484	74,[illegible]10	2,608	1.939	35,620	81,604	132	218,130
Central Am.	33	-	214	197	17,303	35,523	534	216	2,191	11,683	60	67,952
Mexico	33	-	152	144	13,727	29,284	354	83	1,848	10,478	60	56,163
Caribbean	422	431	2,039	1,368	25,710	88,233	2,621	908	4,062	4,697	36	130,527
S. America	75	371	1,043	1,066	34,627	62,437	1,564	806	3,953	10,785	7	116,734
Oceania	346	634	2,041	1,495	13,282	47,062	7,070	5,617	24,911	49,407	1,060	152,935
Australia	245	548	1,697	1,391	10,115	36,996	5,248	4,311	20,267	37,657	797	119,272
Other	2,638	15	4,987	119	1,525	233	[illegible]2	84	[illegible]1	2[illegible]	2	9,812
TOTAL	15,808	8,899	45,133	25,266	511,281	1,289,794	69,024	47,593	261,840	502,940	9,691	2,787,871

TOTAL OVERSEAS VISITORS TO CANADA: NUMBER OF VISITS, 1982

(Percentage of Visits to each Province, by Region of Origin)

	NFLD	PEI	NS	NB	PQ	ONT	MAN	SASK	ALTA	BC	YUKON/ NWT	CANADA
Europe	68.4	66.5	65.8	71.6	65.1	62	70.1	67.4	61	51.8	81.4	61.2
France	4.2	8.9	5.4	15.6	19.6	5.2	3.2	2.9	2.2	1.7	4.7	7
W. Ger.	9	19.6	13	9.4	7.1	10.7	16.4	15.9	15.4	12.8	42.4	11 2
Italy	.6	-	.8	.2	3.6	4	3	2.2	1.2	1.1	3.9	3
Neth.	1.7	2.9	5.3	4.1	2.7	3.9	6.1	6	5	3.7	2.5	3.8
Switz.	1.3	4.1	2.2	4.1	4.1	2.3	4.9	5.5	2.6	2.5	11.3	2.9
U.K.	27.9	25.6	32.2	30.1	11.7	25	27.6	25.2	27.4	23.9	8.1	22.8
Africa	1.3	2.4	2.9	2.4	4.2	2.4	2.1	2.8	2.5	2.1	.6	2.7
Asia	8 1	14.8	[illegible].4	9.2	12.6	17.5	11.5	13.8	23	30 9	6	19
Japan	1 5	12.8	[illegible].1	2	3.6	5.[illegible]	3.[illegible]	4.[illegible]	13.6	16 2	1	7.8
Central Am.	.2	–	.5	.[illegible]	3.4	2.8	.8	.5	.[illegible]	2.3	.6	2.4
Mexico	.2	–	.3	.[illegible]	2.7	2.3	.5	.2	[illegible]	2.1	.6	2
Caribbean	2.7	4.8	4.5	5.4	5	6.8	3.8	1.9	1.6	.9	.4	4.7
S. America	.5	4.2	2.3	4.2	6.8	4.8	2.3	1.7	1.5	2.1	-	4.2
Oceania	2.2	7.1	4.5	5.9	2.6	3.7	10.2	11.8	9.5	9.8	10.9	5.5
Australia	1.5	6.2	3.8	5.5	2	2.9	7.6	9.1	7.7	7.5	8.2	4.3
Other	16.[illegible]	2	11.1	.5	.3	.[illegible]2	1.3	.2	.[illegible]3	.[illegible]1	-	.3
TOTAL	100%											

TOTAL OVERSEAS VISITORS TO CANADA: NUMBER OF VISITS, 1982

(Percentage of Visits, by Province Visited)

	NFLD	PEI	NS	NB	PQ	ONT	MAN	SASK	ALTA	BC	YUKON/ NWT	CANADA
Europe	.6	.3	1.7	1.1	19.5	46.9	2.8	1.9	9.4	15.3	.5	100%
France	.4	.4	1.3	2	51.7	34.8	1.1	.7	3	4.4	.2	
W. Ger.	.5	.6	1.9	.8	11.5	44.2	3.6	2.4	12.8	20.6	.3	
Italy	.1	-	.4	.06	22.3	62.4	2.5	1.3	3.9	6.6	[illegible]	
Neth.	.2	.2	2.2	1	12.8	47.5	3.9	2.7	12.1	17.1	.2	
Switz.	.3	.5	1.2	1.3	26.3	37.6	4.2	3.3	8.4	15.8	1.4	
U.K.	.7	.4	2.3	1.2	9.4	50.8	3	1.9	11.3	18.9	.1	
Africa	.3	.3	1.8	.8	28.8	41.1	1.9	1.8	8.9	14.3	.08	
Asia	.2	.3	.7	.4	12.2	42.7	1.5	1.2	11.4	29.3	.1	
Japan	.1	.5	.4	2	8.[illegible]	34.3	1.2	.[illegible]	16.3	37.4	.06	
Central Am.	.05	-	.3	.3	25.5	52.3	.8	.3	3.2	17.2	.09	
Mexico	.06	-	3	3	24.4	52.1	.6	.2	3.3	18.7	.1	
Caribbean	.3	.3	1.6	1.1	19.7	67.6	2	.7	3.1	3.6	.03	
S. America	.06	.3	.9	.9	29.7	53.5	1.3	.7	3.4	9.2	-	
Oceania	.2	.4	1.3	1	8.7	30.8	4.6	3.7	16.3	32.3	.7	
Australia	.2	.5	1.4	1.2	8.5	31	4.4	3.6	17	31.6	.7	
Other	-	-	-	-	-	-	-	-	-	-	-	
TOTAL	.6	.3	1.6	.9	18.3	46.3	2.5	1.7	9.4	18.1	.3	

VISITS

TOTAL OVERSEAS VISITORS TO CANADA (same day or 1 or more nights): BY PROVINCE, 1982.

	NFLD	PEI	NS	NB	PQ	ONT	MAN.	SASK.	ALTA.	BC	YUKON/ NWT	CANADA
Austria	71	21	181	114	3,218	10,721	651	297	2,280	4,203	199	21,956
Belgium	66	188	273	222	11,103	10,901	748	306	1,288	2,479	70	27,644
Czech.	80	-	86	1	2,191	2,011	30	73	520	900	4	6,300
Denmark	99	21	338	197	2,281	8,876	505	520	2,835	4,131	67	19,870
Finland	55	34	76	49	4,123	6,918	349	178	405	1,468	126	13,781
France	657	792	2,444	3,940	100,123	67,423	2,193	1,396	5,786	8,526	457	193,737
Germany, E.	-	-	-	-	501	877	55	-	187	220	-	1,840
Germany, W.	1,425	1,741	5,844	2,363	36,080	138,348	11,314	7,557	40,189	64,387	4,107	313,355
Greece	286	-	213	117	5,404	9,426	325	109	1,163	1,148	1	18,192
Hungary	1	-	14	6	2,310	3,785	135	158	521	1,211	2	8,143
Iceland	27	-	32	8	220	2,032	419	326	449	440	-	3,953
Ireland, S.	380	26	344	78	2,077	12,262	298	234	1,137	2,384	16	19,236
Italy	99	-	353	49	18,531	51,851	2,097	1,058	3,240	5,483	373	83,134
Neth.	261	261	2,370	1,033	13,673	50,881	4,200	2,853	12,957	18,336	245	107,070
Norway	782	-	664	174	2,050	5,630	685	663	2,213	2,961	24	15,846
Poland	6	-	32	13	19,219	10,416	276	332	1,133	1,266	-	32,693
Portugal	24	59	178	135	6,345	7,474	13	1	472	920	-	15,621

TOTAL OVERSEAS VISITORS TO CANADA (same day or 1 or more nights): BY PROVINCE, 1982.

VISITS

	NFLD.	PEI	NS	NB	PQ	ONT.	MAN.	SASK.	ALTA.	BC	YUKON/ NWT	CANADA
Spain	65	-	139	611	6,533	10,569	184	307	1,100	1,424	36	20,968
Sweden	141	131	548	272	4,164	17,332	1,076	946	2,285	4,566	216	31,677
Switz.	208	362	981	1,029	21,057	30,033	3,346	2,601	6,681	12,596	1,096	79,990
Turkey	5	-	16	6	1,317	2,351	95	1	171	154	2	4,118
U.K.	4,417	2,278	14,527	7,613	59,999	322,352	19,056	11,922	71,866	120,109	781	634,990
U.S.S.R.	1,646	-	2	5	8,257	4,635	17	1	142	140	-	14,845
Yug.	2	-	11	7	1,103	9,754	230	134	459	748	65	12,513
Eur., N.E.S.	13	-	11	7	1.103	9,754	230	134	459	748	65	12,513
Eur. Total	10,816	5,914	29,698	18,082	332,856	799,709	48,394	32,082	159,758	260,530	7,887	1,705,726
S. Africa	42	34	351	279	3,047	10,696	863	674	2,813	4,901	57	23,757
Africa, N.E.S.	156	179	976	337	18,288	19,788	554	647	3,800	5,708	2	50,435
Africa, Ttl	198	213	1,327	616	21,335	30,484	1,417	1,321	6,613	10,609	59	74,192
China	5	-	19	3	939	3,291	62	47	316	3,891	1	8,574
Hong Kong	1	-	52	35	4,560	22,586	641	440	5,905	26,648	1	60,869
Israel	28	-	66	57	12,890	34,045	1,371	1,292	3,257	5,736	319	59,061
Japan	229	1,139	955	510	18,484	74,910	2,608	1,939	35,620	81,604	132	218,130
Lebanon	2	-	78	2	2,475	1,664	59	-	82	406	-	4,708

TOTAL OVERSEAS VISITORS TO CANADA (same day or 1 or more nights): BY PROVINCE, 1982.

VISITS

	NFLD	PEI	NS	NB	PQ	ONT	MAN	SASK.	ALTA.	BC	YUKON/ NWT	CANADA
Taiwan	112	-	1	-	411	7,604	45	78	970	3,363	20	12,604
Asia, N.E.S.	903	182	2,613	1,716	24,884	82,015	3,146	2,763	14,111	33,545	109	165,987
Asia Total	1,280	1,321	3,784	2,323	64,643	226,115	7,932	6,559	60,261	155,193	582	529,993
Bermuda	29	68	968	619	1,606	6,990	321	40	575	486	-	11,702
West Indies	393	363	1,071	749	24,104	81,243	2,300	868	3,487	4,211	36	118,825
Caribbean, Ttl	422	431	2,039	1,368	25,710	88,233	2,621	908	4,062	4,697	36	130,527
Mexico	33	-	152	144	13,727	29,284	354	83	1,848	10,478	60	56,163
Central Am. Total	33	2	214	197	17,303	35,523	534	216	2,191	11,683	60	67,952
S. America Total	75	371	1,043	1,066	34,627	62,437	1,564	806	3,953	10,785	7	116,734
Australia	[illegible]	548	1,697	1,391	10,115	36,996	5,248	4,311	20,267	37,657	797	119,272
N. Zealand	74	86	287	73	2,155	8,933	1,768	1,272	4,463	9,356	252	28,719
Oceania & other Ocean Is.	[illegible]	[illegible]	57	31	1,012	1,133	54	34	181	2,404	11	4,944
Oceania Total	[illegible]	634	2,041	1,495	13,282	47,062	7,070	5,617	24,911	49,407	1,060	152,935
Greenland	-	-	-	-	15	32	91	84	91	26	2	341
St. Pierre/ Miquelon	2,638	15	4,987	119	1,510	201	1	-	-	-	-	9,471

TOTAL OVERSEAS VISITORS TO CANADA (same day or 1 or more nights): BY PROVINCE, 1982.

	NFLD	PEI	NS	NB	PQ	ONT.	MAN.	SASK.	ALTA.	BC	YUKON/ NWT	CANADA
Total Other	2,638	15	4,987	119	1,525	233	92	84	91	26	2	9,812
TOTAL ALL COUNTRIES	15,808	8,899	45,133	25,266	511,281	1,289,794	69,024	47,593	261,840	502,940	9,093	2,787,871
Percent of Canadian Total	.57	.32	1.6	.91	18.34	46.26	2.48	1.71	9.39	18	.33	100

VISITS

TOTAL EXPENDITURES BY OVERSEAS VISITORS, BY PROVINCE & REGION OF ORIGIN

1982

$ thousands

	NFLD	PEI	NS	NB	PQ	ONT	MAN	SASK	ALTA	BC	YUKON/ NWT	CANADA
Europe	3,8[illegible]	864	8,522	2,962	93,355	200,555	10,217	4,940	5,3183	90,012	2,389	470,928
France	194	160	574	620	37,364	10,710	572	198	1,848	2,811	119	55,171
W. Ger.	561	194	2,025	345	8,966	40,458	2,746	1,350	14,693	28,346	1,199	100,883
Italy	40	-	95	8	6,171	12,481	480	71	1,144	1,890	104	22,484
Neth.	181	75	655	20	3,235	14,705	790	357	4,512	6,132	87	30,929
Switz.	98	45	112	142	7,074	7,541	563	297	2,366	5,893	318	24,449
U.K.	2,003	278	3,803	1,203	10,675	81,202	3,864	1,754	21,455	34,582	286	161,105
Africa	122	52	374	79	9,212	12,110	196	288	2,291	4,226	19	28,969
Asia	314	605	974	680	20,278	72,193	2.185	1,937	24,708	52,909	251	177,015
Japan	58	470	324	40	5,081	20,639	1,006	1,456	14,496	26,657	120	70,347
Central Am.	17	-	51	47	6,339	12,053	184	41	605	4,739	18	24,094
Mexico	17	-	46	43	5,173	9,621	155	28	557	3,906	18	19,564
Caribbean	84	21	712	302	10,312	37,424	727	55	1,668	1,550	78	52,933
S. America	20	28	613	244	12,152	19,219	186	34	1,495	3,361	1	37,353
Oceania	98	125	626	285	3,063	11,764	763	618	5,999	13,801	272	37,414
Australia	70	90	521	269	2,283	9,447	555	431	4,885	10,081	171	28,803
Other	210	1	760	15	333	46	9	8	3	14	1	1,400
TOTAL	4,765	1,696	12,603	4,613	155,044	365,345	14,468	7,920	89,951	170,613	3,028	830,106

T34

TOTAL EXPENDITURES BY OVERSEAS VISITORS TO CANADA: 1982

(Percentage of Expenditures in each Province, by Region of Origin

	NFLD	PEI	NS	NB	PQ	ONT	MAN	SASK	ALTA	BC	YUKON/ NWT	CANADA
Europe	81.8	50.9	67.9	64.2	60.2	54.9	70.6	62.4	59.1	52.8	78.9	56.7
France	4.1	9.4	4.6	13.4	24.1	2.9	4	2.5	[illegible]	1.7	3.9	6.7
W. Ger.	11.8	11.4	16.1	7.5	5.8	11.1	19	17.1	[illegible]	16.6	39.6	12.2
Italy	.8	-	.8	-	4	3.4	3.3	.9	[illegible]	1.1	3.4	2.7
Neth.	3.8	4.4	5.2	4.3	2.1	4	5.5	4.5	5	3.6	2.9	3.7
Switz.	2.1	2.7	.9	3.1	4.6	2.1	3.9	3.8	2.6	3.5	10.5	3
U.K.	42	16.4	30.2	26.1	6.9	22.2	26.7	22.2	23.9	20.3	9.5	19.4
Africa	2.6	3.1	3	1.7	[illegible]	3.3	1.4	3.6	2.6	2.5	.6	3.5
Asia	6.6	35.7	7.7	14.7	131	19.8	15.1	24.5	27.5	31	8.3	21.3
Japan	1.2	27.7	2.6	.9	3.3	5.7	7	18.4	16.1	15.6	4	8.5
Central Am.	.4	-	.4	1	4.1	3.3	.3	.5	.7	2.8	.6	2.9
Mexico	.4	-	.4	.9	3.3	2.6	.1	.4	.6	2.3	.6	2.4
Caribbean	1.8	1.2	5.7	6.6	6.7	10.2	5	.7	1.9	.9	2.6	6.4
S. America	[illegible]	[illegible]	4.9	[illegible]	7.8	5.3	1.3	.4	1.7	2	-	4.5
Oceania	2.1	7.4	5	6.2	2	3.2	5.3	7.8	6.7	8.1	9	4.5
Australia	1.5	5.3	4.1	5.8	1.5	2.6	3.8	5.4	5.4	5.9	5.6	3.5
Other	[illegible]	-	6	.3	.2	-	.1	.1	-	-	-	.2
TOTAL	100%											

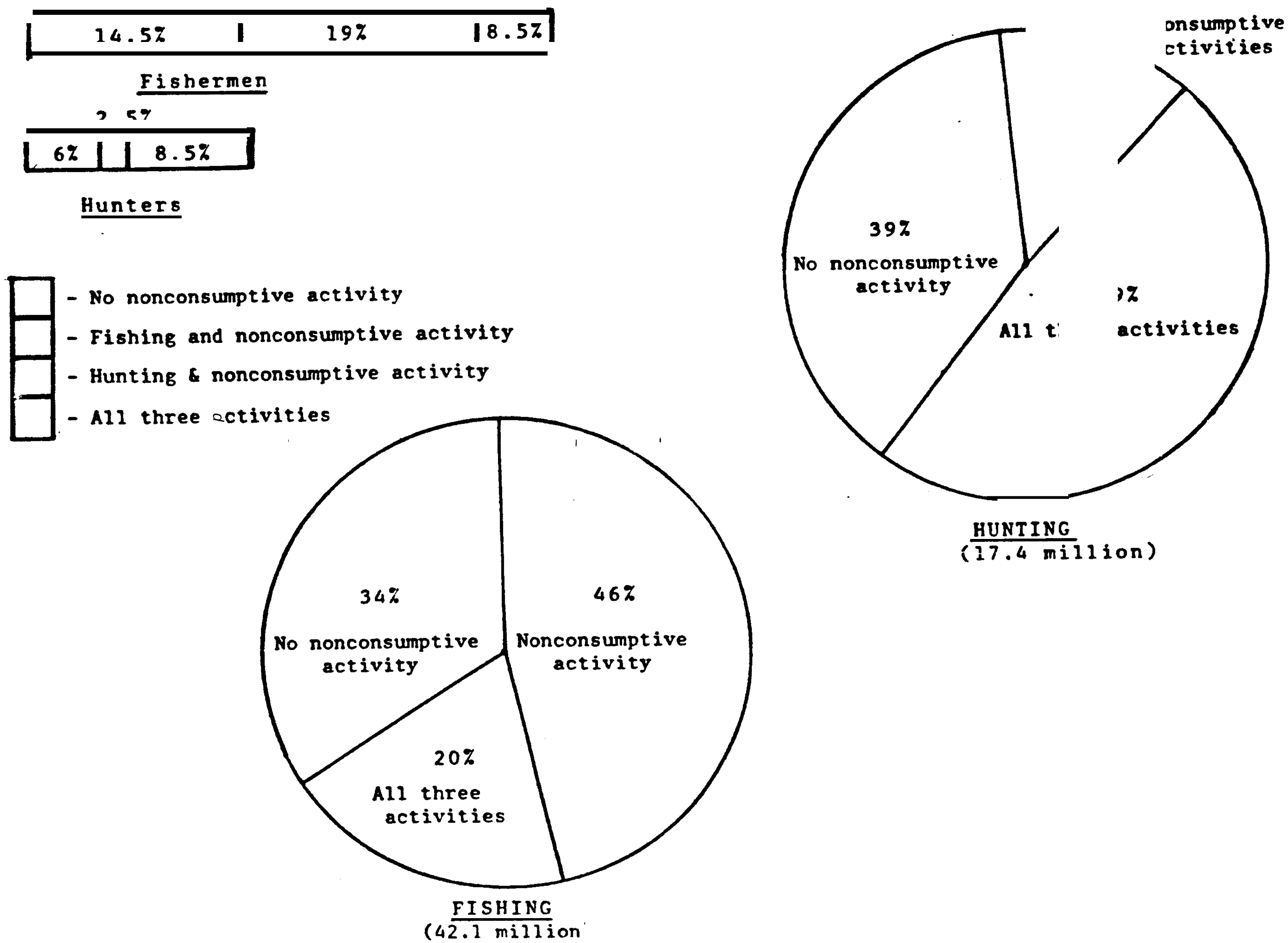
TOTAL EXPENDITURES BY OVERSEAS VISITORS TO CANADA: 1982

(Percentage of Expenditures by Province Visited)

	NFLD	PEI	NS	NB	PQ	ONT	MAN	SASK	ALTA	BC	YUKON/ NWT	CANADA
Europe	.8	.2	1.8	.6	19.8	42.6	2.2	1.1	11.3	19.1	.5	100%
France	.4	.3	1	1.1	67.7	19.4	1	.4	3.4	5.1	.2	
W. Ger.	.6	.2	2	.3	8.9	40.1	2.7	1.3	14.6	28.1	1.2	
Italy	.2	-	.4	-	27.5	55.5	2.1	.3	5.1	8.4	.5	
Neth.	.6	.3	2.2	.7	10.7	48.5	2.6	1.2	14.9	20.2	.3	
Switz.	.4	.2	[illegible]	.6	28.9	30.8	2.3	1.2	9.7	24.1	.3	
U.K.	1.2	.2	2.4	.8	6.[illegible]	50.4	2.4	1.1	13.3	21.5	[illegible]	
Africa	.4	.2	1.3	.3	31.8	41.8	.7	1	7.9	14.6	.07	
Asia	.2	.3	.6	.4	11.5	40.8	1.2	1.1	14	29.9	.1	
Japan	.1	.7	.5	.6	7.2	29.3	1.4	2.1	20.6	37.9	.2	
Central Am.	.1	-	2	2	26.3	50	.8	2	2.5	19.7	.1	
Mexico	1	-	.2	.2	26.4	49.2	.8	.1	2.9	20	.1	
Caribbean	.2	-	1.4	.6	19.5	70.7	1.4	.1	3.2	2.9	.2	
S. America		-	1.6	.7	32.5	51.5	.5	.1	4	9	-	
Oceania	.3	.3	1.7	.8	8.2	31.4	2	1.7	16	36.9	.7	
Australia	.2	.3	1.8	.9	7.9	32.8	1.9	1.5	17	35	.6	
Other	15	-	54.3	1.1	23.8	3.3	.6	.6	.2	1	-	
TOTAL	.6	.2	1.5	.6	18.7	44	1.7	1	10.8	20.5	.4	

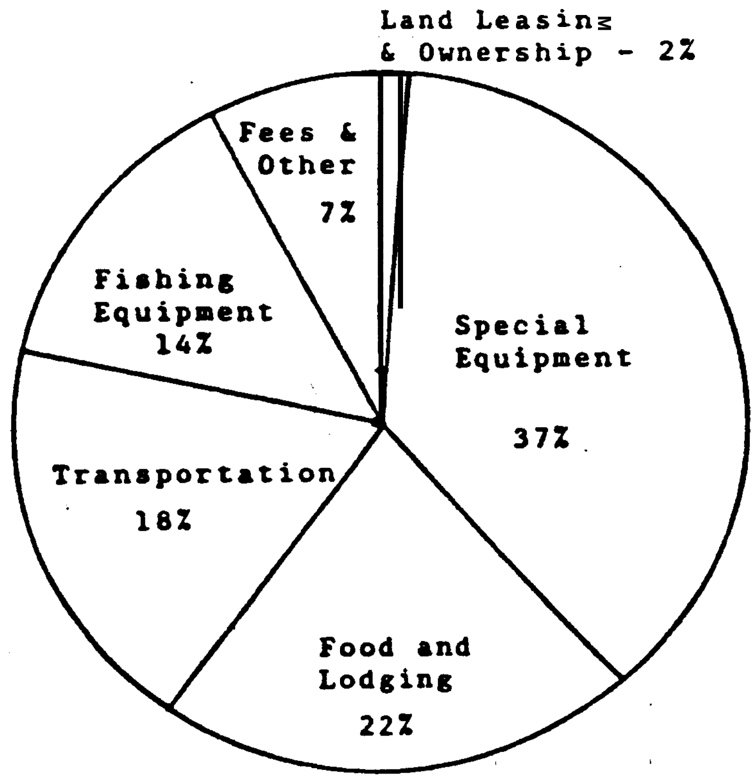
DIVERSITY OF PARTICIPATION IN WILDLIFE-ASSOCIATED ACTIVITIES, U.S.A.

(1980)



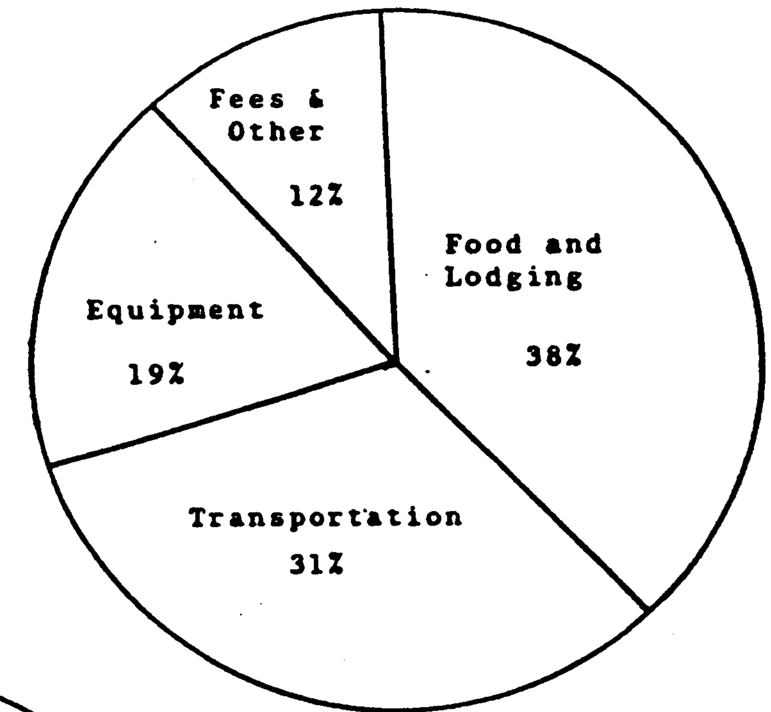
FISHING - U.S.A. (1980): Expenditures & Trips

	All Fishing	Freshwater	Great Lakes	Saltwater	
Fishermen	42.1	36.4	3.0	12.3	(in millions)
Trips	7s1.2	620,5	35.7	130,7	(in millions)
per Fisherman	18	17	12	11	
Days	857.6	710.6	40.5	147	(in millions)
Per Fisherman	20	20	13	12	
Expenditures	$17,325	$7,794	$373	$2,419	(in millions)
Per Fisherman	$412	$214	$124	$200	
Per Day	$20	$11	$9	$16	



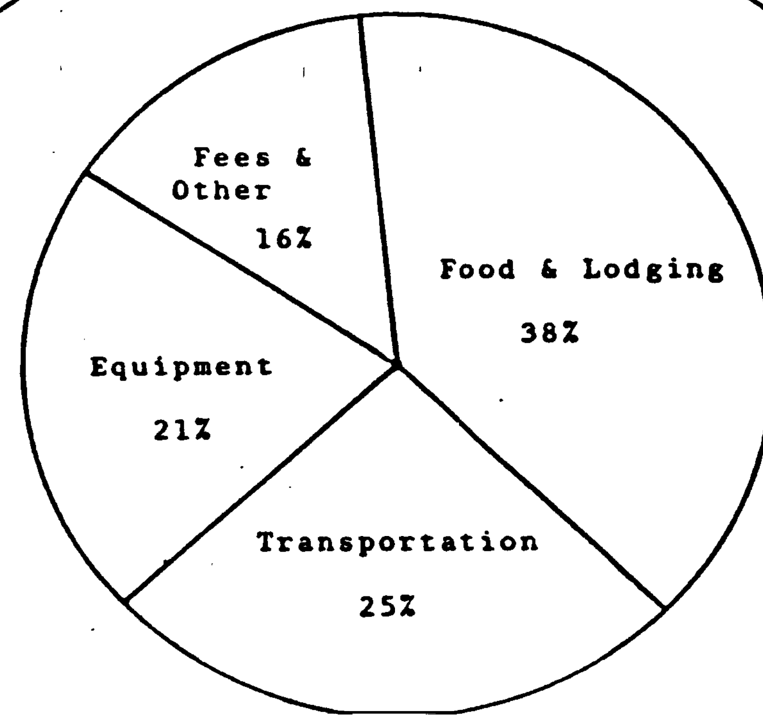
FISHING
(General)

($17.3 billion)



FRESHWATER

($7.8 billion)



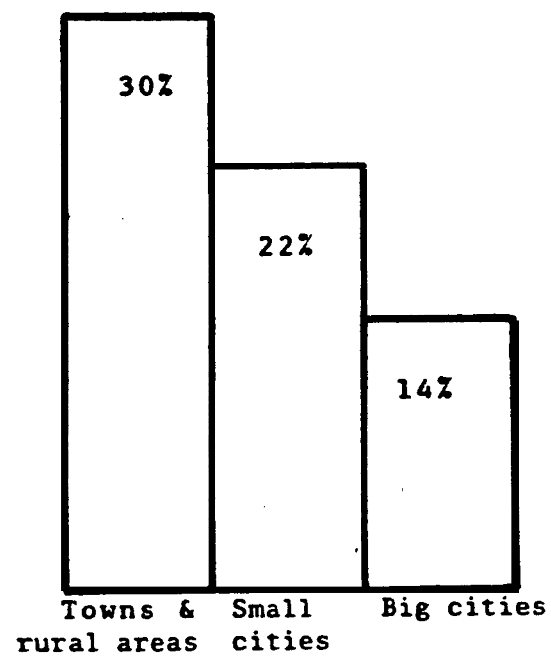
SALTWATER
($2.4 billion)

EXPENDITURES ON
FISHING - U.S.A.
(1980)

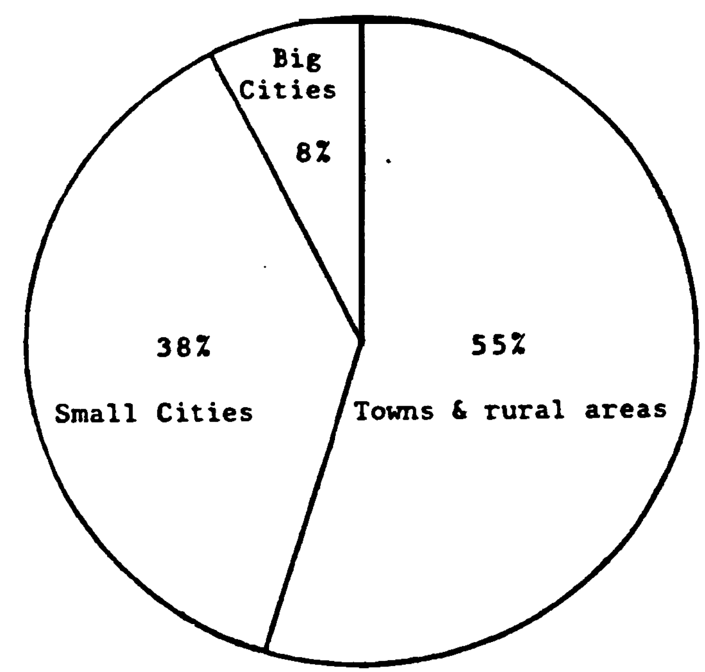
U.S.A.

PARTICIPATION RATES BY AREA OF RESIDENCE - FISHING

(1980)



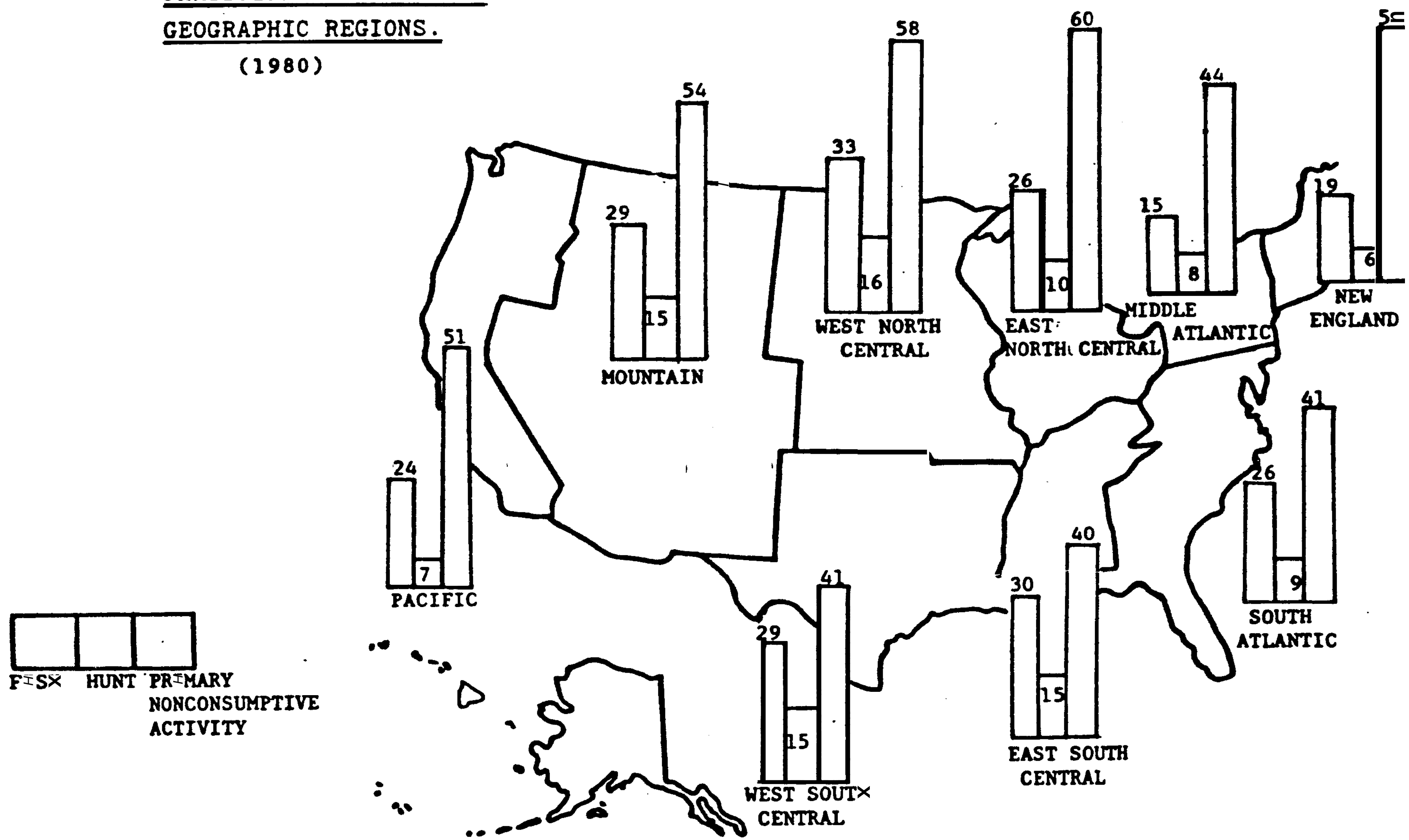
Percent of Population Who Fished.



Percent of all Fishermen.

Big cities - 500,000 up
Small Cities - 2,500-499,999
Towns - less than 2,500

PARTICIPATION RATES IN GEOGRAPHIC REGIONS.
(1980)



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In addition to the above specific extracts or complete reports, numerous other documents were received and analysed from a wide variety of sources. Interviews also provided information and data used as background to this project.