Wilderness/adventure Travel Industry - Industry Overview & Development Strategy
Type of Study: Plans/strategies Tourism, Provincial Tourism Yukon
Date of Report: 1982
Author: Canada - Yukon Touirsm Agreement
Catalogue Number: 11-22-5

WILDERNESS/ADVENTURE TRAVEL INDUSTRY
- INDUSTRY OVERVIEW & DEVELOPMENT
STRATEGY
Sector: Tourism

11-22-5
Plans/Strategies

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INDUSTRY OVERVIEW & DEVELOPMENT STRATEGY

WILDERNESS/ADVENTURE
TRAVEL INDUSTRY

INDUSTRY OVERVIEW
& DEVELOPMENT STRATEGY

This proposal and its companion report, the GUIDE TRAINING STUDY, are intended to assist industry and government to develop and market the Yukon Wilderness/Adventure Travel Industry. They are not statements of government policy.

Funding for the Wilderness/Adventure Travel Industry studies was contributed by the Governments of Canada and Yukon through the Canada/Yukon Tourism Agreement.

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July 1982

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Project Report

A STUDY OF WILDERNESS/ADVENTURE TRAVEL INDUSTRY IN THE YUKON

PART II

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INTRODUCTION

A. INTRODUCTION

This report presents the results of our overview of the characteristics of the wilderness travel industry of Yukon. It also presents an assessment of its potential and broad recommendations as to how this potential might be realized.

The report, commissioned in May 1981, is to assist the Department of Tourism and Economic Development of the Yukon Territorial Government in preparing marketing strategies to penetrate this market.

Our main task was to prepare an overview of all elements of the wilderness travel industry of Yukon as it was during 1981. This was to describe:

- Tine natural resources of Yukon upon which the industry depends.
- The characteristics of the industry in Yukon.
- The organization of the industry.
- The size, potential, and characteristics of the market.
- Significant issues and concerns.

Based on this overview we were asked to recommend a broad strategy for developing this segment of Yukon's tourism industry and to assess the major implications of implementing this strategy.

We were asked to pay particular attention to marketing considerations. We therefore interviewed operators within Yukon itself and a sample of those located within Yukon's major North American markets. We also attempted to survey tourists visiting Yukon and participating in wilderness experience activities.

Our report is very much an overview. It looks at many segments of what is a clearly diverse industry. It is also an industry which is of relatively recent origin. Consequently data are fragmented and, in some instances, non-existent. Thus our estimates of the size of the market and its likely growth rates are very much of an order of magnitude basis.

Because our report is an overview it is not a detailed analysis, and by design does not deal in great depth with the wilderness resources upon which the industry is based. Further, the report is intended as being part of a larger process, involving industry - government co-operation, leading to **development of the wilderness/adventure travel industry.** Specifically, the report's role is to define and describe the industry, to assess its future, and to make recommendations on what is required, from a marketing view point, to develop the industry. **Beyond** this, our report is intended to bring all interested people to a basic level of understanding about the industry. Thus our report and the recommendations we have made are not to be construed as the sole basis for policy making on this topic, but as one component of a larger process.

We would like to thank the Steering Committee of industry, and Federal and Territorial Government representatives who provided us with guidance and valuable input in the preparation of this report.

II

SUMMARY AND HIGHLIGHTS

A. WHAT WE WERE ASKED TO DO

Demand for wilderness travel vacations in Yukon increased significantly during the late 1970's. h mid-1981 we were asked by the Yukon Territorial Government to prepare an overview of the present characteristics of the wilderness travel industry in Yukon. We were also asked to assess its potential and recommend strategies which would allow this potential to be realized. This chapter summarizes our findings and recommendations.

B. THE RESOURCES OF YUKON APPEAR TO BE OF AN APPROPRIATE QUALITY BUT THIS SHOULD BE VERIFIED

1. Those who know Yukon% resources rate them highly

We conducted a limited survey of tourists participating in wilderness travel activities in Yukon. Generally speaking these tourists rated the resources for their particular wilderness activity, for example canoeing or backpacking/hiking as outstanding. Similarly tour operators, both within Yukon and those located outside of Yukon but familiar with the resources of the territory, rate the resources for this kind of vacation very highly.

The Kluane National Park and the rivers of the territory are particularly highly thought of.

2. But there is no objective assessment of the resource available

There appears to be no system in place in Yukon which objectively measures the quality of the territory's resources for wilderness experience travel. Consequently there is no objective method of identifying geographic areas within Yukon which are of high or low quality in terms of their suitability for developing wilderness experience activities. More importantly you have no way of comparing the quality of Yukon's resources with those of competing destinations, particularly Alaska and the Northwest Territories.

You need to have a clear understanding of the quality and capacity of your resources if Yukon's wilderness experience products are to be correctly positioned in what is a highly competitive market.

Successful penetration of any specialty market depends totally on a high quality resource. Tourists do not travel long distances and spend relatively large sums of money unless they are sure they will be purchasing a top quality experience. It is vital therefore for you to identify the level of quality of your resource and thus correctly position your products.

3. And there are few data which can tell you if the environment can tolerate increased wilderness tourist activity

It is our understanding that there are very few readily available data on the capacity of the resource to handle increased levels of visitation. Methodologies to determine optimum social and ecological carrying capacities do exist and could usefully be applied in assessing the appropriate level of usage for certain high quality areas of Yukon.

C. WHILE THE INDUSTRY IS RELATIVELY SMALL SCALE IT EARNED $3.5 MILLION IN 1980

1. The industry has four main segments

The wilderness travel industry of Yukon has four main segments:

Guided wilderness experience tours, such as a guided mountaineering trips.

Non-guided wilderness experience tours, such as canoe rental packages.

Big game outfitting.

Sportfishing from camps and lodges.

2. There were between 50 - 60 active businesses in 1981

In 1981 there *were* between 30 and 40 businesses or individuals who offered guided and non-guided wilderness experience tours in Yukon. There were a further 20 businesses which offered big game hunting tours. And there were six businesses which offered sportfishing from camps and lodges.

3. They employ relatively few people

In total the 60 or so businesses employed about 300 persons on a seasonal basis in 1981. Many of the businesses have less than five employees.

4. But the industry earned about $3.5 million in direct revenues in 1980

We would estimate the businesses earned revenues of about $3.5 million in 1980 of which $2.5 million was earned by the big game hunting segment. The guided and non-guided segments earned about $450,000. A further $550,000 was earned by the sportfishing segment.

The industry contributed a further $2.1 million -$2.45 million to the territorial economy as a result of the spending of these revenues.

In total the industry contributed about $5.6 million -$5.95 million to Yukon's economy in 1980.

D. THE INDUSTRY HAS BEGUN TO ORGANIZE ITSELF IN THE RECENT PAST

The wilderness experience segment of Yukon's tourism industry is of relatively recent origin. Consequently it is only within the immediate past that attempts have been made to establish trade associations to represent the members of the industry. There are two associations representing the guiding fraternity, the Yukon Association of Wilderness Guides and the Yukon Mountain Guides Association. Because of their recent origin not all members of the guiding industry are members of either association. This has led to SOme uncertainty as to who speaks on behalf of whom. The Yukon Outfitters Association, the big game outfitting trade association, has been in existence for a number of years and appears to be well established.

E. THERE IS A LOT OF POTENTIAL FOR GROWTH

There appears to be a potential North American market of over two million- persons interested in purchasing packaged wilderness experience tours. There is of course considerable further market potential in western Europe.

This market has been growing quickly in the 1970's and is likely to continue to grow strongly in the 1980's and 1990's.

About 3,600 persons purchased such tours in Yukon in 1980. Of these:

Between 850 - 950 purchased long term (more than one day) guided wilderness experience tours.

400 purchased short term (less than one day) guided wilderness experience tours.

About 1,250 purchased non-guided wildernes experience tours, mostly canoe rental packages.

405 tourists purchased big game hunting tours.

About 570 purchased sportfishing tours.

The guided and non-guided wilderness experience tour segments totalled about 21,000 person days.

With the implementation of a successful marketing strategy this could climb from 21,000 person days to 35,000 person days by 1985, and to 150,000 person days by 2000.

But you will face strong competition from Alaska and the Northwest Territories, as well as from British Columbia and the Rockies. These destinations have a relatively high level of awareness in the marketplace while awareness of Yukon's resources and products is currently very low.

F. YOU WILL HAVE TO OVERCOME SOME SIGNIFICANT CONSTRAINTS

You will have to combat some significant constraints and resolve some issues if you are to successfully penetrate this market. These include:

The remoteness of Yukon.

Increasing competitive pressures on Yukon's resources.

The lack of marketing experience of existing wilderness travel tour operators.

The operation of tours by non-Yukon based operators.

And how to reconcile the aspirations of the wilderness guides and the big game outfitters.

G. YOUR FIRST TASK - DETERMINE THE QUALITY OF YOUR PRODUCT

Your resources must be perceived by the market to be of the highest quality if you are to successfully penetrate this market. Your first task is to honestly and objectively assess the quality of the resources, both intrinsically and by comparison with your immediate competition.

You cannot begin to extensively promote these kinds of tours without this understanding. If tourists arrive having an unrealistically high level of expectation and they are not satisfied their negative word of mouth comments will undo much of your efforts to increasing your penetration of this market.

As well, should it become apparent that the resources are not of an appropriate quality to meet the needs of the market, you can re-evaluate your commitment to pursue this market.

H. ASSUMING THAT YOUR RESOURCES ARE OF A SUFFICIENTLY HIGH QUALITY, YOU SHOULD PROMOTE THE YUKON WILDERNESS .4S A TOP QUALITY PRODUCT

The preliminary indications suggest that your resources for certain activities are of a sufficiently high quality to successfully increase your penetration of this market. We have developed our recommended strategy on this basis and within certain parameters. The most important is that the Yukon Territorial Government has made a commitment to developing this segment of the tourism industry. The others are that this segment of the tourism industry has certain key characteristics.

It is a rapidly growing market and it will therefore be easier for you to achieve a viable share as it increases in size.

It is an affluent and well educated market but because of this is highly attractive to other competing destinations.

Furthermore any viable strategy has to recognize that Yukon has a relatively short season, a limited quantity of experienced manpower and a fragile environment. A strategy oriented toward large volumes of tourists would be inappropriate.

The strategy should therefore be to -promote Yukon's wilderness experience as a top quality product to a limited number of people.

This will demand an honest and objective appraisal of the resource to identify those areas which offer resources clearly superior to those of the competition. It will demand top quality guides and equipment. It will demand top quality service and promotional tools. You should concentrate on increasing revenues as a result of tourists paying a premium for a high quality product rather than from a dramatic increase in volume of tourists.

I. YOUR MARKETING STRATEGY SHOULD HAVE FOUR MAIN COMPONENTS

Your basic objective is to increase the purchase of long term guided wilderness experience tours by non-residents of Yukon. A secondary objective is to increase the purchase of non-guided wilderness experience packages, the so-called 'facilitating equipment' packages, by non-residents.

You should direct your efforts toward these markets and attempt:

To actively encourage more non-residents who frequently participate in wilderness related activities to purchase long term guided wilderness experience package tours in Yukon.

To actively encourage more non-residents who are already visiting Yukon and who are interested in or are participating in wilderness related activities, to purchase short term guided wilderness experience package tours.

To actively encourage more non-residents who frequently participate in wilderness related activities to purchase 'facilitation' packaged wilderness experience tours in Yukon.

To actively encourage more residents of Yukon who frequently participate in wilderness related activities to purchase both short and long term guided wilderness experience package tours in the off season.

3. To ACHIEVE THIS YOU WILL HAVE TO RAISE THE LEVEL OF AWARENESS OF THE PRODUCT

It is clear that the market is not very familiar with the variety and quality of products offered by Yukon's wilderness experience industry. Your highest priority will be to raise the awareness of relevant specialty tour operators and retailers in your target markets and of potential purchasers themselves.

The literature and associated promotional materials establishing this level of awareness will be highly dependent upon your appraisal of the intrinsic quality of the resource and its position with respect to the competition.

K. THE TERRITORIAL GOVERNMENT WILL HAVE TO PLAY A LEADING ROLE IN IMPLEMENTING THIS STRATEGY

The Territorial Government will have to play a leading role in the early years of implementing this strategy because of the nature of the promotion and advertising required. It will have to be responsible for raising the awareness of the consumer in Yukon's wilderness travel products. Neither the Yukon Visitors Association nor the individual operators have the resources to do this.

As well the Territorial Government will have to assume responsibility for evaluating the resources and minimizing any impact upon the resource from continued growth in wilderness travel tourism.

The Territorial Government should assist in strengthening the Yukon Visitors Association. The YVA could then play a more effective role in enhancing the operators' marketing skills and in acting as a spokesman for the industry.

L. YOU SHOULD IMPLEMENT A PROGRAM OF GUIDE TRAINING AND ULTIMATELY LICENSING

An integral part of the wilderness experience product is the experience and knowledge of the guide. If you are positioning your product as a top quality experience then all elements of the package should be of a consistent quality.

This means the guides have to be of the highest quality. They should be perceived by the tourists to be so, particularly if the tourists are paying a premium price for a guided tour.

We would recommend that guide training programs be pursued. Ultimately we would recommend that some form of licensing of guides be introduced to ensure that adequate standards of guiding are being met.

We would also recommend that you assess the feasibility of introducing a system of issuing permits to limit access to environmentally fragile areas. Such permits should be made available to ground operators resident in Yukon who have met certain minimum standards of guiding. This would therefore allow you to control the number of guided tours in Yukon operated by non-Yukon based operators.

M. THE NEXT STEP

Your immediate need is to assess the quality of the resource. At the same time you should be exploring the feasibility of implementing programs to upgrade the skills of the operators involved in this industry.

You will be able to develop your promotional materials based on this resource assessment and begin to raise the level of market awareness of your products. As this is occurring the product itself will be more clearly defined and the skills of the operators will have been improved. Thus at about the time the promotional campaigns begin to boost visitation you will have products at the required level to meet visitors' expectations.

III

NATURAL RESOURCES OF THE YUKON

A. INTRODUCTION

The vacation experience being offered by the wilderness travel industry depends upon a "wilderness" setting. This means that the quality of the natural resources of an area contribute significantly to the overall quality of the vacation experience.

This chapter presents an overview of the natural resources of the Yukon Territory in terms of the wilderness travel industry. Our overview of the resources draws heavily on the report 'Ecoregions of Yukon Territory' by E.T. Oswald and J.P. Senyk of the Canadian Forestry Service, published in June 1977. Where other sources have been used they are noted accordingly.

We have attempted to assess various elements of the natural resources as the y relate to the wilderness travel industry. Specifically, these are their characteristics, competing usage, their quality, and their capacity. We recognize each element deserves a comprehensive assessment, particularly the complex issues of quality and capacity.

But, because we were asked to place the main emphasis of our study upon assessing the market, we have not been able to explore these issues to the depth justified by their complexity. ,4s stated, this chapter is intended as no more than an overview and should be read in that light.

B. AN OVERVIEW OF THE NATURAL RESOURCES OF YUKON TERRITORY

1. Yukon is in the far northwest of Canada

Yukon is about 483,000 sq. km. in size and is the eighth largest territory or province in Canada. Approximately 20?6 of Yukon lies to the north of the Arctic Circle.

The Territory shares its southern border with British Columbia, its western border with Alaska, and its eastern border with the Northwest Territories, The Beaufort Sea forms its narrow, northern extent.

The capital city of Yukon is Whitehorse which is located 80 km. due north of its southern boundary. The city is approximately 1,400 km. north-northwest of Vancouver and 1,400 km. northwest of Edmonton.

2. The territory has four main physiographic regions

Yukon can be divided into four main physiographic regions. Exhibit III- 1 illustrates these regions.

The smallest region is in the far southwest. This is the mountainous area containing the St. Elias Mountains and the Coast Mountains. Mount Logan, is found in the St. Elias Mountains and at 6,050 meters above sea level, is the highest mountain in Canada. It is the second highest in North America after Mount McKinley (6,194 m.a.s.l.). An interesting feature of this region is the extensive icefields.

Area 2 might be termed the Central Plateau. It comprises approximately half of Yukon and is located between the St. Elias Mountains to the southwest and the Ogilvie and Selwyn Mountains to the northeast. The area is characterized by smooth, rolling uplands although there are a number of deep, narrow river valleys in the north of the area and some higher mountains, the Pelly Mountains, to the south.

Area 3 bisects Yukon and comprises approximately one-fifth of the territory. It contains the Ogilvie, Wernecke, Selwyn and Logan Mountains. The area is characterized by a generally rugged and mountainous landscape. The highest peaks tend to be in the east and southeast, the highest being Keele Peak (2,971 m.a.s.l.).

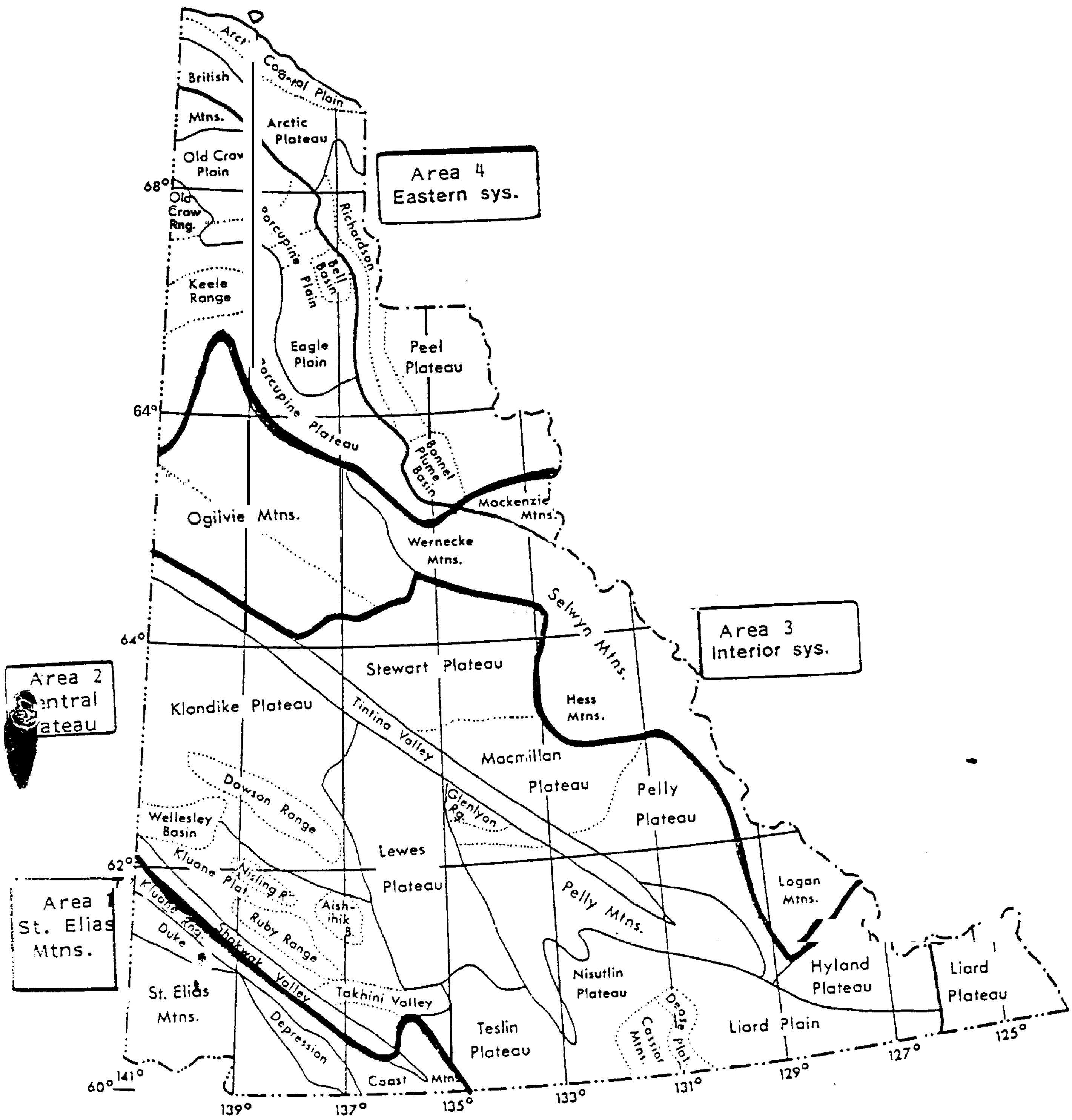
Area 4 is located between the Ogilvie Mountains and the Beaufort Sea and can be termed the coastal plateau. It comprises about one-fifth of Yukon. The landscape is characterized by low, flat or gently rolling plateaux sloping toward the Arctic Ocean.

3. Geology and glaciation have had a significant impact on shaping the landscape of Yukon

The interaction of geology and glaciation have been important in shaping the topography of the territory. In the north the rocks are relatively young and are primarily sedimentary. In the extreme southwest the rugged mountains have been formed mostly from intrusive rocks although metamorphic and volcanic rocks are also found. The interior area between these two systems is formed from a mixture of volcanic, sedimentary, metamorphic and some intrusive rocks.

Glaciation has strongly modified this landscape. Yukon was heavily glaciated twice and ice sheets covered large areas of the south and east of the territory. This massive glaciation smoothed the plateau and the lower mountains resulting in the rolling uplands of today's landscape.

EXHIBIT III-1 . **Physiography** of Yukon



Source: Ecoregions of Yukon Territory, Canadian Forestry Service, 1977.

The western and northern parts of the territory were mostly unglaciated. The landscape here has been modified more by frost action, creating a marginally different landscape.

4. Soils and vegetation are both relatively **poor**

The soils of Yukon are generally coarse and poor. Because of their coarseness, and their ability to hold water, many of the soil types are easily frozen. Consequently, the land surface has been modified by frost action. The poor soils also tend to have a detrimental impact on vegetation growth,

There are two main types of vegetation in the territory, Tundra and Boreal Forest. Throughout most of the north, and at higher altitudes, tundra is predominant and is characterized by shrubs and tussock vegetation. In the remainder of Yukon two types of Boreal Forest are predominant. Throughout most of southern Yukon the vegetation is classified as 'Forest'. While tree cover is relatively dense, particularly in the south and southeast, the trees are not large. The other type of Boreal Forest is classified as 'Forest and Barren' and is found to the immediate north of the Ogilvie and Wernecke Mountains. Tree cover is much sparser here than to the south.

5. Yukon has long, cold winters and short warm summers

The mean annual temperature of Yukon is below freezing. The summers are short and warm, the mean temperature during July, the warmest month, being 15-16° C. precipitation is generally low. However, the wettest months, July through September, coincide with the peak tourism season. Further climatic data is presented in Appendix A.

6. Yukon is well drained by a number of river systems

Yukon is drained by six main river systems. Apart from the Yukon River, most of these rivers are short. A map of these systems is presented in Appendix A.

The rivers of Yukon have been fully described in the Yukon Wild Rivers Survey conducted in 1971. These reports describe the characteristics of each river and its tributaries but do not rate them according to degree of difficulty or attraction for canoeists and rafters.

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[1] Such a system does exist and has been used to classify the major river systems appropriate for rafting in B.C. See British Columbia River Rafting Study (1979) Exhibit 1 p. 15.

It would appear that the rivers of Yukon are well regarded amongst canoeists and rafters as providing a high quality experience. This opinion is based on interviews with operators within Yukon and tour operators who offer vacation packages focusing on canoeing or rafting. The Yukon River between Whitehorse and Dawson City and the Tatshenshini River are particularly well regarded.

The territory has few lakes. The largest lake is Lake Kluane located to the immediate northeast of Kluane National Park and is approximately 120 km long. There is a small number of other relatively large lakes in the southwestern part of Yukon. The lakes in the remainder of the territory are generally of moderate or small size.

7. The wildlife of Yukon are particularly interesting

Perhaps one of the most important attributes of the natural resources of Yukon is the extremely interesting wildlife population. In a continental perspective, Yukon and the surrounding areas of Alaska, northern British Columbia and the Northwest Territories, have the only viable populations of some species in existence. Certain of these species are unique to this environment and are found nowhere else in the world. There are also many unique insects, plants, and rodents as well as marine mammals off the Arctic coast. Some areas within the territory have a high diversity of animal and plant life.

a) Ten main species of large game animals are found in Yukon

The most famous are the 21,000 mountain sheep of which there are two types, dall sheep (white) comprising 80% of the population and stone sheep (dark) comprising the remainder. The sheep are distributed throughout all the major, and several of the minor, mountain systems in the territory. The dall sheep is a highly prized trophy animal and attracts many non-resident North American hunters because of its uniqueness.

Grizzly bear are distributed throughout Yukon and again have a high value as a trophy animal amongst non-resident hunters.

Moose are found throughout Yukon in the summer but have more restricted distributions in the winter months. There are probably over 30,000 moose in the territory. The animal is highly prized by European hunters.

There are two types of caribou found in Yukon, the mountain caribou and barren ground caribou. The Porcupine Herd of 100,000 - 120,000 barren ground caribou is one of the more significant major migratory herds of caribou in North America.

Other species of interest are:

- Mountain goat
- Deer
- Wapiti or Elk
- Black Bear
- wolf
- Muskox

b) The birdlife of Yukon appears to be interesting and varied

There are 22 rare species of birds of prey found in Yukon, being mostly eagles, hawks, falcons and owls. Several of these are internationally recognized as being rare or endangered species.

There are seven main species of upland game bird found in the territory, mostly varieties of ptarmigan or grouse. Grouse are commonly hunted for recreational or subsistence purposes.

Waterfowl tend to be seasonal visitors to Yukon. The territory is an important migratory route so at certain times of the year large numbers of rare waterfowl can be viewed in Yukon.

c) Nine main species of sports fish are found in Yukon

A recent study of the Yukon Sports Fishery[2] identified eight main species of sports fish. The most popular fish for anglers is the Arctic grayling which is widely distributed throughout Yukon. Lake trout are very popular with resident anglers. A number of sports magazines have named Wellesley Lake the outstanding lake trout lake in North America.

Other species of sport fish are:

- Northern Pike
- Dolly Varden

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[2] The Yukon Sport Fishery: Howard Paish & Associates, February 1981.

Rainbow Trout

Whitefish

Three different species of salmon

Arctic Char

Steelhead

c . THERE ARE TWO MAIN COMPETING USES OF THE WILDERNESS

Mining and hydro electric power are two main competing uses of the wilderness in Yukon. There are other activities which also compete for use of the resource but these have a more limited impact upon the wilderness. These include forestry, pipeline development, transportation, commercial fishing, and agriculture.

1. **Mining has a significant impact**

Mining is Yukon's main industry.[3] In 1978, the most recent year for which data are available, mining accounted for 19.6% of the gross territorial product and 15.7?6 of all employment. Tourism, by contrast, accounted for 11% of the gross territorial product and approximately an equal percentage of employment.

In 1980 over $300 million of concentrate was produced by the three major mines in Yukon. These three major producing mines are located in the Pelly Mountains between Mayo in the northwest and Faro in the southeast. However mineral exploration, both staked claims and properties under active investigation, is spread throughout the southern part of the territory. A map of current mining activity is presented in Appendix A.

In recent years exploration has taken the form of evaluation of+ existing claims rather than the massive reconnaissance programs seen in the mid-1970s. The strongest interest is in tin, tungsten and molybdenum although interest remains high in lead and zinc. There has been a reawakening of interest in exploration for precious metals, particularly for gold in the Dawson Range.

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[3]This Sectlon is based on 'Yukon's Mineral Industry 1980 - An overview' by Dirk Tempelman - Kluit, J.G. Abbott, R.L. Debicki and J.A. Morin published by the Dept.' of Indian and "Northern Affairs Nov. 1980 and "Report on 1980 Yukon Mineral Activity and 1981 Forecast" by Archer, Cathro & Assocs. Consulting Engineers prepared for Economic Research & Planning Branch Y.T.G. Feb. 1981.

Placer mining is a significant industry in Yukon. In 1980 it accounted for almost 790 direct jobs, 8% of total employment in the territory. Placer mining involves sifting through alluvial deposits for particles of valuable minerals, most usually gold. Placer miners traditionally divert a creek into a new channel and then excavate the original creek bed. This obviously has a significant impact upon the landscape.

Placer mining is concentrated in a triangle of the territory to the southeast of Dawson, bounded by Dawson, Carmacks and a point to the northeast of Mayo. It also occurs to the southwest of Dawson City. Interest in this form of mining increased significantly during the 1970s as a result of the rapid rise in the price of gold. In 1969-70 115 placer claims were staked. In the year ending April 30, 1981, 2,418 such claims were staked. The number of staked claims in good standing increased tenfold during the same time period, from 700 to 7,700.

Consequently the continued impact of mining upon the wilderness resource will remain significant. Much of this mining activity occurs in the same geographic areas as does big game hunting and some of the wilderness experience tourism.

2. Hydroelectric Power could have a major impact in the future

There are already three major hydroelectric power developments in Yukon at Whitehorse Rapids, Aishihik, and at Mayo.[4] The Northern Canada Power Commission announced in mid-1981 a major program of hydro development investigation in southern Yukon, to expand upon its existing capacity.

The object of this program is to discover new sites for hydro development. Two large sites are being investigated, one at Granite Canyon on the Pelly River and one at Eagle Rock. Five small to medium potential sites will also be investigated. The investigations will take two to three years to complete and the most feasible sites will then be selected for development.

The Northern Canada Power Commission is also investigating the possibility of expanding the capacity of the existing Aishihik plant in the southwest of the territory. Should they go ahead, this will result in raising the level of the lake.

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[4]This section is based on "Yukon Mining Hydro Power Study" by Monenco Consultants Pacific Ltd. for the Northern Canada Power Commission Nov. 1980.

Various other sites are under continued investigation. As well, river diversions and alterations to levels of lakes are being studied.

The major part of this activity is occurring in the southern part of the territory. This is due to two factors:

Proximity to the major markets which are the mines located in this area, and the population clusters to the south, particularly in British Columbia.

The topography.

Again, this is the area where much of the big game hunting and wilderness experience tourism occurs.

3. *Other* competing uses are of less significance

a) The impact of commercial forestry is relatively limited

This is concentrated in the southeastern part of the territory in the vicinity of Watson Lake. Given the nature of the climate and the generally poor and slow growth of trees in much of the territory, it is unlikely to expand further although it is quite significant within this region.

b) Pipeline development could be significant

Two major pipelines are proposed for Yukon. One is the Alaska Highway Pipeline, the other the Klondike-Dempster Highway Pipeline. In both instances the pipelines are proposed to parallel the existing roads. Consequently impact upon the wilderness should be minimized, apart from the flurry of activity during the construction phase. However, the high interest rates prevailing during 1981, and continuing inflation, are likely to cause delays in the commencement of construction of these two major projects.

c) Transportation developments tend to be linked with mining development but can have a major impact

Transportation developments are of considerable significance in terms of their impact on the wilderness. The major consequence is the increased accessibility of remote areas. The recent opening of the Dempster 'Highway and increasing interest in the Canol Road have opened up large areas of the Territory, areas which were previously extremely difficult to visit.

Continued interest in mineral development is likely to result in further transportation developments in remote areas. An extension of the railroad northward from Whitehorse to Faro has also been proposed.

Therefore the remote areas are becoming less remote through mineral exploration and development, and consequent expansion of transportation systems. This is bound to have a significant impact upon the wilderness in future years.

d) The **commercial fishing** industry has **a limited impact**

Commercial fishing is permitted in 20 lakes in Yukon. In 1979, commercial fishermen caught approximately 3,400 kilos of lake trout, about 2% of the sports fish catch during that year.

Some sports fishermen have suggested that commercial fishing should be limited but what little evidence there is does not support their position.[5] The potential for expanding commercial fishing is felt to be small and therefore any increasing competition between commercial and sports fishing is likely to be minimal.

e) Agriculture too has some impact

While the agricultural sector of Yukon is of limited importance to the economy of the territory, it does compete for use of the resource. This is particularly true' in the southern part of Yukon.

4. The settlement of native land claims could be of tremendous significance

At the time of writing, native claims for large areas of the territory are being negotiated. The outcome of these negotiations could have a major impact on the administration of lands within Yukon and consequently upon the operation of commercial businesses within these tracts of land.

A number of companies are operating tours within areas of land under claim. The present uncertainty as to the outcome of the negotiations is apparently negatively influencing the operators investment decisions. It is also having an impact upon those companies who are considering developing tours into these areas of land. They are unwilling to risk large amounts of time and capital knowing that the rules by which they are currently operating could be significantly altered.

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5 H. Paish. op.cit. p. 73.

D. THE QUALITY OF THE RESOURCE IS A CRITICAL FACTOR WHEN A TOURIST IS PURCHASING A WILDERNESS TRAVEL VACATION

In specialty market tourism the quality of the resource is a highly important element of the product being offered. An equally important element is the service provided to the tourist. The definition of the wilderness travel product is further discussed in the next chapter.

The quality of the resource is important because of its strong influence on the quality of the tourist's experience and hence their overall degree of satisfaction with the product. Participants in a specific activity are motivated to travel long distances to enjoy their activity only if they feel the resource is of a sufficiently high quality or has outstanding, or unique, characteristics. The resource has to be of that high quality to justify the time and expense of traveling long distances.

1. Those tour operators and tourists familiar with Yukon rate the resource extremely highly

As part of our market research we interviewed 23 tour operators who off ered wilderness travel tours in North America in 1981. Of these 23, eight operators sent a total of 10 different wilderness travel tours to destinations in Yukon in 1981.

We asked the operators of these tours to assess the suitability of the Yukon environment and natural resources for the type of activity their tour was concerned with. Their responses are listed in Exhibit III-2.

Quite clearly those tour operators who know Yukon rate the suitability of the resource extremely highly.

These tour operators are well established in their field. They offer tours to a variety of destinations across North America and can draw valid comparisons. They offer an average of 25 different wilderness travel tours each, and typically each tour will have a number of departures.

The resources for backpacking and river rafting tours in Yukon are rated as outstanding by the companies who offer these types of tours. Operators were marginally less enthusiastic about the resources for canoeing, camping and sport fishing.

Overall, our conclusion would be that those operators who already operate wilderness experience tours into Yukon rate the resource extremely highly.

EXHIBIT III-2. **Rating of Yukon's resources for activities by extra territorial tour operators offering tours to Yukon in 1981**

Tour company Number	Main activity of tour	Rating of suitability of Yukon's resource for activity	No. of different tours of this activity to Yukon *	Total no. of different tours offered of this activity**	Total no. of different tours offered by company**
7	Backpacking	Outstanding	1 (2)	8	22
10	Backpacking	Outstanding	1 (1)	10	36
12	Backpacking	Outstanding	1 (6)	1	17
8	River rafting	Outstanding	1 (1)	11	13
11	River rafting	Outstanding	1 (7)	50	60
9	Canoeing	Very good	1 (1)	2	32
12	Canoeing	Outstanding	1 (n/a)	1	17
14	Camping	Outstanding	1 (8)	2	2
15	Camping	About Avg.	1 (3)	17	17
12	Sport fishing	Very good	1 (12)	15	17

Ratings: Outstanding; very good; about average; below average; don't know.

* Number of departures in brackets.
** To all destinations.

We also asked tourists taking wilderness travel tours in Yukon during 1981 to complete a simple questionnaire about their trip and mail it to Us.[6]

The tourists were asked ". . . given the outdoor activities you participated in, how would you rate the natural resources of Yukon?"

The responses were:

Outstanding	11
Very Good	9
Average	1
Below Average	0
Total	21

Again it would appear that those tourists familiar with the natural resources rate them highly.

2. **There is one** outstanding park and **a number** of *other* protected areas within Yukon

Parks are created for a number of different reasons. Two reasons predominate however, they are designated because they are either representative of a region, or an area of land has some unique feature which makes the park outstanding within its region.

This means that the process for designating parks evaluates criteria <u>within the region itself.</u> Regions are not being compared with other regions. It means that Kluane National Park cannot be readily compared with Nahanni National Park in the Northwest Territories, because they were designated as parks for very different reasons.

However, we feel that some assessment of the existing and proposed number of parks and game reserves is reasonably indicative of the overall quality and variety of the wilderness resource of Yukon.

The territory has one national park and two game reserves. These are Kluane National Park, Kluane Game Sanctuary, and McArthur Game Sanctuary.

6 Only 21 responses were received as our survey coincided with the mail strike of the Canadian Post Office during the summer of 1981. The results are therefore no more than indicative.

Kluane National Park was created in 1972 by an order-in-council. It was formally absorbed into the national parks system in 1976. For the 30 years prior to 1972, the 22,000 sq. km. which became the park had been part of the larger Kluane Game Sanctuary.

Kluane National Park and the U.S. St. Elias/Wrangell Mountains Park were designated a UNESCO world heritage site in 1979. There are just nine such sites in North America and of these four are in Canada. Consequently, the park is felt to have some of the most outstanding wilderness scenery in the world.

A park management plan for Kluane National Park was prepared by Parks Canada in 1980. This document lays out a clear primary objective for the management of the park; it is ". . . to preserve the wilderness character of Kluane National Park." The six main sub-objectives complement this primary objective. The main implication of this policy for tourism is that visitation within the park will be encouraged in specific areas, particularly the Slims River Valley at Kathleen Lake and in the Mush/Bates Valley and on the periphery of the park.

The game reserves are dispersed throughout the Territory. They also have been created to protect and conserve the wilderness resource and contain a variety of rare fauna and flora.

It has been proposed to establish a number of other similar protected areas in addition to those already in existence in Yukon. A national park is proposed for a large tract of land to the immediate north of Old Crow in the far north of the Territory. A reserve of some 2,500 sq. km. is proposed to be established to the immediate northwest of this area and will contain the Firth River portion of the British Mountains.

Ten further game reserves are proposed for the remainder of the Territory. These are of various sizes, the three largest being Kusawa Lake (570 sq. km.) southwest of Whitehorse, Arctic Circle Crossing (1,000 sq. km.) to the northeast of the Ogilvie Mountains, and Frances Lake (400 sq. km.) to the north of Watson Lake.

In addition to these game reserves, 12 sites have been designated as proposed ecological reserves. These again vary in size from one site of many hundreds of sq. km. to the northeast of Teslin, to much smaller, more localized areas.

Yukon therefore has large areas of its wilderness either protected or proposed to be "so. It contains one of the outstanding areas of wilderness scenery in the world in Kluane National Park. It has a number of large areas where rare mammals and flora, unique to the far northwest of North America, are protected.

3. Yukon's rivers and mountains are felt to be outstanding

The wilderness guides operating in Yukon told us that, based on feedback from their tourists and their own wide ranging experience, there were two elements of the resource that are of an extremely high quality and could stand comparison with any other destination — Yukon's rivers and mountains.

The Kluane National Park and its environs appear to be of outstanding significance in terms of wilderness scenery. The rivers of Yukon, particularly the Tatshenshini River for rafting and the Yukon River for canoeing, appear to have an excellent reputation as outstanding for their particular activity. The St. Elias Mountains, and particularly Mount Logan, have a good reputation amongst climbers for offering interesting and challenging climbs.

But it would appear that in the marketplace both Alaska and the Northwest Territories are thought to have outstanding wilderness resources for most activities. This level of awareness is mostly a function of their extensive marketing campaigns of the late 1970s. As well, British Columbia is perceived to have outstanding resources for river rafting, this again being a function of concentrated marketing and promotion in recent years.

The implication would appear to be that the quality of Yukon's resource is not inadequate per se but the marketplace is generally unaware of its quality by comparison with other destinations. It is a matter of perception rather than reality.

If Yukon is to firmly establish itself in this marketplace it will need to correctly position its product based on an understanding of the market's needs and a realistic assessment of the quality of its resources to meet those needs. This is further discussed in Chapter IX – Recommendations.

E. THE CAPACITY OF THE RESOURCE ALSO CONTRIBUTES SIGNIFICANTLY TO THE QUALITY OF THE EXPERIENCE

There can be no meaningful assessment made of the potential of the wilderness resource without some reference being made to its capacity.

The elements of capacity which have to be addressed include:

- Environmental carrying capacity.
- Social carrying capacity.
- Variations in solitude requirements between various user groups.
- Requirements of residents by comparison with those of non-residents.

We attempted to gather data on the existing capacity of the resource. Unfortunately such data appear to be very limited or are just not available for the vast majority of the Territory.[7] Basically, few detailed assessments have been made of the capacities of the resource.

The rivers of the Yukon are a critical resource, acting as a focus for wilderness experience tours in the Territory. The Yukon Wild Rivers Survey is essentially descriptive. The reports give no assessment of the level of usage which this resource can accommodate without the resource itself being compromised.

The wildlife of Yukon is an equally important resource. In the past there has been some controversy between the outfitters of Yukon and the territorial government about the quotas of animals which can be hunted.[8] As well, comments were also made[9] that some species, particularly the mountain sheep, have been disturbed in the past by the mere presence of the general tourist as well as other activity, specifically mining.

The capacity of the resource is an important consideration in developing wilderness travel tourism. The enjoyment of the experience can be jeopardized if a tourist feels that there are just too many people in one area at one time. The resource itself can be compromised if fragile ecosystems are disturbed by frequent visitation.

While acknowledging the importance of the capacity of the resource, it is impossible to discuss detailed implications without adequate data. We shall discuss this further in Chapter IX — Recommendations.

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[7]Personal interviews: Department of Renewable Resources.

[8]Personal Interviews: Department of Renewable Resources, YTG, and President of Yukon Outfitters Association.

[9]Personal Interviews: Department of Tourism, YTG.

IV

THE NATURE AND CHARACTERISTICS OF THE WILDERNESS TRAVEL INDUSTRY IN YUKON

A. THE WILDERNESS TRAVEL INDUSTRY CONTAINS MANY ELEMENTS

1. The industry has four main segments

In broad terms the wilderness travel industry is that sector of the tourist industry which offers vacations specifically oriented toward participation in activities dependent upon an undeveloped wilderness.

In detail the industry is markedly segmented, offering very different types of activity to very different markets.

The terms of reference for this study define the industry thus:

"The wilderness/adventure travel industry is considered to consist primarily of the following:

> The operators of commercially organized tours, excursions, trips and expeditions which last one or more full days; are guided and oriented primarily towards experiencing wilderness and/or adventure travel partially or entirely in Yukon, and which are marketed to members of the general public in Canada and/or other countries and are typically obtainable through travel agents.
>
> Commercial enterprises which supply facilities and services on a rental basis to individuals and groups wishing to travel in or experience Yukon wilderness for one or more full days without a commercial guide.
>
> Commercial big game hunting outfitters.
>
> Without limiting the above, types of wilderness/adventure experiences being offered by the industry include such activities as:
>
> > River float trips.
> >
> > Ski mountaineering.
> >
> > Hunting.

Naturalist trips.

Photo safaris.

Trail riding.

Dog-sledding.

Vehicle-based camping tours.

Wilderness resorts and camps.

Fishing, camps etc."

This definition suggests a strong distinction between guided and non-guided activities and between wilderness experience activities and commercial big game hunting.

It is our understanding that the main element of the industry of interest to you is the commercially organized guided wilderness experience tour, excursion, trip or expedition. We shall term this the "guided wilderness experience segment" of the wilderness travel industry.

The other elements of the wilderness travel industry of interest to you, are in order of importance:

Commercial enterprises which rent equipment, facilities, and services to individuals wishing to experience Yukon's wilderness without a guide. We shall term this the "non-guided wilderness experience segment".

Commercial big game outfitting.

Commercial sportfishing from fishing camps and lodges.

The wilderness travel industry of Yukon therefore consists of these four segments:

Guided wilderness experience.

Non-guided wilderness experience.

Big game outfitting.

Sportfishing from fishing camps and lodges.

2. Many different terms are used to describe similar activities

Many different terms are used by the operators in Yukon to describe the activities offered on their guided wilderness experience tours. In some instances what appears to be the same activity has different descriptions which vary from operator to operator, for example dog sledding and dog mushing, or mountain travel, mountain expeditions, and mountaineering. The variety of terms currently used in the promotional material of Yukon operators is presented as Appendix %'.

There are possibly two reasons for this diversity in terminology. First, a variety of activities is often offered during a tour and a general descriptor, such as 'mountain expeditions', is used to describe the emphasis of the tour rather than the activity per se. Second, there is an element of individual preference with one operator preferring one term to another.

For the purposes of this study we have attempted to rationalize this diversity. We propose therefore to use standardized terms to describe the activities offered by operators of guided wilderness experience tours.

These terms are as follows:

LAND BASED ACTIVITIES	WATER BASED
Mountaineering	Canoeing
Backpacking/Hiking	Riverboat Tours
Wilderness Skills	River rafting
Photography	Fishing
Cross Country Skiing	
Snowshoeing	
Dog-sledding	
Hunting	
Trail Riding	
Horseback Riding	

Definitions of these terms and the similar descriptors which are included within each term are listed in Appendix 'B'.

3. The wilderness travel product is an amalgam of components

In marketing terms a product is defined as any good or service capable of satisfying a need or want. Any physical product, a tent for example, is in fact providing a service - overnight accommodation.

The wilderness travel product is therefore a specific kind of vacation which meets the needs of the purchaser. The quality of the product is comprised not only of the quality of the resource but also of equal importance are the quality of guiding and the quality of the equipment. All of these contribute to the overall quality of the experience which is being sold at a certain price.

The wilderness travel product therefore is the overall experience and all of the component parts which contribute to that experience.

B. GUIDED AND NON-GUIDED WILDERNESS EXPERIENCE BUSINESSES

1. There were between 30-40 businesses offering these tours in 1981

'We estimate there were 32 businesses in Yukon actively offering guided and non-guided wilderness experience tours in 1981. These businesses are listed in Exhibit IV-1.

We identified a total of 38 businesses or individuals who offered guided and non-guided wilderness experience tours in the period 1980- i981. Of these, 6 were not operating in 1981. This was for a variety of reasons, but primarily because the business had been sold or was in the process of being sold and its status was uncertain for the 1981 season.

2. The businesses have different emphases

The businesses offered a variety of activities and often catered to a variety of market segments. However, it would seem that the guided and non-guided wilderness experience businesses can be grouped into broad categories according to the main emphasis of their business.

It would appear that in 1981 there were the following active businesses:

21 businesses or individuals primarily offering guided wilderness experiences.

4 businesses or individuals primarily offering guided sportfishing trips.

3 businesses or individuals primarily offering guided trail riding or horseback riding.

. EXHIBIT IV-1. Inventory of guided and non-guided wilderness experience businesses in Yukon 1981

Name and Location of Business	Main Activities Offered	Comments
A. GUIDED WILDERNESS EXPERIENCE BUSINESSES		
Broad range of activities		
1. Llewelyn Mountain Tours - Whitehorse, Yukon	mountaineering cross country skiing	1981 is first year of operation
2. Ecosummer/Canadian Nordic Ski Holidays Whitehorse, Yukon	backpacking /hiking mountaineering photography wilderness skills snowshoeing fishing canoeing river rafting cross country skiing	
3. Yukon Expeditions Whitehorse, Yukon	mountaineering backpacking/hiking canoeing	
4. Wilderness Yukon Photography Tours Fare, Yukon	riverboat trips photography horseback riding	
5. Yukon Pioneer Wilderness Camp	wilderness skills backpacking/hiking canoeing photography fishing	Formerly Air Inn
6. Northern Wilderness Travel Whitehorse, Yukon	fishing riverboat trips	

EXHIBIT IV- 1. Inventory of guided and non-guided wilderness experience businesses in Yukon 1981 (Cont'd)

Name and Location of Business	Main Activities Offered	Comments
7. R&R Wilderness Guides Carcross, Yukon	backpacking/hiking	
8. Tina Lake Wilderness Resort Whitehorse, Yukon	fishing backpacking/hiking trail riding photography	1981 is first year of operation
9. Yukon Hostelling Association Whitehorse, Yukon	backpacking/hiking riverboat trips	
10. Journey's North Haines Junction, Yukon	mountaineering snowshoeing backpacking/hiking canoeing dog sledding cross country skiing	
11. North Country Travelers Atlin, B.C.	backpacking/hiking fishing canoeing cross country skiing dog sledding snowshoeing wilderness skills	
12. Nortreks Atlin, B.C.	canoeing riverboat trips backpacking/hiking mountaineering cross country skiing wilderness skills	

EXHIBIT IV-1. Inventory of guided and non-guided wilderness experience businesses in Yukon 1981 (Cent'd)

Name and Location of Business	Main Activities Offered	Comments
13. Wild and Woolly Carcross, Yukon.	backpacking/hiking canoeing wilderness skills	
14. Yukon Wilderness Unlimited/Gentle Adventures Whitehorse, Yukon	riverboat trips wilderness skills river rafting backpacking/hiking fishing	
15. Kluane Adventures Haines Junction, Yukon	backpacking/hiking fishing cross country skiing wilderness skills photography	
16. Yukon Mountain & River Expeditions Whitehorse, Yukon	canoeing backpacking/hiking mountaineering cross country skiing riverboat trips	
17. Rainbow Adventure Tours Dawson City, Yukon	backpacking/hiking	
18. B. Shacker Whitehorse, Yukon	backpacking/hiking	
19. Sheba Holdings Teslin, Yukon	backpacking/hiking	
20. Sylvia Williams Whitehorse, Yukon	backpacking/hiking	
21. Major Evans Tagish Bridge, Yukon	backpacking/hiking	

EXHIBIT IV- 1. **Inventory of guided and non-guided** wilderness experience businesses in **Yukon 1981** (Cent'ti)

Name and Location of Business	Main Activities offered	Comments
Guided sportfishing		
22. Brooklands Wilderness Camp Carcross, Yukon	- fishing	
23. B&J River Camp Johnson's Crossing Yukon	- fishing	
24. Bob White's Fishing Trips Destruction Bay, Yukon	- fishing	
25. Morley Bay Fishing Sevices Teslin, Yukon	- fishing	
Horseback related		
26. Yukon Trails Haines Junction, Yukon	- horseback riding	
27. Cross Bar Guest Ranch Whitehorse, Yukon	horseback riding	
28. Jubilee Packtrains Whitehorse, Yukon	horseback riding trail riding	
B. NON-GUIDED WILDERNESS EXPERIENCE		
29. Goldrush River Tours Whitehorse, Yukon	canoe rental riverboat trips backpacking/hiking	
30. Yukon Whitewater Recreation Whitehorse, Yukon	canoe rental	
31. Yukon Canoe Rental Whitehorse, Yukon	canoe rental	
32. Kluane Lake Cruises Destruction Bay, Yukon	riverboat trips	

EXHIBIT IV-1. Inventory of guided and non-guided wilderness experience businesses in Yukon 1981 (Cent'd)

Name and Location of Business	Main Activities Offered	Comments
c . COMPANY NOT OPERATING IN 1981		
33. Timberline Tours Atlin, B.C.	- canoeing - photography - fishing	Company not operating . in 1981
34. Paddle and Portage Whitehorse, Yukon	- canoeing	Company not operating in 1981
35. The Halstead's Teslin, Yukon	backpacking/hiking	Company not operating in 1981
36. Tagish Taku Marina Whitehorse, Yukon	- boat rentals	Business sold in 1981; current status uncertain
37. Timberpoint Enterprises Teslin, Yukon	- fishing	Company not operating in 1981
38. Rancheria Hotel Mile 710 Alaska Hwy, Yukon	- horseback riding - fishing	This portion of the company was sold in 1981; current status unknown

4 business or individuals primarily concerned with canoe or boat rental. (These can be categorized as non-guided wilderness experience businesses).

We attempted to contact a representative of each of these businesses either personally or by phone. We were able to interview representatives of 16 of these 38 businesses. The remainder were contacted by mail back questionnaire. At the time of writing we had received two responses to this questionnaire. The data from these questionnaires was not as extensive as that gathered by interviews and the following comments refer strictly to the 16 operators interviewed.

We feel however, that these characteristics are typical of the operators of guided and non-guided wilderness experience tours. Where we refer to all operators within the segment as a whole this is noted.

Of the 16 businesses we interviewed, 4 were not offering tours in 1981. But they had been in business during 1980 and preceding years and were able to provide useful historic information. Thus our sample consists of 12 operators active in 1981.

From an analysis of the brochures of those businesses we were unable to interview, and from discussions with the Yukon Territorial Government, we feel that our sample is reasonably representative of the guided and non-guided wilderness experience segment of the industry.

a) Half of them are located in Whitehorse

Half of the businesses had their business office in Whitehorse. This was largely because they offered tours throughout Yukon. Whitehorse was therefore a convenient staging point.

The remainder offered tours in a much more geographically limited area. Their offices tended to be located in close proximity to this area, for example, Haines Junction for tours in the Kluane region.

b) They tend to offer a broad range of activities

The 28 guided wilderness experience businesses either offered a broad range of activities or tended to concentrate on one specific activity. While 21 of the businesses offered a broad range of activities, 7 offered either just guided sport fishing experiences or horseback related experiences. (Exhibit IV-2).

The 21 businesses, whose primary emphasis was the guided wilderness experience, tended to offer a variety of activities (Exhibit IV-2). Over half offered 4 or more activities, the most frequent combination being mountaineering, backpacking/hiking, cross country skiing, and canoeing.

EXHIBIT IV-2. **Characteristics** of guided and non-guided

Name Company	Location of Office	Activities Offered**	E
Llewelyn Mountain Tours	Whitehorse	1,6	
Ecosummer/ Canadian Nordic Ski Holiday	Whitehorse	1,2,3,4,5 6,11,13,14	
Yukon Expeditions	Whitehorse	1,2,11	
Tina Lake Wilderness Resort	Whitehorse	2,9,14	
Journey's North	Haines Junction	1,2,5,6,7	
North Country Travelers	Atlin B.C.	2,3,5,6,7 11,14	
Nortrek	Atlin, B.C.	1,2,3,5	
Wild and Woolly	Carcross	3	
Yukon Wilderness Unlimited/Gentle Adventures	Whitehorse	2,3,12 13,14	
Kluane Adventures	Haines Junction	2,3,4 14	
Yukon Mountain & River Expeditions	Whitehorse	1,2,5,11	

EXHIBIT IV-2. Characteristics of guided and non--guic
(Cent'd)

Name Company	Location of Office	Activities Offered **
Rainbow Adventure Tours	Dawson City	2,11
Goldrush River Tours Inc.	Whitehorse	2,11,12
Bob White's Fishing Trips	Destruction Bay	14
Jubilee Packtrains	Whitehorse	10
Yukon Canoe Rentals	Whitehorse	11

* **Only** those businesses interviewed are listed in this

** Activities: 1. Mountaineering. 2. Backpacking/
Skiing. 6. Snowshoeing. 7. Dogsledding. 8. Hunting
Riverboat Trips. 13. River Rafting. 14. Fishing.

Activities offered are taken from current brochure or Y

n/a: Not available or not applicable.

Backpacking/hiking was offered by over half of the businesses. Mountaineering, canoeing and cross country skiing were offered by just under half of the businesses. River rafting was offered by 2 of the businesses.

c) Most of the businesses were less than 5 years old

The majority of these businesses were less than 5 years old. All but 2 of them were formed in the previous 10 years, 6 of them since 1976. Overall the owners were in the early stages of establishing their businesses.

d) The businesses were very small

The guided and non-guided wilderness experience businesses interviewed were mostly small scale. This is using both the number of trips offered and number of employees as indications of size. Only 3 of the operators were offering 10 or more departures in 1981, the majority offering between 5 and 10 individual trips.

Ten of the 12 businesses interviewed, who provided us with the number of employees, had 3 or less employees, including the owner. Six of these had just 2 employees. As these individuals tend to guide the tour groups this was an obvious constraint on the number of departures which could take place and would tend to limit the size of the business.

e) The range of facilities and equipment was generally limited

Generally the wilderness experience businesses had a limited range and quantity of equipment. The sleeping accommodation provided for guests by practically every business was a tent. Guests were usually asked to provide their own sleeping bags and personal gear.

f) They had low annual gross revenues

The wilderness experience businesses generally had a relatively low annual gross revenue. The average annual gross revenue of these companies in 1980 was between $10,000 - $15,000. Typically it was less than this. Although 1980 was generally regarded as being a relatively poor year, gross revenues were rarely significantly higher than this. Five of the 7 companies reporting revenue had gross revenues of less than $12,000.

Costs tended to average two thirds of annual gross revenues. The annual costs of the six businesses reporting this information averaged between $8,000 -$10,000 in 1980. This usually did not include the salary of the owner which was taken out of the remainder. Because of this, practically every owner had to have other jobs to provide income.

Most owners had between $20,000 and $25,000 invested in their company. Much of this was invested in equipment such as boats, canoes, tents and related camping equipment. A further significant cost of business was the exploration of new areas or rivers for developing new tours.

c. BIG GAME HUNTING BUSINESSES

1. There were 20 active big game hunting businesses in Yukon in 1981

There was a total of 22 designated big game outfitting areas in Yukon in 1981. Two of these areas, numbers 18 and 21, were taken out of the roster by the Territorial Government in that year and were no longer operating as designated big game areas. Exhibit IV-3 is an inventory of the businesses operating in the 20 remaining areas.

We attempted to contact all 20 of the big game hunting outfitters. We were able to interview 15 of the outfitters either personally or by phone. We asked the remainder to complete a mail back questionnaire and received data from one operator.

Our comments on the characteristics of the big game hunting businesses are based on the data gathered from these 16 operators. Exhibit IV-4 outlines the characteristics of their businesses.

a) They were dispersed throughout Central Yukon

Yukon has been divided into 22 different big game outfitting areas since 1958. These areas do not include the Kluane National Park, the area to the south of Dawson, the area between Carmacks and Whitehorse, and the Richardson and British Mountains (that is the northern part of Yukon Territory). Exhibit IV-3 includes a map of these guiding areas.

b) They tended to offer a limited range of activities

The majority of the big game hunting companies offered just hunting to their guests. Twelve of the 16 operators said that they only offered hunting. The remaining four also offered guided wilderness experience type activities, for example, photography excursions or trail rides. These activities were offered primarily for the wives of the hunters. Three of the companies also offered fishing trips. These generate small amounts of income by comparison with that derived from hunting.

The operators tended to offer mixed species, trophy hunts. Only 2 of the operators said they offered single species hunting. The most popular species for hunting were the dall sheep and the grizzly bear. Moose and caribou tended to be third and fourth in popularity.

EXHIBIT IV-3. Inventory of big game hunting outfitters

Area No.	Name and Location	Activities Offered	Comments
1	Stan Reynolds Dawson City, Yukon	hunting	
2	Doug Low Tagish, Yukon	hunting	
3	Pete Jensen Whitehorse, Yukon	hunting	
4	Rick Furniss Whitehorse, Yukon	hunting fishing photography trail riding	
5	Bonnet Plume Outfitters Ltd. Whitehorse, Yukon	hunting	
6	Don Marino Carmacks, Yukon	hunting	
7	Can Drennan Ross River, Yukon	hunting photography	
8	Art Mintz Whitehorse, Yukon	hunting	
9	Werner Koser Ross River, Yukon	hunting	
10	R. Dickson Whitehorse, Yukon	hunting	
11	John Ostashek Destruction Bay, Yukon	hunting	
12	Vern Hassard Whitehorse, Yukon	hunting	
13	R. Hardie Whitehorse, Yukon	hunting fishing trail riding	

EXHIBIT IV-3. inventory of big game hunting outfitters (Cent'd)

Area No.	Name and Location	Activities Offered	Comments
14	Belle Desrosiers Whitehorse, Yukon	hunting	
15	Clay Martin Whitehorse, Yukon	hunting	
16	Dave Young Whitehorse, Yukon	hunting	
17	Klaas Heynen Whitehorse, Yukon	hunting fishing photography trail riding	
19	Robert Hassard Teslin, Yukon	hunting	
20	Teslin outfitters Teslin, Yukon	hunting	
22	Gordon Toole Watson Lake, Yukon	hunting	

Big Game Guiding Areas
Yukon Territory

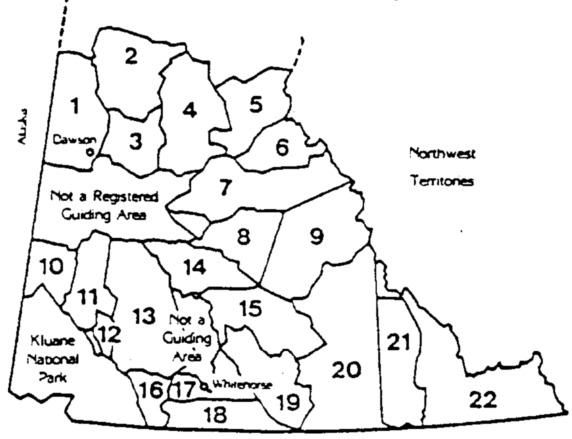

EXHIBIT IV-4. Characteristics of big game hunting outfitters' businesses located in Yukon (198 *

Name	Designated Hunting Area	Activities Offered**	Year Camp Established	Year Camp Purchased by Present Owner	Length of Hunting Season	Average Duration of Hunt (Days)	Total Number of Employees
Dav d Young	16	H	1948	980	August-October	14	1
Pete Jensen	3	H	n/a	1965	August-October	4	6
Belle Desrosiers	4	H	1947	1960	August-October	14	6
Vern Hassard	12	H	pre 1950	1969	August-October	14	6
Clay Martin	5	H	pre 1950	1971	August-October	14	12
Bonnet Plume Outfitters Ltd.	5	H	947	1978	August-October	5	6
Koser Outfit ers	9	H,P	952	1964	August-October	4	11
Gordon Toole	22	H	1965	1965	August-October	4	
R.G. Hassard	19	H	1950	1969	August-October	14	7
Rod C. Hardie	13	H,F,R	1948	979	April-October	15	13
John Ostashek	11	H	n/a	973	August-September	14	0
Doug Low	2	H	1961	96	August-October	14	
R ck Furniss	4	H,F,P,R	957	979	May-November	14	2
R Dickson	0	H	902	959	August-September	14	5
Klaas Heynen	17	H,F,P,R	1946	965	August-October	15	5
Dan Marino/ Nadaleen Outfitters	6	H	n/a	1979	n/a	19	12

* Those interviewed.

** H - Hunting; F - Fishing; P - Photography; R - Trail riding.

The season was extremely short. Thirteen of the 16 operators hunted over an 8 to 10 week season. It lasted from the first week of August until early October. Only 2 offered a spring bear hunt and their seasons lasted from late April/early May until the end of October.

c) The businesses have been established for some years

The big game outfitters were well established. Ten of the 16 businesses were created between 1941 and 1957. Two were formed in the early 1960's and 1 at the turn of the century. The dates of establishment of the remaining 3 were not determined.

The length of ownership was shorter. The average length of ownership for the 16 operators was between 10 to 12 years. However, 5 of the 16 have owned their companies for 3 years or less. Seven have owned their companies for 15 years or more.

d) The businesses were generally small scale

The companies tended to be small. The companies average 8 to 10 employees inclusive of the operator. The largest companies had 12 to 13 employees, the smallest 5 to 6 although 1 company had just 1 employee, the operator himself. However, the employees were employed for a very short season, often being fully employed for no more than 3 months.

The relatively higher numbers of staff compared to the guided wilderness experience businesses appears to be a function of the greater range and variety of equipment required for a hunt and also because of the local requirement that each non-resident hunter be accompanied by a licensed guide. As well, a number of hunts were run concurrently.

e) The range of facilities and equipment, while limited, could prove to be relatively expensive

Most of the equipment and facilities provided by the hunting companies were oriented toward the hunt itself. The base lodge tended to have very limited accommodations and facilities because the hunters were only there briefly, on arrival and departure. Nine of the 16 operators had outpost camps, the average being 8 camps. Two of the larger operators have 17 outpost camps each, but typically operators have 4 to 6 camps. These camps were usually no more than tents.

The major items of equipment were horses, tents and frequently a plane. The hunts were supplied by packhorses. Typically operators would have 25 to 35 horses. Some operators had between 45 to 50 horses with one operator having 70 to 80 animals. This was a significant expense. Operators tended to have between 10 to 15 tents. About one third of the operators had their own plane to fly supplies and hunters into and out of their camps.

f) Their average gross revenues were in excess of $100,000

The operators of hunting businesses had average gross revenues of between $120,000 - $130,000 in 1980. Of the 13 operators who made financial information available to us, 5 had gross revenues of less than $100,000. Only 2 had revenues in excess of $200,000, in neither case exceeding $250,000.

Eleven of the operators made their costs available to us. Their costs tended to average 80% of gross revenues and averaged $100,000 although of the 11, two operators lost money. The operators had generally invested between $160,000 -$175,000 in their companies. Four of the operators had invested in excess of $200,000, the highest investment being approximately $350,000.

D. SPORT FISHING FROM FISHING CAMPS AND LODGES

1. Six businesses offered sportfishing from camps and lodges in 1981

There were 7 businesses in Yukon which offered fishing trips from base camps to tourists. Of these, 4 could be categorized as fly-in fishing lodges and 2 as 'commercial sports fish ventures that attract destination point anglers' (Exhibit IV-5).

The distinction between the two is that while the fly-in fishing camps specialize solely in offering sportfishing the two remaining businesses do not. They are destination points, accessible by road, which offer sportfishing to their guests as well as many other services. Sportfishing therefore only generates part of their income.

Much of the information in this section is based on data from the 1981 Yukon Sport Fishery Study.[1]

a) The camps and lodges were in the southern part of the territory

The four fly-in fishing lodges were widely dispersed across the southern part of the Territory. Their base camps- were situated on Tincup Lake, to the immediate north of Kluane National Park in the southwest of Yukon; on Wolf Lake approximately 175 km due east of Whitehorse; and on Tobally Lake in the far southeast of the Territory, approximately 140 km east north east of Watson Lake.

The two 'commercial sports fish ventures' were located in the southwest of the Territory. They made use of the Tatshenshini River which flows southwards from close to the south eastern border of Kluane National Park to the Pacific Ocean.

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[1] H. Paish: op.cit. appendix 4 pp 203-218

EXHIBIT IV-5. Inventory and characteristics of sport fishing camps and lodges located in **Yukon (1981)**

Name	Location	Activites Offered	Year Camp Established	Year Camp Purchased by Present Owner	Length of Season	Average length of Trip (Days)	Total Number of Employees
Kluane Wilderness Lodge	Tincup Lake/ Wellesley Lake	Fishing	1972	1975	June-September	7	13
Tobally Lake Fishing Lodge	Tobally Lake	Fishing	1971				2
Dezadeash Lodge	Dezadeash Lake	Fishing	1970				
Yukon Fishing Safaris	Tatshenshini River	Fishing	1979	1979	June-July	5	3+
Grizzly Creek Lodge	Tobally Lake	Fishing	1974	1980		7	6
Wolf Lake Wilderness Camp	Wolf Lake	Fishing	1978	1978	June-September	4	2

b) The range of activities offered was very limited

Five of the operators concentrate solely on offering lake or river sportfishing to their guests. The remaining business, Dezadeash Lodge, originally offered a wider range of activities but has begun to specialize as a sportfishing resort in the recent past.

c) The kineses were all established in the 1970s

The camps were all less than 12 years old. Four of the camps opened in the years 1970- 1974. The 2 remaining camps have opened since 1978.

Four of the camps have changed hands since they opened. Three of the new owners had bought their camps in the last three years.

d) The businesses were generally small

The camps were generally very small, being either tent camps or having a small number of cabins. But Kluane Wilderness Lodge could sleep 24 in its base camp and had 6 outpost camps, while Dezadeash Lodge had 55 beds. As pointed out Dezadeash has a highway location and also functioned as a highway inn.

Kluane Wilderness Lodge had 13 seasonal employees and accounted for almost half the employees in this segment of the industry. The other camps were family run and generally had 210 3 employees.

e) The range of facilities and equipment varied from comprehensive to minimal

The two major lodges offered a much broader spectrum of services, facilities and equipment than did the smaller, more primitive camps. Kluane Wilderness Lodge had a dining room, bar and offered fly-in services to a variety of different lakes in addition to the standard facilities necessary for sportfishing. The smaller camps offered a minimal range of facilities and equipment, and concentrated on providing boats and motors for their guests.

f) And their income varied significantly

We *were* unable to collect sufficient data to comment on average revenues and costs of operation. However, Paish has estimated that in 1980 the 6 fishing camps had a total gross revenue of $543,000.[2]

2H. Paish op.cit. p.

He further estimated that Kluane Wilderness Lodge accounted for 85% of the fly-in sportfishing business in Yukon. Both Dezadeash Lodge and Yukon Fishing Safaris are accessible by road. We would therefore estimate that Kluane Wilderness Lodge would account for between two thirds and three quarters of the total revenue to the sports fishing lodges. This would suggest that the remaining 5 camps had average gross revenues of between $30,000 - $35,000 per season in 1980.

E. A BROAD ESTIMATE OF THE ECONOMIC IMPACT OF THE INDUSTRY

There are two main areas of economic impact resulting from the wilderness travel industry. These are the employment created, and the consequent employment income, and the revenues generated from tourist spending. Both the employment income and direct revenues are then spent in the local area to cause 'multiplier' effects.

1. Employment impacts

individuals involved within the wilderness travel industry can earn income in two different ways. They can either be involved as owners of a company and thus draw a salary or living expenses from the profits of the business or they can be employees of the owners and be paid a weekly or monthly wage.

The owners tend to be working on behalf of their company for a longer period than just the duration of the summer season. During the remainder of the year they will also undertake general administration, marketing and maintenance. Thus any income derived from the company has to be spread over this longer period. Many of the companies are family owned and operated.

The employees tend to be just employed for the duration of the season. They tend to be unrelated to the owners of the company although, in some instances, the children of owners are sometimes paid a wage for seasonal work for the company.

a) The guided and non-guided wilderness experience businesses employed just over 100 persons

We estimate that in 1980 the 32 guided and non-guided wilderness experience businesses employed between 100 and 120 persons.

Each business averaged about 1.75 principals, that is owners or family, and about 1.75 non-related seasonal employees. We would estimate that the owners were employed for approximately 24 weeks of the year, the length of the season plus time during the rest of the year for ancillary activities. The non-related heip was employed for an average of 14 weeks, that is just for the length of the season. Principals therefore account for 1,344 man-weeks or 28 man-years of employment. Their income is derived from the profits of the operation of their business. We would estimate that in 1980 this income totalled between $100,000 and $125,000.

Non-related employees account for 784 man-weeks or 16.3 man-years of employment. Their pay appears to average about $360 per week using 1980 wage rates. Total wage income would therefore be about $282,000. Salary and wage income together would therefore have totalled between $382,000 and $407,000. (Exhibit IV-6).

b) The hunting businesses employed about 165 persons

We estimate that in 1980 the 20 hunting businesses employed between 160 and 170 persons.

Again each business averaged about 1.75 principals. But they averaged about 6.6 non-related seasonal employees per business.

We would estimate the principals were employed for approximately 22 weeks of the year, again the length of the hunting season plus time during the rest of the year for ancillary activities. The non-related help was employed for an average of 12 weeks. Principals therefore account for 770 man-weeks or 16 man-years of employment. We would estimate their income to have totalled between $450,000 and $500,000 in 1980. Non-related employees accounted for 1,584 man-weeks or 33 man-years of employment. They too appear to have been paid about $360 per week. Total wage income would therefore be about $570,000. Salary and wage income together would have totalled between $1,020,000 and $1,070,000 in 1980.

It should be noted that a substantial number of non-related employees in the hunting segment of the industry were native persons. Hunting related activities is felt to be an important source of employment in many of the smaller, isolated communities.

c) The fishing camps and lodges employed less than 40 people

We would estimate that in 1980 the six fishing camps and lodges employed between 35 and 40 persons.[3]

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[3]These estimates are based on H. Paish's Yukon Sports Fishery Study p. 107 and our own supplementary research.

EXHIBIT IV-6. Total employment impact — 1980

	Number of Business	Number of Employees Including Principals	Total Man-'fears	Employment Income *
				(000's)
Guided/Non-Guided Wilderness Experience Businesses	32	100 - 120	44.3	382 - 407
Hunting Businesses	20	160 - 170	49.0	1,020 - 1,070
Fishing Camp/Lodge Businesses	6	35 - 40	12.1	175 - 185
Non-Yukon Based Businesses	n/a	5 - "10	2.0	n/a
Total	58+	300 - 340	116.4	1,577 - 1,662

* Salaries and wage income.

Each business averaged about 1.75 principals and about 4.7 non-related seasonal employees. The averages are only indicative because Kluane Wilderness Lodge employed a considerable number of staff, while the other camps employed very few.

We would estimate the principals were employed for approximately 22 weeks of the year and the non-related employees for about 12.5 weeks.

Principals therefore accounted for 231 man-weeks or 4.8 man-years of employment. We would estimate that their income totalled between $90,000 and $100,000 in 1980.

Non-related employees account for 353 man-weeks or 7.3 man-years of employment. Their pay appears to have averaged about $240 per week in 1980. Total wage income would therefore have been about $85,000. Salary and wage income together would have totalled between $175,000 and $185,000 in 1980.

d) Non-Yukon based companies possibly employ 5-10 more persons

There were some companies which offered wilderness experience tours in Yukon in 1980 but which were not based in Yukon. Their principals were obviously based elsewhere, usually in the U.S.A. They also appeared to bring many of their employees with them. We would estimate that employment generated by these companies was minimal, possibly 5-10 persons over a 14 week season, or about 2 man-years.

e) In total the industry generated about $1.6 million in wages and salaries in 1980

We would estimate that overall the industry generated about 116 man-years of employment in 1980 with about $937,000 of direct wage income. This does not include salary or profits paid to owners of the various businesses. This is estimated to account for between an additional $640,000 and $725,000.

2. <u>The industry earned about $3.5 million in 1980</u>

The wilderness travel industry earned direct revenues of about $3.5 million in 1980. This was comprised of:

$450,000 in revenues to the guided/non-guided segment of the industry.

$2,500,000 in revenues to the hunting segment.

$543,000 in revenues to the fishing 'camp segment[4].

These revenues provided indirect benefits to the economy of Yukon. This was primarily due to spending by the owners of the businesses on goods and services in Yukon.

Additional income was generated from wilderness travel tourists as they also tended to spend money in Yukon, both before and after taking their packaged tour. This was primarily for accommodation, food, and purchases of goods from shops.

The tourist industry in Yukon would appear to have a reasonably high multiplier. We have not done any detailed research to establish its exact level, but we feel it would be relatively high because the owners appear to make few direct purchases outside of the territory. The main 'leakages' would be expenditures for commissions, for advertising in non-Yukon based publications, and federal taxes. Apart from these items the operators would appear to have made a significant contribution to the local economy.

We expect that an expenditure multiplier of 0.6 to 0.7 would be appropriate for this component of the tourism industry of Yukon. This means that the $3.5 million of revenues generated a further $2.1 million - $2.45 million within the economy of Yukon. The wilderness travel industry of Yukon would therefore have earned about $5.6 million -$5.95 million for the territory in 1980.

The Gross Domestic Product of Yukon in 1980 was approximately $400,000 million. The wilderness travel industry was obviously a tiny fraction of this.

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[4] H. Paish op.cit p. 107

V

ORGANIZATION OF THE INDUSTRY IN YUKON

There are a variety of authorities, bodies and organizations which have some impact upon the wilderness travel industry. This chapter describes their various roles and responsibilities. We discuss the optimum industry-government relationships in Chapter IX — Recommendations.

A. THE FEDERAL GOVERNMENT

Yukon is a territory and consequently much of the responsibility for its administration is vested in the Federal Government in Ottawa. The Federal Government is responsible for the administration of practically all of the land of Yukon, the water resources of the territory and negotiating land claims with the native people.

The land is administered under the Territorial Land Use Regulations which are implemented by the Department of Indian and Northern Affairs. Perhaps the main impact on the wilderness travel industry is that any 'substantial' development on the land owned by the Crown has to be approved by the Department of Indian and Northern Affairs. Thus the construction of cabins, or roads, or storage areas or anything of a substantial, permanent nature has to be approved by this Department.

Parks Canada is another federal government body which has jurisdiction over, and responsibility for, land in Yukon. Their jurisdiction extends over the Kluane National Park. They control the mode of access to one of the best wilderness travel areas in Yukon.

B. THE TERRITORIAL GOVERNMENT

The Territorial Government of Yukon has certain specific areas of responsibility for the administration of the territory. In the context of the wilderness travel industry their particular responsibilities are for:

General economic development, embracing both the mining and tourism industries.

The renewable resources of Yukon, in this instance particularly the flora and fauna.

1. The Department of Tourism and Economic Development

The Department of Tourism and Economic Development is responsible for the encouragement of general economic development. The Departmental goals and objectives are:

To co-ordinate the formulation, development and implementation of short, medium and long-term economic development strategies, plans, and programs for Yukon including its various regions and economic sectors.

To provide a centralized research capability and establish a comprehensive socio-economic data base to service the analytical needs of all Yukon Government Departments and the public at large.

To maximize the potential of the Yukon tourism industry by managing and administering an extensive tourism marketing and development program.

The Tourism Planning and Development Branch has its own specific objective:

To develop a competitive international tourism product which will generate economic and social benefit for Yukoners.

An agreement has been signed between the Federal Government of Canada and the Territorial Government of Yukon to assist in the implementation of this overall objective. The detailed objectives and strategy elements of this agreement are:

a) Objectives

To diversify and stabilize the Yukon economy through strengthening and expanding the tourism industry.

To create additional employment and income activities in the Yukon tourism industry.

b) Strategy elements

To develop Yukon as a primary destination for travel by restructuring the present tourist plant.

To reduce Yukon's dependence on auto travelers by developing facilities and services to cater to group arrivals by mass modes.

To broaden and diversify tourism markets.

To improve the productivity of, and quality of, service in the Yukon tourism industry.

To increase local participation thereby enhancing the "value added" in the tourism industry.

To extend the tourism season.

To provide research and planning capability.

Historically the Department has placed strong emphasis on general marketing of the tourism attractions and facilities of Yukon. In doing this they have utilized a variety of different techniques and activities. These include handling enquiries, preparing and distributing advertising and informational material, attending trade shows and supporting the marketing efforts of the Yukon tourism industry itself.

The Department admits that in the past it has not placed great, emphasis on the specific promotion of the wilderness travel industry of Yukon. It has seen its role as more general promotion and marketing. It is currently re-evaluating this role.

The Department also perceives itself as playing a significant role in encouraging higher standards and therefore improving the quality of the tourism product in Yukon.

2. The Department of Renewable Resources

The Territorial Department of Renewable Resources is more concerned with protecting the renewable resources of Yukon.

With respect to the wilderness travel industry the Department is specifically involved in the management of the Territorial Government's parks; in campground management; the development and distribution of interpretive information (both brochures and courses); the development and implemementation of wildlife management policies. The Department's overall. goal is to plan, manage and develop renewable resources for which the Yukon Government has responsibility for the optimum benefit of Yukon residents and visitors.

The Department has specific objectives for the following areas:

a) Policy

To formulate policies which provide guidelines for the efficient and effective management; conservation and utilization of the renewable resources of Yukon.

To provide the technical evaluation leading to the transfer of renewable resources to Yukon Government.

b) Data collection

To obtain a sound data base upon which renewable resources can be managed.

c) Planning and assessment

To formulate management strategies and plans to guide the use of renewable resources in an environmentally and socially acceptable manner.

d) Development

To enhance the renewable resources of Yukon by implementing development plans and programs.

e) Enforcement

To protect the renewable resources and ensure management objectives are obtained through the administration and enforcement of legislation.

f) Education

To provide educational information respecting Yukon renewable resources and to enhance the general public's knowledge regarding management of renewable resources.

C. RELEVANT LEGISLATION

1. Within Yukon

Yukon has some specific legislation which impacts upon the wilderness travel industry.

The relevant legislation appears to be:

The Territorial Lands Act. This covers the uses that can be made of crown and territorial lands and restrictions as to these uses.

Lands ordinance. This covers the disposition and administration of Yukon lands.

Game Ordinance. This covers the regulation of hunting, licensing of hunters, outfitters and guides, the regulation of guides and outfitters, and the registration of guiding areas and trapping areas.

Area Development Ordinance. This covers the designation of lands as 'development areas' and describes restrictions on the uses and activities which can occur in these areas.

Yukon Places Mining Act - This covers regulations pertaining to the conduct of placer mining in the territory. Amended in part by the Northern Inland Waters Act.

The Territorial Lands Act was passed in 1972. It basically describes the controls the Federal Government has over the disposition of lands in the territory. The main implication is that any development of physical facilities, such as campgrounds or any form of infrastructure to service tourists, would have to conform to these regulations.

The Act also clearly states that unless expressly stated no one has exclusive right to any water body, river or similar. This means that canoeists and tourists taking rafting or boat trips have unrestricted access to the river system of Yukon in those parts of the territory covered by this Act.

As well the Act states that the Governor in Council has the power to set aside lands for ". . . game preserves . . . and public resorts" (Clause 19e). This means that the establishment of wildlife viewing areas could be easily achieved under the powers of this clause of the act.

The Lands Ordinance also passed in 1972 is essentially an expansion of the Territorial Lands Act. It was amended in 1981.

The Game Ordinance, first passed in 1958 and subsequently amended in 1979 and 1980, has probably the greatest impact upon the wilderness travel industry as it currently exists. While the Game Ordinance essentially regulates how big game hunting will be conducted in the territory, it also describes in considerable detail regulations covering:

General prohibitions and restrictions.

Special prohibitions and restrictions.

Licenses and certificates.

Guides and outfitters.

and topics related to fur bearing animals and the administration of the ordinance.

The most relevant areas are those covering the issuance of permits, the qualifications and experience of guides, and the quality of equipment and its inspection.

As a general comment while the regulations covering the conduct of big game hunting are quite comprehensive there appear to be none similar which pertain to non-big game guiding activities. The regulations specifically regarding the qualifications and experience of guides, and the quality of equipment could be relatively simply amended to cover non-big game guiding activities, should this be required.

2. Legislation outside of Yukon is generally of limited relevance

The wilderness travel industry is relatively new to North America. Certain segments of it have been regulated -- specifically river rafting -- but generally little specific legislation of relevance has been enacted. We have identified what legislation there is in other jurisdictions in Appendix G.

As a broad statement, much of this legislation covers the establishment and administration of parks, and the regulation of fishing, hunting and trapping activities. Some legislation has been enacted which covers land use regulations which could have an impact upon a wilderness environment.

British Columbia has developed specific regulations to which commercial operators of river rafting trips must adhere. These relate to equipment, operation and the qualifications of personnel. We feel that these are unnecessary at the moment for Yukon because we feel that the development of river rafting is not of the highest priority for Yukon. But we feel they could offer you guidance as to how the guided wilderness experience segment of Yukon's wilderness travel industry might be regulated. The regulations pertaining to the implicit protection of tourists could be of particular interest.

The Province of Alberta does have some limited regulations which cover the management of wilderness areas. These regulations could provide you with some guidance as to the further regulation of the usage of wilderness areas. However, the Territorial Lands Act and Lands Ordinance is very comprehensive and could be easily amended if required.

In some states of the U.S.A. legislation is in effect which controls access to certain areas of the wilderness, particularly the river systems in Colorado. This could usefully be further explored should you be considering introducing a permit system for users of the rivers of Yukon or for access into certain areas of Yukon's wilderness.

Finally some jurisdictions have been assessing the feasibility of licensing and training wilderness guides. We understand the wilderness guides of Ontario discussed this during 1981 but failed to determine how they could effectively implement an appropriate program.

D. TOURISM YUKON HAS A VARIETY OF EXISTING PROGRAMS

A Tourism sub-agreement was signed in 1980 between the Federal Government and the Territorial Government. This was subsequent to the acceptance of Yukon's long range Tourism Development Strategy. This agreement has resulted in the provision of various financial assistance programs, research projects, and the construction of a number of tourism attractions.

As well, the marketing division of Tourism Yukon has its own specific programs. These are the main guide books, including the World's of Alaska program, attendance at trade shows, brochures, publicity, the Canada West program, travel agent promotions, tour wholesaler promotions! carrier promotions, automotive association promotions and visitor reception centres. Tourism Yukon also supports the Yukon Visitors Association through financial contributions. By comparison with some jurisdictions the budgets available for these programs are not high.

The travel guide and Worlds of Alaska program accounted for about $250,000 each in 1981. Familiarization trips for agents and the press accounted for about $50,000 and attendance at *consumer* shows and market places accounted for about $60,000. Various forms of publications -- shells, posters, and the travel agents manual -- accounted for a further $40,000. The total budget for marketing, including contributions to the YVA, but not including personnel costs, came to just over $900,000.

As a general comment we feel that this budget is very limited if Tourism Yukon is to effectively meet all of its marketing objectives. Tourism Yukon is attempting to not only raise the general awareness of the market, both the travel trade and the ultimate consumer, in Yukon but also attempting *to* market to specialty market segments -- such as convention planners, and wilderness travel tourists -- as well. This limited budget partially explains why the current level of awareness of wilderness travel activities in Yukon is as low as it is.

E. THE YUKON VISITORS ASSOCIATION

The Yukon Visitors Association (YVA) is an umbrella marketing organization representing the interests of the tourism industry of the Territory. It has a full membership of approximate y 160 with 15 associate members.

The YVA was formed in 1971. Membership grew steadily during the late 1970s until 1981 when a new fee schedule was introduced. [Membership has since begun to decline.

The organization has a number of roles. Most importantly it represents all sectors of the tourist industry of Yukon. It is essentially an organization supported by the private sector of the tourist industry to act on its behalf. In doing this it performs a number of tasks:

Attending trade shows and helping members of the YVA to attend trade shows.

Publishing and distributing promotional literature.

Handling tourist enquiries and forwarding them to appropriate members.

Acting as a lobby organization on behalf of the industry.

In 1981 the YVA had a budget of approximately $110,000 of which just over half comes from membership subscriptions. The remainder comes from the Yukon Territorial Government.

Few of the wilderness travel industry operators in Yukon are members of the YVA. But the YVA recognizes that the industry, particularly the guided wilderness experience segment of the industry, is relatively young and that its members may not be fully aware of the advantages of becoming members of YVA.

The YVA feels it has particular marketing skills and promotional efforts that could be capitalized upon by the operators in the wilderness travel industry.

F. THE YUKON ASSOCIATION OF WILDERNESS GUIDES

The Yukon Association of Wilderness Guides (YAWG) was founded in January 1981. Because of its relatively recent formation it has five full members and five associate members. The full members represent five different wilderness experience guiding companies based in Yukon. Membership was solicited during the winter and spring of 1981 and by May 1981 represented approximately one-third of those organizations based in Yukon and offering guided wilderness experiences. The Association intended to recoin mence its membership drive once the 1981 summer season was over.

The main purpose of the YAWG is to advise the Yukon Territorial Government (YTG) of the interests of its members. It acts as a lobby organization. We understand that the YTG has officially recognized the YAWG as being the spokesman for the wilderness guides in the Yukon.

The detailed objectives of the YAWG are listed in its charter.

Specific criteria for membership are quite strict. The Association requires full members to be:

Canadian citizens.

Permanent residents of the Yukon.

Have a minimum of five years guiding experience, specifically river and/or general wilderness trips or their equivalent.

The YAWG recognized that to be truly representative of the individuals who comprise the guided wilderness experience industry in Yukon, it would have to broaden its membership base. It felt this would come late in 1981 and in early 1982. However, guides who *were* not members of the association stated that overtures to the YAWG to become members had been ignored. They felt that the YAWG had become an exclusive group and did not truly represent their segment of the industry.

G. YUKON OUTFITTERS ASSOCIATION

We identified 20 different individuals who operated big game hunting establishments with protected territories.

As of May 1981, 18 of these individuals were full members of the Yukon Outfitters Association (YOA). The YOA consequently" represented 90% of the outfitters operating in the Yukon.

The Association has been in existence since December 1963.

The YOA also requires its members to be Canadian citizens, to have an outfitting license, to be a resident of Yukon and to have extensive experience of outfitting.

The board comprised almost 40% of its members, being 7 of the 18 operators. There was a $250 annual membership fee.

The purpose of the YOA is to represent the interests of its members to Government. Additionally, it aims to promote the big game hunting industry in Yukon and share information amongst its members.

It appeared to be a tightly organized and well supported organization. Given its high representation of all outfitters and lack of internal conflict it appeared to act as a strong spokesman on behalf of this segment of the wilderness industry.

H. THE YUKON MOUNTAIN GUIDES ASSOCIATION

We identified six different organizations or individuals who offered mountain climbing tours in Yukon in 1981. One of these was in his first year of operation.

As of June 1981, the Yukon Mountain Guides Association (YMGA) had six full members, all individuals active in this field. The Association was formed in 1979. It has a President, Vice President, Secretary and two Directors. The executive and membership were therefore practically synonymous. There was a $5.00 per year membership fee.

The purpose of the YMGA is to ensure that those people engaged in mountain guiding have the experience and qualifications to do so. The Association used strict criteria by which potential members were evaluated. These related to the number of years experience, knowledge of the terrain, expertise in certain fields and techniques, and general trustworthiness.

I. THE YUKON FISH AND GAME ASSOCIATION

The Yukon Fish and Game Association (YFGA) represents the interests of Yukon residents with regard to the wildlife of the territory. The Association was formed in 1943 and had a membership of approximately 250 persons in 1981. It had a Board of Directors of 11 persons and a three member executive.

The main purpose of the YFGA is to act as a lobby group on behalf of the residents of Yukon who have an interest in:

Wildlife and fishery management.

The protection of the habitat.

Relevant legislation as it affects the sportsman and commercial operator.

Consequently the YFGA's main impact is upon the big game outfitting segment of the wilderness travel industry through its support of the resident Yukon hunter.

3. OTHER ORGANIZATIONS

Members of the industry in Yukon also belong to other organizations which act on their behalf and represent their interests. These include:

North American Wild Sheep Foundation.

Alaskan Wilderness and Mountain Guides.

Klondike Visitors Association.

Alaskan Highway Association.

Canadian Association of Nordic Ski Instructors.

Canadian Ski Touring Association.

B.C. Recreational Canoeing Association.

International Professional Hunters.

Yukon Conservation Society.

Alaska Wilderness and Mountain Guides.

VI

MARKET OVERVIEW

A. YOU ARE PARTICULARLY INTERESTED IN THE NATURE OF THE MARKET

We understand that you are particularly interested in determining the market potential for wilderness travel tours in Yukon. This chapter is intended to provide you with an overview of the nature and characteristics of the existing and potential demand for your wilderness travel products.

The chapter is divided into six main sections:

- A brief discussion of the data sources upon which this chapter is based.
- An estimate of the size of your potential market.
- An estimate of the size of your existing market.
- An estimate of the likely rate of growth of your market.
- An overview of the current marketing practices of Yukon's wilderness travel industry.
- An overview of the characteristics of wilderness travel tourists.

This chapter is intended to be our understanding of the nature of the market. In preparing our analysis we consulted a variety of different sources of information. We have presented much of this supporting, and essentially descriptive, information in appendices at the end of this report.

B. THE MARKET FOR WILDERNESS TRAVEL TOURS IS RELATIVELY NEW AND FEW RELIABLE DATA ARE AVAILABLE

Wilderness travel tourism is a relatively new development in tourism. It is acknowledged that there are a small number of specialist tour operators who have been in existence for many years who have offered 'such tours, Lindblad and Quester's Tours being particular examples. But it is only within the past five to ten years that the number of tour operators and tourists interested in such tours has increased significantly. Because of the recent growth of this market there is only a very limited amount of reliable, readily available information about its size, its characteristics and its potential.

1. We used three main sources of information

Our overview is based primarily on:

Interviews with a sample of tour operators based in Yukon and with representatives of the Yukon Territorial Government, the Y.V.A. and other trade associations.

Interviews with a sample of tour operators located in Yukon's main market areas.

A mail survey of visitors to Yukon.

A synthesis of secondary data.

The market data provided by Yukon tour operators were obtained from interviews with 16 businesses offering guided and non-guided wilderness experience tours. It was also obtained from an additional 16 big game outfitters who offered hunting tours. Market data about sportfishing businesses in Yukon were obtained from one major operator and from H. Paish's study of sportfishing.

The market data provided by specialty tour operators based outside of Yukon were obtained from 23 telephone interviews with a representative sam pie of such operators.[1] Fifteen of the 23 were located in the U.S. A., of which 12 were located in California, Washington or Idaho. The remaining eight were located in Canada with four in Ontario, three in British Columbia, and one in Alberta. Of the 23, ten sent tours to Yukon and 13 did not.

The secondary market data came from a variety of sources. The most useful sources were:

The B.C. River Rafting Study 1979.

The Adventure Travel Guide 1981.

A Survey of the Adventure Travel Market conducted by Beta Research for Adventure Travel Magazine 1980.

A Study of the Images of Alaska 1980.

Other sources are listed in the bibliography at the end of this report.

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[1] We contacted 29 specialty tour operators but six were unable to complete the interview. The tour operators we interviewed are listed in Appendix C.

It must be stressed the data we obtained were indicative rather than definitive. Our estimates are consequently imprecise and are of an order of magnitude only.

C. THERE ARE TWO DISTINCT MARKETS - ONE LARGE, ONE Relatively SMALL

You are interested in the smaller segment

The market for wilderness travel vacations can be divided into two distinct segments. The largest segment is those persons who are active participants in those activities which comprise wilderness travel. This includes those people who frequently go camping, canoeing, backpacking, mountain climbing etc., either individually or in small groups.

The smaller segment, and the one in which you have the most interest, is those persons amongst this much larger group who purchase packaged tours focusing on these wilderness activities.

In attempting to estimate the size of your potential market we have estimated the size of this larger segment and then attempted to determine the proportion of this segment interested in purchasing packaged tours.

D. THERE ARE ABOUT 30 MILLION PERSONS IN NORTH AMERICA WHO FREQUENTLY PARTICIPATE IN WILDERNESS ACTIVITIES

1. In 1981 there were between 25 and 30 million active participants in wilderness travel activities in the U.S.A.

We estimate that in 1981 there were between 25 and 30 million residents of the U.S.A. who participated frequently in wilderness travel activities. Our estimates are shown in Exhibit VI-1. Our rationale for arriving at these estimates is further explained in Appendix D. These estimates are based on the most recent comprehensive survey of participation in outdoor recreation activities by residents of the U.S.A. conducted in 1977.[2]

We compared the findings of this survey with those of other similar surveys conducted during the previous 20 years.[3] The earlier studies suggest

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[2] U.S. Heritage, Conservation and Recreation Service (HCRS) '1977 National Telephone Recreation Survey' Washington D.C. 1978.

[3] 'Outdoor Recreation Participation. An Analysis of National Surveys 1959-1978' Bulletin 636. Agricultural Experiment Station: University of Vermont. April 1980.

EXHIBIT VI-1. Order of magnitude estimate of active participants in wilderness-oriented recreational activities in 1981

	U.S.A. Population (000's)	CANADA Population (000's)	NORTH AMERICA Population (000's)
Backpacking/Hiking	23,300	2,900	31,200
Camping	16,400	1,600	18,000
River Rafting, Canoeing, Kayaking	9,400	900	10,300
Cross Country Skiing	2,000	2,400	4,400

that the participation rates estimated by the 1977 survey may be too high. We have therefore adjusted the 1977 data to reflect this. We have used growth rates in participation in certain activities established during the early and mid 1970's, to arrive at our estimate of the number of U.S. residents 12 years old and older participating in wilderness related activities in 1981.

2. **About three million Canadians actively participated in wilderness** experience activities in 1981

We estimate that in 1981 there were about three million Canadians who actively participated in wilderness experience activities in 1981. Again our rationale for arriving at this estimate is further explained in Appendix D.

This estimate is based on the survey of participation in all recreational activities conducted by Statistics Canada in 1976. We have also adjusted the findings of this survey to allow for clear weaknesses in the methodology. We have applied what appear to be reasonable growth rates in participation to arrive at our estimates for current levels of participation.

3. **We would estimate that in** 1981 there were **about** 30 million active participants in wilderness oriented recreational activities in North America

Exhibit VI- 1 is our order of magnitude estimate of the number of active participants in wilderness oriented activities in North America in 1981. By active we mean people who participate in these activities at least three or four times a year. This is your total potential market in North America.

We acknowledge that our estimates are very broad. They are based on extremely inadequate data. However, we believe as 'order of magnitude' estimates they are reasonably valid.

E. THE MARKET FOR PACKAGED WILDERNESS EXPERIENCE VACATIONS IS MUCH SMALLER

The number of individuals who purchase wilderness experience tours is a small segment of this total population. It is this segment of the market in which you are most interested.

We used a number of sources to attempt to estimate the size of this market.

1. Adventure Travel Magazine surveyed its readership in 1980

We interviewed the publishers of the 'Adventure Travel Guide' and 'Adventure Travel Magazine'. They know that in 1981, 120,000 persons in North America were buying Adventure Travei Magazine on a regular basis. A survey conducted in 1980 by Beta Research Inc. for the publishers estimated that each magazine has a readership of 4 persons on a regular basis, that is approximately 480,000 readers. The publishers estimate that the 120,000 buyers represent five to eight percent of the total active market for adventure travel products, specifically tours. They feel the overall market for these types of tours in North America is between 1.5 -2.5 million individuals.

2. The Alaska State Division of Tourism has also recently surveyed its market

In 1980 the Alaska State Division of Tourism surveyed the market for vacations to Alaska. They interviewed 87 travel agents in focus groups, 1,328 members of the traveling public and 422 recent visitors to Alaska, the latter two groups by telephone.

This study estimated that 22% of U.S. residents of 18 years old and over, living in the lower 48 states, could be described as "the traveling public". They defined these persons as having a lifestyle conducive to long distance vacation traveling.

Their survey indicated that of this traveling public 54?6, that is approximately 19 million persons, were potential visitors to Alaska between 1981-1985. These 19 million persons were then asked to give their primary reasons for interest in visiting Alaska. Twelve percent, approximately 2.3 million persons, ranked "unspoiled, rugged wilderness" as a primary reason for visiting Alaska. Fourteen percent, approximately 2.7 million persons ranked “fishing/hunting” as a primary reason and 16?6, approximately 3 million potential visitors, ranked “animals and wildlife” as their primary reason for wanting to visit Alaska.

The survey also identified high potential prospects. These *were* potential visitors who expressed a very definite intention of visiting Alaska within the period 1981-1985. The survey estimated there were approximate y 2 million U.S. residents who could be categorized as “high potential prospects”.

These high potential prospects were asked how interested they would be in participating in a variety of activities when in Alaska.

> 94?6, or about 1.9 million individuals were interested in visiting Mt. McKinley and seeing the associated scenery and wildlife.
>
> 87%, or about 1.7 million individuals were interested in seeing moose, caribou and seals in their natural habitat.
>
> 37?6, or about 740,000 individuals were interested in fishing in Alaska.
>
> 35%, or about 700,000 individuals were interested in hiking into the back country of Alaska.

While the estimates derived from this survey do not explicitly indicate a specific interest in wilderness experience activities per se, they appear to indicate a consistent level of interest in wilderness attributes. The level of interest in wilderness related attributes in Alaska appears to indicate a potential market of approximately one million persons in the United States, who would be interested in these attributes in a northern setting.

3. The tour operators we interviewed handled much *smaller* numbers of tourists

We completed interviews with 23 tour operators who handle wilderness experience tours. We estimate that in total these 23 operators offered 260 different wilderness experience tours to a variety of destinations.

The tour operators we contacted appear to be leaders in their field. The 1981 Adventure Travel Guide lists a total of 405 wilderness experience tours to destinations in North America (Exhibits VI-10 and VI-1 1). The tour operators we interviewed offered just over three-fifths of these tours.

The 23 operators estimated that in total they handled approximately 35,000 tourists on their tours in 1980 to ail destinations. Of these, between 32,000-33,000, about 93%, were taking river rafting tours.

The B.C. River Rafting Study completed in December 1979 estimated that the North American market for river rafting tours was approximately two million persons. It could be argued that the overall size of the North American market for wilderness experience tours can be derived by assuming that the total river rafting market is 93% of the overall wilderness experience market in North America. This would give an overall market size of approximately 2,150,000 persons for wilderness experience tours, with 150,000 persons being interested in packaged activities other than river rafting. This is consistent with the findings of the 'Adventure Travel' survey.

We would estimate the total volume of tourists taking wilderness experience tours handled by wholesalers in North America in 1980 was between 55,000-60,000. This is based on the assumption that the tour operators we interviewed handled about three-fifths of this market as well as offering three-fifths of available tours.

EXHIBIT VI-2. order of magnitude estimate of size of North American market for wilderness experience tours

	Population 12 years and older (000's)
Active participants in wilderness experience related activities	25,000 - 30,000
Potential market for packaged tours	2,100 - 2,200
Existing market handled by wholesalers	55- 60

4. There is very little information on the size of the European market

There are few current reliable data available on the potential size of the market in Europe for wilderness experience tours.

In overall terms in 1980, 2,163,000 non-residents living in countries other than the U.S.A. visited Canada. Of these, 1,378,000 (64%) were residents of Western Europe. 40% of Western Europeans visiting Canada in 1980 were residents of the U. K., and a further 17% were from West Germany, totals of 553,000 and 238,000 respectively.

The Canadian Government Office of Tourism has conducted surveys on a regular basis in European countries.[4] The detailed image which emerges is that Canada is a holiday destination which is particularly good for either a touring holiday, a holiday based on outdoor activities, or a sporting holiday. This is particularly true of the U.K. and West German markets. This is consistent with the nature of wilderness experience tours and could be capitalized upon.

F. ABOUT 3,500 PERSONS TOOK PACKAGED WILDERNESS EXPERIENCE TOURS IN YUKON IN 1980

We have attempted to estimate the size of the non-resident market currently participating in wilderness travel industry activities in Yukon. We have done this in three steps.

Estimated the overall size of the total non-resident tourist market visiting Yukon.

Estimated the proportion of these tourists who participate in all forms of wilderness travel activities in Yukon. This includes both organized activities (that is packaged tours), and unorganized activities, (that is independently organized trips or participation).

Estimated the size of the organized segment of the non-resident wilderness travel industry market, that is the volume of tourists handled by Yukon's operators.

1. About 260,000 non-residents visited Yukon in 1980

The Yukon Territorial Government's Department of Tourism estimated that in 1980, 340,000 persons crossed the border into Yukon. This total is used by the territorial government as an indicator of non-resident visitation to the Territory.

It is our understanding that these border crossings do not distinguish between the number of persons visiting for just the day and those staying overnight, nor do they distinguish between returning residents of Yukon and non-residents. This means that the 340,000 person total should be reduced to determine non-resident long stay visitation.

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[4]See "Canada's International Travel Market" G.D. Taylor: a paper presented to the Travel Research Association: Canada Chapter March 1981

We would estimate that approximately 89% of the border crossings in any given year are made by non-residents. Of this 89%, 85% were made by non-residents staying one night or more. (The rationale for these estimates is discussed in detail in Appendix E).

We would estimate that in 1980, 250,000 - 260,000 non-residents made trips lasting one night or more in Yukon. This was approximately 76% of total border crossings.

The 1978 Northern Travel Survey indicated that many of these non-residents were passing through Yukon on their way to Alaska. Using the data derived from that survey as a base, we would estimate that in any given year approximateIy 54% of non-residents staying one night or more in Yukon are passing through on their way to Alaska. (The rationale for this estimate is also discussed in Appendix E). This would mean that in 1980 approximately 140,000 non-resident visitors to Yukon were passing through to Alaska.

It is highly probable that many of these 140,000 persons would be double counted in the border crossing statistics. They would be counted as they enter Yukon from British Columbia and again as they enter Yukon from Alaska returning south.

We feel the size of the effective non-resident market should therefore be reduced. This is because it is extremely difficult to sell the same attraction or activity twice to the same person. Consequently we have halved the 140,000 non-resident pass-through person trips and added this revised total to the 115,000 persons not passing through Yukon. As a result we estimate that the effective non-resident long stay visitation to Yukon in 1980 was between 180,000 -190,000 persons.

2. Of these, about 35,000 participated in wilderness oriented activities

As with the market as a whole in- North America, the existing market for wilderness travel activities in Yukon can be divided into ‘unorganized’ and ‘organized’ segments. These two segments together comprise the existing non-resident market for wilderness travel activities in Yukon.

In 1981 B.C. Research undertook a coupon conversion study for the Yukon Territorial Government’s Department of Tourism.[5] The study estimated that a total of 4,656 parties, approximately 15,300 persons, visited Yukon in response to the Department of Tourism’s coupon campaign. This comprised approximately 8?6 of our estimate of the effective non-resident market.

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[5] B.C. Research: Coupon Conversion Study (1981) prepared for Department of Tourism and Economic Development, Yukon Territorial Government.

The study stated that 40% of these visitors fished when they were in Yukon, 40% hiked and rode horseback, and 21% took a boat or canoe trip. If these percentages are applied to the 1980 estimated total effective non-resident market, (between 180-190,000 persons) this translates into 74,000 visitors to Yukon who participated in fishing, hiking or riding and 39,000 visitors who participated in boating or canoeing.

The 1978 Northern Travel Survey gives lower totals for activity participation. That survey showed that of the 6,039 Yukon visitor parties surveyed in 1978 (approximate y 15,300 persons), 18?6 participated in fishing, 0.4% in hunting, 15% in water based recreation and 7% in land based recreation activities. If these percentages are applied to the 1980 estimated total effective non-resident market this translates into approximately 33,000 visitors to Yukon who participated in fishing, 28,000 visitors who participated in water based recreation, 13,000 who participated in land based recreation and approximately 740 who participated in hunting. As 471 non-resident hunting licenses were issued in 1979-80 these figures appear reasonably realistic.

This would suggest that the total existing market for wilderness travel industry activities in Yukon, both organized and unorganized, could be realistically estimated to be between 30,000 - 40,000 persons. This comprises approximately 19% of non-resident visitation to Yukon. This estimate is based solely on the assumption that those persons who participate in wilderness travel industry. activities when they visit Yukon can be considered as the potential market for guided and more formally organized activities.

3. Of these only about 3,600 took packaged wilderness travel tours

Our estimate for the size of the existing non-resident market for organized wilderness travel industry activities in Yukon is based on estimates provided by the operators themselves.

As stated we have divided the wilderness travel industry into four main segments. These are:

Guided wilderness experience.

Non-guided wilderness experience (primarily canoe rental).
Big game outfitting.

Sportfishing from fishing camps or lodges.

a) About 1,100 persons took guided wilderness experience tours in 1980

This segment can be further subdivided into long term and short term guided wilderness experience tours. Long term trips involve an overnight stay as part of the package. The short term trips are for a day or less but still involve some form of guiding.

We would estimate that in 1980 between 700 and 750 tourists took long term guided wilderness experience tours in Yukon offered by Yukon based operators. This volume translates into between 6,500 and 7,000 person days.

We would estimate that a further 400 persons took short term guided wilderness experience trips in Yukon in 1980. These trips were either guided sportfishing trips (33%) or guided horseback trips (67?6). This volume translates into approximately 270 - 280 person days. (These figures do not include local residents who also participated in these activities).

b) A further 1,200 persons took non-guided wilderness experience tours in 1980

This segment is almost totally comprised of operators offering long term canoe rentals to tourists. We would estimate that in 1980 in total the Yukon based operators handled between 1,200 - 1,300 non-resident tourists who took long term non-guided wilderness experience trips. This translates into between 12,000- 13,000 person days.

c) There were 405 big game hunters in 1980

Data provided by the Department of Renewable Resources indicates that in 1980 Yukon big game outfitters handled 405 non-resident hunters. This translates into between 5,480-5,490 non-resident hunter days.

d) And there were about 570 sportfishermen

H. Paish estimated that the six sportfishing establishments in Yukon handled 568 sport fishermen in 1980. This translates into approximately 3,300-3,500 person days.

e) There were probably a further 150 to 200 tourists taking guided wilderness tours in 1980 and not handled by Yukon based operators

There are a number of non-Yukon based tour operators who also offer guided wilderness experience tours in Yukon. These are primarily U.S. businesses and offer rafting trips down the Tatshenshini into Glacier Bay National Park, Alaska. We interviewed the Superintendent of Glacier Bay National Park and six of the ten non-Yukon based operators identified as offering such trips.

We would estimate, based on their data, that in 1980 these non-Yukon based operators handled approximately 100 tourists. However only a proportion of the trip is spent in Yukon and these 100 tourists account for between 700-800 person days in Yukon.

There are probably other non-Yukon based operators who brought wilderness experience tours into other areas of Yukon in 1980. Because of lack of detailed information we cannot estimate the volume of tourists handled but it is unlikely that it was more than 50- 100 further tourists.

f) In total about 3,500 non-resident tourists took organized wilderness tours in Yukon in 1980

It would appear that in total the size of the existing market for organized wilderness travel industry activities in Yukon in 1980 can be estimated to be between 3,400 and 3,600 persons. This translates into approximately 30,000 person days (Exhibit VI-3).

G. YUKON'S SHARE OF THE MARKET IS VERY SMALL

Our estimates indicate that in 1980 between 3,400-3,600 tourists participated in organized wilderness travel activities in Yukon.

We would further estimate that the organized wilderness travel industry in Yukon captured in 1980:

- Approximately 10% of the overall potential non-resident tourist market visiting Yukon and interested in these activities.
- Approximately 2% of our estimate of the total effective non-resident market visiting Yukon.

We estimated that between 850 - 950 tourists took long-term guided wilderness experience tours in Yukon in 1980. We would further estimate that this comprised approximately one percent of all such tourists handled by specialty tour operators in North America in 1980.

H. THE LOCAL MARKET IS NOT LARGE EITHER

In 1980 the population of Yukon Territory was estimated to be approximately 25,000 persons.[6] This was virtually the same as it was in 1976.

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[6] Yukon Territorial Government's Department of Health Records.

EXHIBIT VI-3. Estimated size of existing market for organized wilderness travel activities in Yukon 1980

SEGMENT	PERSONS	PERSON DAYS
Long-term guided wilderness experience (Yukon based operators)	700 - 750	6,500 - 7,000
Long-term guided wilderness experience (Non-Yukon based operators)	150 - 200	1,050 - 1,600
Sub-Total	850 - 950	7,550 - 8,600
Short-term guided wilderness experience	400 - 400	270 - 280
Non-guided wilderness experience	1,200 - 1,300	12,000 - 13,000
Wilderness Experience Sub-Total	2,450 - 2,650	19,820 - 21,880
Big game outfitting	405 - 405	5,480 - 5,490
Sportfishing from camps and lodges	568 - 568	3,300 - 3,500
Total Wilderness Travel Industry	3,423 - 3,623	28,600 - 30,870

In 1977 a major study of Outdoor Recreation in Yukon was conducted by the Department of Recreation Administration of the University of Alberta. The survey described the characteristics of outdoor recreation by Yukoners in Yukon in 1975 and 1976.

The survey showed that in 1976 approximately 3,700 - 3,800 (22%) Yukon residents 16 years old and older took their primary (longest) vacation in Yukon (Exhibit VI-4). Most of the summer activities have between 2,000 - 3,000 frequent participants. In total, participation in summer activities ranges between 6,000 - 8,000 residents. Participation in outdoor activities in winter is much lower.

The study concluded that resident Yukoners participation and interest in outdoor recreation was much higher than for Canadians as a whole. However, the absolute number of residents who take vacations in Yukon and who participate in wilderness travel industry activities is small. It is estimated to be between 3,000-5,000 persons.

These estimates would appear to be very high. The likely size of the local market is probably much smaller than this.

I. GROWTH IN DEMAND WILL VARY ACCORDING TO MARKET SEGMENT

Our market analysis suggests there are three distinct market segments likely to be interested in purchasing wilderness experience tours. These are:

- Existing visitors to Yukon who could be encouraged to take organized wilderness experience tours during their visit.

- Active participants in wilderness experience activities in the existing markets of Yukon who could be encouraged to take long term organized wilderness experience tours in Yukon rather than elsewhere.

- Local residents who could be encouraged to take organized wilderness experience tours to learn more about Yukon.

EXHIBIT VI-4. Frequency of participation in various activities in Yukon by Yukon residents 16 years old and older 1975-1976

Activity	Persons		
	Once Every 2 Weeks In Season	At least Once Per Season	Total Participation
Summer Activities			
Tent Camping	2,300	5,800	8,100
Hiking/Backpacking	2,200	4,700	6,900
Mountain Climbing	500	2,700	3,200
Hunting	3,900	3,700	7,600
Fishing	5,700	6,200	11,900
Motorboating/Water Skiing	3,200	3,000	6,200
Canoeing/Kayaking/Rowing	1,900	2,800	4,700
Nature Study/Sightseeing/ Photography	4,400	4,300	8,700
Winter Activities			
Cross Country Skiing	2,500	2,100	4,600
Snow Mobiling	2,700	2,300	5,000
Snow Shoeing	1,000	2,000	3,000
Dogsledding	400	700	1,100

Source: Study of Outdoor Recreation in Yukon: Department of Recreation Administration of University of Alberta.

This section attempts to determine, on a very much order of magnitude basis:

The likely rate of growth of non-resident visitation to Yukon.

The likely rate of growth of participation in all wilderness related activities by the residents of Yukon's major market areas.

The likely rate of growth of the purchase of organized wilderness related tours by the residents of these market areas.

The likely rate of growth of purchase of such tours offered in Yukon will be discussed in Chapter VIII – Conclusions.

In projecting likely growth rates we have attempted to determine what happened in the 1970's and used this as a guide to predict what is likely to happen in the 1980's and beyond.

1. Visitation to Yukon grew at an average of about 6% p.s. in the 19701s

Generally speaking visitation to Yukon by tourists increased steadily during the early 1970's, declined during the mid 1970's, began to grow again in 1978 but declined marginally at the end of the decade. Our estimates of long-stay non-resident visitation to Yukon are contained in Exhibit VI-5.

a) *Growth in the* wilderness experience segment of the industry has been volatile

Many of the guided wilderness experience and non-guided wilderness experience businesses were formed in the latter part of the 1970's. Apart from 1978, every year since 1974 has seen a decline in border crossings. Thus the newly created businesses have found it difficult to become established.

In a number of instances the volume of tourists handled by these businesses during these years has increased in percentage terms. But the increase in absolute numbers of tourists has been relatively small. It would appear that as a general rule the number of tourists handled by these businesses fluctuates considerably. A number of wilderness travel industry businesses found business conditions so uncertain in 1981 that they ceased to operate.

b) The volume of big game hunters has only just recovered to its former level of the early 1970's

The volume of non-resident hunters using Yukon's big game outfitters slumped in the mid 1970's. It recovered in the late 1970's and peaked at 459 non-resident hunters in 1979, only to fall to 405 non-resident hunters in 1980 (Exhibit VI-6). The lack of recent growth in this segment of the market could indicate that the outfitters are operating at or about capacity.

c) There has been almost continuous growth in non-resident sportfishing

Many of the businesses offering sportfishing from camps and lodges were also formed in the 1970's. While some became quickly established others found the business conditions difficult and experienced fluctuations in the volume of guests.

But the non-resident sportfishing market as a whole has grown significantly during the latter part of the 1970's. (Exhibit VI-7). The number of non-resident sport fishing licences issued during these years indicates almost continuous growth in the volume of non-resident sport fishermen.

The number of non-resident licenses issued in 1979-80 was ten times that for the estimated number of sport fishermen who used sportfishing camps and lodges in Yukon during that year. This is consistent with the ratio discussed previously between the 'organized' and 'unorganized' market.

2. Non-resident visitation to Yukon is likely to grow at about 4% p.s. during the 1980's

Non-resident visitation to Yukon fluctuated considerably during the 1970's. The average p.s. rate of growth declined over the decade being relatively high between 1970-1975 but falling to between 5-696 p.s. in the last half of the 1970's (Exhibit VI-8).

We see the trend of the last half of the decade being maintained during the early 1980's. We see no reason why the p.s. rate of growth of long stay visitation to Yukon should significantly increase given the relatively poor economic conditions predicted for the early 1980's.

We estimate that long stay non-resident visitation will increase by an average p.s. rate of no more than 4% p.s. between 1980 - 1985. This is likely to be maintained over the decade as a whole but could be higher should economic conditions improve and energy prices stabilize. This is based on a simple straight line regression trend of visitation patterns established during the 1970's. A best fit trend indicates that visitation may grow even more slowly than this, suggesting that long stay non-resident visitation may only reach about 325,000 by 1990.

EXHIBIT VI-5. Our estimate of long stay non-resident visitation to Yukon 1970 -1980*

YEAR	VOLUME	PERCENTAGE INCREASE
1970	118,000	
1971	139,000	18 %
1972	205,000	47 %
1973	236,000	15 %
1974	246,000	4 %
1975	241,000	-2 %
1976	232,000	-4 %
1977	227,000	-2 %
1978	275,000	21 %
1979	274,000	-0.4%
1980	258,000	-6 %

* Our estimates are derived by applying our formula for determining long stay, non-resident visitation to the border crossing statistics in 'Yukon Tourism Industry Highlights, 1980'.

EXHIBIT VI-6. Non-resident big game hunters in Yukon 1974-1980

Year	Total	Percentage Charge
1974	439	
1975	378	-14%
1976	338	-11%
1977	414	22%
1978	456	10%
1979	459	-1%
1980	405	-12%

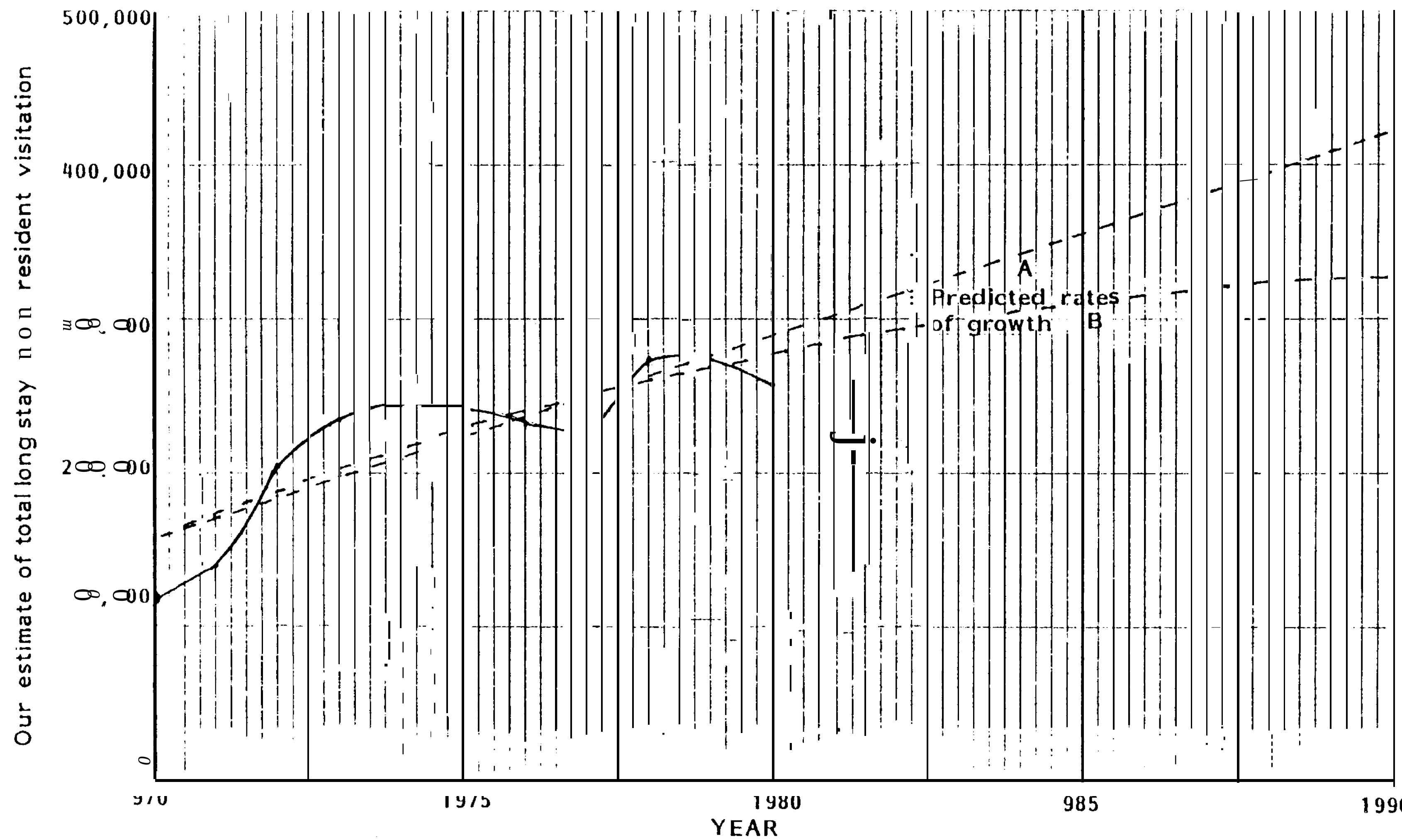
Source: YTG. Department of Renewable Resources: Policy & Information Services.

EXHIBIT VI-7. Non-resident sportfishing licenses issued 1974/75 - 1979/80*

Year	Non-resident Short Term	Non-resident Long Term	Total	Percentage Change
1974/75	3,245	835	4,080	
1975/76	3,549	1,088	4,637	14% *
1976/77	3,222	869	4,091	-12%
1977/78	3,865	1,105	4,970	21%
197s/79	3,969	1,351	5,320	7%
1979/80	3,503	2,343	5,846	10%

* Does not include Canadians not resident in Yukon.

EXHIBIT VI-8. Predicted ratesof growth of long stay non-resident visitation to Yukon



A Based on regression analysis of our estimate of long stay non-resident visita ion to Yukon, 1970 - 1980.

'Bes fi ra e of grow h.

EXHIBIT VI-9. TSK estimate of maximum level of long stay non-resident visitation to Yukon 1981-1985

1981	300,000
1982	313,000
1983	326,000
1984	339,000
1985	352,000

This would mean that we predict long stay non-resident visitation could increase from approximately 300,000 predicted for 1981 to as much as 352,000 by 1985, an overall increase of 17%.

3. There are many competing destinations offering a similar product

The active participants in wilderness travel activities outside of Yukon offer the greatest potential for long term guided wilderness experience packaged tours. But before attempting to estimate a likely rate of growth of this market for Yukon it is important to recognize the importance of competing destinations and products.

Competing destinations offering similar wilderness travel industry products to those in Yukon will have a significant impact on influencing the rate of growth in market interest for Yukon's tours.

Exhibits VI- 10 and VI-11 show the number of wilderness experience tours offered in destinations in the U.S.A. and Canada respectively in 1981. These are taken from the 1981 Worldwide Adventure Travel Guide. Although* they do not cover all such tours, we feel the ratios are reasonably indicative of the range of tours offered elsewhere.

Exhibit VI- 10 shows that in 1981, 323 different wilderness experience tours were offered to destinations in the U.S.A. Over half of these were offered in the Far West and Mountain West regions of the U. S. A., that is essentially the Rocky Mountains. A further 14% of these tours were offered in Alaska.

The western states of the U.S.A. are a primary market area for generating tourists to Yukon. Surveys of the populations of these states also suggest that there is a higher proportion of individuals interested in wilderness travel activities than nationally.

EXHIBIT VI-10. Number of adventure travel tours to des

Activity	New England	Eastern Gateway	George Washington Country	South
Backpacking/ Hiking	2	-	1	4
Canoeing	3		2	7
[Mountaineering	1	2	1	1
Photography				1
River Rafting			4	3
Dogsledding				
Trail Riding				
Wilderness Skills		1	1	4
Cross Country Skiing	11	2		
Snowshoeing	1	-		
Total	18	5	9	20

Source: 1981 Worldwide Adventure Travel Guide.

EXHIBIT VI-11. Number of adventure travel tours to desti

Activity	Yukon	NWT	B.C.	Alta.	Sask
Backpacking/Hiking	1		5	2	-
Canoeing	1	1	8	-	-
Mountaineering	1	-	4	4	-
Photography				1	
River Rafting	2	-	6	-	-
Dogsledding					
Trail Riding			2	2	-
Wilderness Skills	-	4	4	1	-
Cross Country Skiing	1	-	2	4	
Snowshoeing			1		
Total	6	5	32	14	-

Source: 1981 Worldwide Adventure Travel Guide.

The Rocky Mountains are relatively close to the main population centres of these western states. This gives the tour operators offering wilderness experience tours in these areas a strong competitive edge over Yukon.

Other destinations which strongly compete with Yukon are Alaska and the Northwest Territories. Both destinations are considerable distances from their major markets, but have a much higher profile in these marketplaces because of their heavy promotional efforts in the recent past.

Exhibit VI- 11 shows that in 1981, 87 different wilderness experience tours were offered to destinations in Canada. Only six of these (7%) had Yukon as their primary destination. Over one-third (37%) were offered to destinations in British Columbia. B.C. is obviously a major competitor with Yukon.

The geographic location of Yukon places it at a disadvantage when competing against similar tours being offered in British Columbia and the far western states of the U.S.A. But it must be pointed out this is only a strong factor if the quality of the experience is felt to be similar in Yukon to that in these competing destinations. If the quality of the experience is perceived by the purchaser to be higher in Yukon than in competing destinations, then location becomes of less significance. This is further discussed in Chapter VII, Issues and Concerns.

It must also be noted that Yukon is selling its products against worldwide destinations. The essence of specialty market tourism is that it is the quality of the resource and therefore the quality of the experience which attracts the market. For example, the river rafting is being offered tours in Africa, the Amazon, Central America, Nepal and Turkey, all of which offer high quality resources. Wilderness skills package tours are also being offered in these destinations.

It would appear that the number of new destinations offering such tours is more or less keeping pace with the growth in the market. Certainly the number of such tours to international destinations has increased significantly since the mid 1970's.

Overall therefore, we feel that the strong increase in the rate of introduction of similar wilderness experience tours to competing destinations will have a moderating influence on the potential rate of growth of visitation to any one specific destination.,

4. As well, operators outside the territory said it was unlikely they would be introducing more wilderness tours to Yukon in the near future

We asked the 23 tour operators outside Yukon selling wilderness experience tours what their expectations were for growth in their business. We were particularly interested in learning how they felt their business to Yukon would grow, comparing 1981 with 1980. Those operators selling tours to Yukon were only optimistic about increasing the volume of sales of river rafting tours to the territory. They felt that the sales of canoeing and backpacking/hiking tours to Yukon would not experience any significant growth.

We also asked them to assess the likelihood of their introducing new tours to Yukon. Their responses are presented as Exhibit VI-12. The majority of tour operators do not expect to be introducing tours to Yukon in the near future. Some interest was expressed in developing photography, river rafting, canoeing, and backpacking tours but overall the likelihood of many new tours to Yukon being introduced was felt to be low.

EXHIBIT VI-12. Likelihood of tour operator offering tours to Yukon in next two to five years

	NUMBER OF TOUR OPERATORS					
	VERY LIKELY	FAIRLY LIKELY	NOT VERY LIKELY	NOT AT ALL LIKELY	NO ANSWER	TOTAL
River Rafting	1	2	6	1	2	12
Canoeing	0	2	1	1	2	6
Backpacking/Hiking	1	1	1	0	3	6
Photography	0	4	2	0	0	6
Mountaineering	0	1	1	1	0	3
Cross Country Skiing	0	1	4	0	0	5
Trail Riding	0	1	1	0	1	3
Wilderness Skills	0	0	4	1	0	5
Fishing	0	1	2	0	3	6

The reason for this lack of interest is possibly linked with the generally low awareness amongst these tour operators of Yukon's wilderness experience product. It would certainly suggest that growth in volume of tourists to Yukon for such tours is likely to be lower than the industry average if the present level of awareness is maintained.

5. Historically participation appears to have grown at between 7- 10% p.a. in the 1970's

It is very difficult to establish trend data on outdoor recreation participation. Data are very poor and surveys are frequently non-comparable. But an analysis of outdoor recreation surveys undertaken between 1959-1978[7] suggests that some trends can be identified.

Participation in backpacking/remote camping by U.S. residents appears to have grown at about 6.5% p.s. between 1973-1978. Similar participation in canoeing appears to have grown at about 7.5% - 8.0% p.s. over the same period. Other less popular activities cannot be estimated as no trend data are available but it is likely that their rates of growth were higher because of the smaller absolute numbers involved.

We would estimate that overall growth in North American participation in wilderness experience related activities is currently growing at between 7- 10% p.s. We feel that these rates of growth will be maintained during the early 1980's but could slow to 5-8% once the absolute numbers become significant. If current trends are maintained it would appear that the number of active participants in wilderness oriented recreational activities should more than double in the next twenty years.

EXHIBIT VI-13. TSK order of magnitude estimate of active participants 12 years+ in wilderness oriented recreational activities 1985 and 2000

	North America Population (000's) 1985	2000
Backpacking/Hiking	40,200	68,700
Camping	23,600	40,500
River Running, Canoeing, Kayaking	13,700	24,000
Cross Country Skiing	6,100	17,400

[7] Outdoor Recreation Participation: Analysis of National Surveys, 1959-1978 Bulletin 686 April 1980 University of Vermont. See particularly pp.16-19.

6. The potential market for such North American tours should grow at a marginally faster rate

We estimate that the potential market for the purchase of wilderness experience tours was between 2,100,000 and 2,200,000 in 1980. We feel this potential market should grow at a marginally faster rate than the growth in active participation in wilderness related activities. =

We feel this potential market should grow at about 10% p.s. in the early 1980's, 8% p.s. in the latter half of the decade and at approximately 5% p.s. during the 1990's as the market matures. This would give a potential North American market of up to *3,500,000* in 1985, increasing to approximately 8,250,000 by 2000.

7. The growth in the actual purchase of packaged wilderness experience tours should be even faster

The wilderness experience tour business is in the early stages of development. It is in the phase of low absolute volumes of tourists but high percentage rates of annual increase in those volumes.

This means that predictions of the rate of growth of this segment of the travel industry are subject to wide margins of error. Our estimates of possible rates of growth are *very* much of an order of magnitude scale.

We asked the 23 tour operators selling wilderness experience tours outside Yukon what their expectations were for the growth in the total volume of their business comparing 1981 with 1980. The majority expected that they would handle more tourists in 1981 than in 1980.

Those operators who were expecting to increase their volume of business tended to feel that it would increase by 25% - 33% p.s. These annual percentage growth rates are based on low absolute numbers, for example an increase from 40 to 50 persons purchasing tours.

The market has to be segmented between those purchasing river rafting tours and those purchasing other types of wilderness experience tours. This is because the river rafting market is relatively mature, certainly in Western North America, while the market for other types of tours is relatively undeveloped. The segments should experience different growth rates.

At the moment river rafting tours appear to account for about 90% of the business handled by specialty tour operators. We estimate that in 1980 these specialty tour operators handled between 55,000-60,000 tourists in North America. This means they handled approximately 52,000 persons interested in river rafting and 5,500 interested in other kinds of wilderness experience tours. Using these order of magnitude estimates as base figures we feel that the volume of purchases of all wilderness experience tours will grow from approximately 57,500 in 1980 to 117,000 by 1985 and to about 550,000 by 2000.

The purchase of river rafting tours should grow from 52,000 in 1980 to about 92,000 by 1985 to 350,000 by 2000. The purchase of other types of wilderness tours should grow from 5,500 in 1980 to about 25,000 by 1985 and to about 200,000 by 2000.

We feel the following growth rates for the purchase of packaged tours are reasonably realistic:

	Total Tours	River Rafting	Other Tours
1980-85	15% p.s.	12% p.s.	35% p.s.
1986-90	12% p.s.	10% p.s.	20% p.s.
1991-95	12% p.s.	10% p.s.	15% p.s.
1996-2000	10% p.s.	8% p.a.	10% p.s.

3. EXISTING MARKETING PRACTICES

This section is based on interviews with twenty-nine tour operators who offer wilderness experience tours and who are located in Yukon's major market areas. Their names are presented in Appendix C. It is also based on interviews with ground tour operators located in Yukon itself.

1. The tour operators in Yukon's major market areas appeared unimpressed with the information they had seen

We asked the tour operators outside of Yukon to assess the quality and quantity of information they were familiar with regarding wilderness experience tours in Yukon. Twenty-five of the twenty-nine tour operators contacted responded to these questions. (Exhibit VI-14).

Those offering tours to Yukon, and therefore having experience of the product, were asked to assess its accuracy. (Exhibit VI-15).

EXHIBIT VI- 14. Availability of information

	Tour Companies Offering Tour to Yukon	Tour Companies Not Offering Tour to Yukon
More than enough information available	0	0
A sufficient amount of information available	4	6
An insufficient amount of information available	2	2
Don't know/no answer	5	6
Total	11	14

EXHIBIT VI-15. Accuracy of Information

	Companies Offering Tours to Yukon
Extremely accurate	0
Fairly accurate	6
Not very accurate	0
Not accurate at all	0
Don't know/no answer	5
Total	11

They were also asked to assess the quality of its presentation. (Exhibit VI-16).

The responses to the questions on accuracy of information and the quality of its presentation suggest that the material has not made any great impact upon the tour operators.

Those 14 tour operators who do not currently offer wilderness experience tours to Yukon were asked if, in the past two years, had they seen or heard anything about wilderness tours being available in Yukon.

Nine of these 14 tour operators were aware of wilderness experience tours being available in Yukon, but four were not. One gave no answer. This is significant because these four tour operators specialize in wilderness experience tours.

2. Generally their awareness of Yukon's wilderness tours was very low

The twenty-five tour operators in Yukon's major market areas were also asked why they didn't offer any or more wilderness experience tours to Yukon.

Their comments fell into a number of categories. The dominant reason was a generally low level of awareness of Yukon's wilderness experience product. Typical quotes were:

> "We're not familiar with the hiking areas in Yukon".
>
> "We're not aware of satisfactory locations for river rafting in Yukon".
>
> "We have a lack of knowledge of the area for canoeing and don't know how marketable the tour is".

A number of operators said that they had been unable to get adequate information to assist them in planning tours. Typical quotes were:

> "We can't get an adequate amount of information to put a package together".
>
> "We didn't get a great deal of help with background information on the resources".
>
> "It's difficult to work with the Canadian Government",

The operators also expressed concerns about their perception of the quality and quantity of the infrastructure. Typical quotes were:

EXHIBIT VI- 16. Quality of presentation of information

Presentation of Information	Companies Offering Tours to Yukon	Companies Not Offering Tours to Yukon
Above average	1	2
About average	5	4
Below average	0	0
Don't know/no answer	5	8
Total	11	14

"There is a lack of manpower, and a lack of guides, in Yukon".

"The (least appealing aspect) would probably be the tour plant itself".

Finally a number of the American tour operators felt that the regulations restricting any operation in Canada were such that they were unwilling to develop tours in Yukon. Typical quotes were:

"There are too many restrictions on foreign companies operating in Canada".

"We would have to conform to Canada's different regulations".

They made a number of suggestions as to how the situation could be improved. The most frequent suggestion was that more information, both general and specific, was needed. General promotion to increase the level of awareness was recommended as was more detailed information on the availability of tours and on the resource itself. They also felt that the infrastructure could be improved and that the regulations could be amended to make it easier for U.S. companies to deal with Yukon ground operators.

They also had specific suggestions as to what the Government of Yukon could do to encourage more operators to handle wilderness experience tours in Yukon. Again they stressed the need for increased amounts of general promotion to raise the consumers' level of awareness of Yukon as a destination. They also recommended more specific information on companies to contact and for more factual information on the types of tours available and the services offered.

3. The level of awareness amongst these specialty tour operators outside of Yukon is low for a number of reasons

To a certain degree the low level of awareness of Yukon's wilderness experience tours amongst the specialty tour operators can be explained by the historically low priority assigned to this segment of Yukon's tourism industry by the territorial Governments Department of Tourism. Tourism Yukon admits that in the past it has spent very little on promoting wilderness travel. As well, the Yukon ground operators themselves, for a variety of reasons, have not spent large sums of money on marketing.

4. The Yukon's ground operators have used a variety of marketing practices

The following section describes the dominant marketing practices of the ground operators located within Yukon itself. The data were derived from interviews with 16 wilderness experience operators, 16 big game outfitters, and from an interview with the major sportfishing operators respectively.

a) The wilderness experience businesses

Many of these businesses have, been formed in the recent past. Consequently their revenues are generally low and little money is felt to be available for marketing purposes.

The operators tend to use marketing practices which are consistent with direct contact with the client. Of the 16 operators interviewed:

Thirteen had their own brochure.

Six attended sporting or promotional shows.

Six had direct mailing lists.

Eight used advertising in newspapers and magazines consistently.

Ten had made some arrangements with the travel trade.

Of these, six offered commissions.

Three relied mainly on word of mouth recommendation.

Operators in Yukon typically spend between 5 - 7% of their gross revenue on marketing costs. That generally averages between $1000-1200 per season per operator.

The major non-guided wilderness experience business, offering primarily canoe rental packages, and a newly established wilderness resort, spend significantly higher sums but never more than $20,000 each per season.

We would estimate that in 1980 the guided and non-guided wilderness experience businesses in total spent between $25,000 - $30,000 on advertising and promotion. One canoe rental business accounted for almost half of this amount.

b) Big game outfitting businesses

Again the marketing practices of the operators of these businesses tend to reflect a reliance upon direct contact with their customers. Of the 16 operators interviewed:

Fifteen had their own brochure.

Ten attended sports shows.

Seven maintained direct mailing lists.

Six advertised in newspapers and magazines consistently.

Six used the travel trade.

Ten said that word of mouth recommendation was the most effective form of marketing.

Operators typically spend between 2 - 3?6 of their gross revenues on marketing. That generally averages between $3,200 - $3,500 per operator per season. No operator spends more than $8,000 per season on marketing.

We would estimate that in 1980 the big game outfitters spent between $65,000 - $70,000 in total on marketing, mostly on advertising and attendance at sport shows.

Overall their marketing is based on offering a high quality, value for money experience, and relying on past clients to sell on their behalf through recommendation.

c) Sportfishing camps and lodges

We were unable to gather any detailed information on the marketing techniques used or the costs incurred by the operators of the sportfishing camps and lodges. However, one operator appears to use quite sophisticated marketing techniques to sell his facility and spends considerable sums of money in promoting his lodge in the market place.

5. *Pricing* practices

a) The wilderness experience business

The wilderness experience tours are priced using two main criteria:

To cover costs and make a small target profit.

Competitive pricing.

Most operators of these types of tour set their prices paying due regard to both criteria. Many mentioned that they deliberately kept their prices low to attract business.

Repeat business appears to be generally low. Only one half of the operators interviewed could estimate their repeat business. The majority of these said repeat business was very small or non-existent.

b) Big game outfitting businesses

Operators use the same two major criteria in setting their prices:

To cover costs and make a small target profit.

Competitive pricing.

However, a number mentioned that they used 'the going rate'. Given the consistency of prices for a 14 day hunt, 11 of 16 operators saying that a typical package was priced at $6,000, it may be that the going rate is the dominant criterion.

Repeat business again appears to be low. The majority of the outfitters said that repeat business was only a small proportion of their business.

c) Sportfishing camps and lodges

A typical one week package at Kluane Wilderness Lodge costs $1,470 in 1981, that is $210 per day. It is less for the other camps. This places fishing trips midway between the typical wilderness experience tour and the big game hunt in terms of price.

K. THE CHARACTERISTICS OF THE MARKET

We have attempted to determine the broad characteristics of the market. This has been developed from three main sources:

- The opinions of the 33 ground operators we interviewed in Yukon.
- The opinions of the 23 tour operators we interviewed located outside Yukon.
- A survey of 21 tourists participating in such wilderness experience tours in Yukon in 1981.

This section is a brief synthesis of the more detailed findings which are presented as Appendix F.

1. The market for guided and non-guided wilderness experience tours

The following statements refer to those persons who have purchased such tours in Yukon in the past:

- The majority live in the Western U. S. A., with Western Canada being a strong secondary market and Western Europe becoming of increasing importance.
- They tend to stay in Yukon for between 10 to 13 nights. Many include a tour in Yukon as part of a longer trip, usually of between 25 to 30 nights.
- The most popular activities are water related, particularly canoe trips and sportfishing.
- Tourists tend to be between 30- 40 years old, or 50 years old and older.
- They tend to be affluent with the majority having household-incomes in excess of *$25,000* p.s.
- They appear to travel in groups of about 4 to 5 persons. There is a ratio of about 2:1 in favour of men.
- A typical 14-day guided tour cost between $1,000-$1,200 per person in 1981. A typical non-guided tour, say a 10-day canoe rental, cost about $150 per canoe in 1981.
- Tourists average about $40 per day in direct spending in Yukon.

They rate:

- their vacations as *very* or extremely enjoyable.
- the natural resources as outstanding or very good.
- the accommodation as average or very good.
- the equipment as very good.
- the local guides as outstanding or very good.

While half of those surveyed had been to Yukon before, half had not.

The majority arrived and departed by plane.

2. The big game hunting market

The market for big game hunting in Yukon is somewhat different to that for wilderness experience tours:

The hunters live in the U.S.A. or Western Europe.

They stay in Yukon for between 14. 15 days.

The North Americans tend to prefer to hunt sheep, while the Europeans hunt moose and caribou.

Hunters tend to be between 40-45 years old and affluent.

They are male and hunt in small groups, usually 2 or 3 persons.

A typical 14-day hunt cost between $7,000-$8,000 (Canadian) in 1981.

3. The sportfishing market

The fishermen live in Canada or the U.S.A. Few are residents of Western Europe.

They stay in Yukon for between 5 and 7 days.

They are interested in trophy fishing.

They tend to be between 40 and 50 years old.

They tend to have household incomes of $15,000 p.s. or more.

They appear to be predominantly male and fish in groups of between 4 to 6 persons.

VII

MAJOR ISSUES AND CONCERNS

The people involved in Yukon's wilderness travel industry have a number of concerns about its future. These concerns were expressed during our interviews with representatives of the industry and government alike and tend to revolve around certain key issues.

We have identified the following issues. They provide a context within which a strategy can be developed.

A. THE REMOTENESS OF YUKON CAN BE SEEN EITHER AS AN ADVANTAGE OR A DISADVANTAGE

One of the major concerns of the operators of the wilderness experience tours in Yukon is whether the remoteness of Yukon is an advantage or disadvantage to them.

The main advantage of Yukon's remoteness is felt to be its marketability. Some operators said that Yukon's remote location is an attraction in itself and provides a competitive advantage when selling Yukon against other destinations.

The main disadvantages of Yukon's remoteness are felt to be the cost and time of travel to Yukon from major market centres.

1. Remoteness does not appear to be a strong advantage for Yukon

In 1981 the Yukon Territorial Government commissioned a coupon conversion study.[1] The study surveyed those people who had sent a coupon to the Department of Tourism in 1980 requesting information. A significant percentage of these people visited Yukon in 1980.

Of the people who visited Yukon in 1980, 15% said that their main interest in visiting Yukon was because of its remoteness. This factor was ranked fourth out of nine possible responses. (Exhibit VII-1).

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[1] B.C. Research: Coupon Conversion Study: (1981) Prepared for Department of Tourism and Economic Development, Yukon Territorial Government.

EXHIBIT VII- 1. Main interest of visitors to Yukon in 1980*

	Canadian Residents %	U.S. Residents %	Total %
Sightseeing - Country	32.6	32.1	31.9
Passing Through		31.4	16
Klondike Gold Rush	20.9	11.7	15.6
Remoteness	19.8	11	14.6
Fish, Wildlife	4.7	2.9	6.3
Other	3.5	7.3	6.0
Visiting Friends & Relatives	13.9		5.3
Sightseeing - City	2.3	3.6	3.0
Business	2.3		1.3
Total	100.0	100.0	100.0

Source: Yukon Coupon Conversion Study 1981. Visitors to Yukon p. 4.

* It should be noted that these visitors are not representative of all visitors but only of those who requested Yukon travel information prior to coming north.

Remoteness was ranked more highly by Canadians than by Americans. In both instances, while it was a significant factor, it certainly wasn't a dominant factor.

Remoteness is not an attribute unique to Yukon. Alaska, the Northwest Territories, and the high Arctic can all offer this attribute and with it similar types of wilderness experience.

2. Yukon's ground operators feel the cost of travel to Yukon is a significant disadvantage

The Yukon is remote from its major markets. This means it is expensive to travel to Yukon and can take a significant amount of time. Exhibit VII-2 shows air fares and the duration of the journey by air from selected major cities in the U.S.A. and Canada.

The price of a one way regular economy flight from these same origins to Anchorage, Alaska was almost exactly the same, while the price of a flight to Colorado was significantly cheaper. (Exhibit VII-3).

Ground operators indicated that a typical long term guided wilderness experience tour had an average price of about $1,100 and lasted approximately nine days. The excursion return air fare is about 50% of this price. The duration of the flights suggests that a day should be added to the beginning and end of a vacation in Yukon to allow for travailing time.

	Price		Duration	
	$	%	Days	%
Typical wilderness tour package	1,100	66.7	9	81.8
Typical air transportation from major market centre	550	33.3	2	18.2
Total	1,650	100.0	11	100.0

The price of air transportation is felt to be a significant disadvantage by many of the Yukon tour operators.

EXHIBIT VII-2. Price and duration of flights from major market origins to Whitehorse, as of August 1981

Origin	Price of Flight*		Duration of Journey By Air**
	Regular Economy (One Way)	Excursion (Return)	(Hours)
	$	$	
Los Angeles	364-392	509-588	6
San Francisco	332-350	456 - 525	7
Dallas	472-505	none available	18***
Chicago	435-471	653-706	18***
Toronto	421	547	9
Vancouver	187	206-243	3

* Canadian Dollars (August 1981).

** Average including stopovers to change frights.

*** Involves layover at Vancouver.

Because of the volatility of airfares during 1981, particularly charter class fares, we have used regular economy and excursion fares as the basis of comparison. These were by no means the cheapest air fares available at any one time in 1981 but are felt to be more meaningful for comparative purposes than transitory charter class fares. This note applies equally to Exhibit VII-3.

EXHIBIT VII-3. Price of one way economy flight from major market origins to Whitehorse, Anchorage and Denver as of August 1981

Origin	Average Price of Flight*		
	Whitehorse	Anchorage	Denver
	$	$	$
Los Angeles	378	382	224
San Francisco	341	320	252
Dallas	488	505	176
Chicago	453	431	240
Toronto	421	325	241
Vancouver	187	252	225

* In Canadian Dollars.

B. THERE IS INCREASING COMPETITION FOR USE OF THE RESOURCE

The Yukon wilderness is regarded as a finite resource. An important issue identified by all segments of the wilderness travel industry was the increasing competition-for use-of the wilderness.

A general concern expressed by Yukon operators was that the Yukon Territorial Government appeared to place a higher priority on the development of mining than it did on the development of wilderness travel tourism. It was felt that the Territorial Government's encouragement and support of mining could have a detrimental impact upon the wilderness resource.

The types of impact about which most concern was expressed were:

- The intrusion of helicopter or fixed wing overflights spoiling the wilderness atmosphere and/or scaring wildlife.

- The construction of roads into previously remote and inaccessible areas.

- The development of hydro-electric power projects to service the mining industry. This is a particular concern of operators involved with river-oriented wilderness travel and to a number of big game outfitters.

The effect on the landscape of abandoned marginal mines and exploration sites.

c. WILDERNESS TRAVEL IS A NEW SEGMENT OF THE INDUSTRY AND MARKETING IT HAS PROVED DIFFICULT

A particular concern of the industry is its own recognition that it has not been able to market its product particularly well. Some operators themselves admit that they are not yet skilled at marketing their tours. The government's Department of Tourism also admits that they have only recently paid attention to the marketing of wilderness travel tourism in Yukon and historically the emphasis of their marketing lay elsewhere.

This has resulted in the low awareness of the Yukon's product by specialty tour operators discussed in Chapter VI. It has also caused the difficulties described by the tour operators in obtaining detailed information on the activities, facilities and services available in Yukon for developing wilderness travel tour packages.

There appear to be a number of reasons why marketing has proved to be so difficult.

Many of the operators have been in business for a relatively short time, often less than five years. Most are still experimenting with their marketing techniques. Representatives of the Territorial Government and the Yukon Visitors Association did comment that existing expertise available in Yukon to assist operators in preparing brochures, selecting advertising media and forming linkages with the travel trade had not been used as much as it could have been. A further significant factor has been the generally low volume of business and consequent low gross revenues of the majority of these businesses. The late 1970s saw generally little growth in visitation to Yukon. They were difficult years in which to establish a new tourism related business.

Additionally the nature of the business itself is a strong constraint. The operators who offer guided wilderness experience tours are essentially selling their services as a guide; that is they are explicitly selling their time. Because the present tourism season in Yukon is very short the guides have few months during which they can sell their services.

The guides feel that they cannot offer a quality experience if the ratio of tourists to experienced guides is more than five or six to one. Additionally if the wilderness experience is to be fully enjoyable it is felt necessary to limit the overall size of parties taking any one particular tour. These two constraints also limit the overall volume of business which can be handled by an individual business offering guided wilderness tours.

The operators also appear to have made a conscious decision to keep the prices of their tours as low as possible for competitive reasons.

The low prices were designed to make the tours as attractive as possible and thus quickly build up the volume of tourists for the operators' newly formed businesses. The volume of business did not grow as quickly as expected and the low prices, together with the constraints mentioned previously, tended to compound the problem of low gross annual revenues.

There is another factor of considerable significance. Many of the operators of guided wilderness experience tour businesses admit that one of the primary reasons that they operate such a business is because of the lifestyle it offers. But because of the low gross revenues discussed above many find that it is necessary to take alternative employment during the off-season. This obviously limits their ability to devote large amounts of time or money to marketing their tours during the winter months.

A final constraint is the nature of the product itself. Many, if not all, of the operators tailor the tours they offer to the interests of their clients. Some operators in fact have no fixed departures and just offer custom designed tours. The marketing process therefore involves considerable correspondence and/or negotiations' prior to the commencement of a tour. This is made more difficult because operators are generally dealing with a remote market, in the Western United States or in Western Europe.

D. SOME OPERATORS WERE CONCERNED ABOUT THE NUMBER OF NON-YUKON BASED WILDERNESS TRAVEL BUSINESSES OPERATING IN YUKON

Some Yukon based ground operators of wilderness experience tours were concerned about what they felt was an increasing number of non-Yukon based businesses operating in Yukon. They pointed to the example of British Columbia where U.S. based operators began to offer river rafting tours in that province when it became more difficult for them to operate in the western states of the U.S.A. because of permit restrictions. [1]

Their particular concerns were:

That the image of Yukon's tourism product could be damaged should these non-Yukon based businesses offer tours of a quality which proved unsatisfactory to the tourist.

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[1] See B.C. River Rafting Study (1979) p 12 and p 23.

That the non-Yukon based businesses left little money in Yukon because they bought all their own supplies and did not employ local guides.

That they represented unfair competition.

We were able to identify ten non-Yukon based wilderness travel tour operators who operated tours in Yukon. We were able to complete interviews with six of these operators. (See Appendix C). They handled in total about 80 tourists on a variety of backpacking, canoeing, mountaineering and rafting trips. Only the smallest company said that their business was expanding, the remainder said it was static. One of the six only offered tours every two or three years. One had recently sold his business because he felt it offered little potential for growth. And one of the four we were unable to contact had gone out of business.

Our conclusion would be that at this time non-Yukon based operations are not a serious threat to the Yukon based operators. But they could become increasingly significant once general consumer awareness of Yukon's wilderness travel tours increases.

At the moment much of the non-Yukon based tour operators activity occurs in the vicinity of Kluane National Park. This is understandable because of the outstanding scenery and resources of Kluane and because of the Tatshenshini River.

The Tatshenshini River is regarded as an extremely interesting run. But you may be facing problems in the future as a result of the way the river trip is currently being promoted. Although the river runs for most of its length through Yukon and B. C., and only for a fraction of its length through Alaska into the Pacific, it has been heavily promoted by U.S. based operators as 'Alaska's Tatshenshini'.[2] You may find it difficult to convince your potential market, particularity in the western U.S.A. that this is in fact a Canadian rather than a U.S. tour.

E. THE BIG GAME OUTFITTERS HAVE BEEN CONCERNED ABOUT THE FUTURE OF THEIR INDUSTRY

In the recent past the big game outfitters and the Territorial Government have had discussions concerning the future of their industry, The big game outfitters have been particularly concerned about the impact of the levels of quotas for certain species of game animal.

[2]See particularly 'Icewater Rafting Alaska's Tat' Adventure Travel April 1982 p 69.

The outfitters concerns do not appear to have been significantly lessened as a result of the development of a new Territorial Government policy with regard to the outfitting industry which was announced in the summer of 1981. Their concern is *mostly* focused on security of tenure.

Some of the outfitters have more broadly based concerns. They recognize that the market for big game hunting in Yukon appears to have stabilized since 1975. The y acknowledge that if their businesses are to grow they will have to diversify into other areas of the wilderness travel business, particularity guided wilderness experience tours.

Those big game outfitters interested in offering guided wilderness experience tours have proposed that they should have first right of refusal to operate such tours within their designated hunting areas. This is a controversial proposal. The existing. operators of guided wilderness experience tours are opposed to this idea. They have proposed that there should be no restrictions on where they offer their tours and that they should be free to develop new tours anywhere in Yukon.

VIII

CONCLUSIONS

This chapter is intended to summarize the findings of our research. It is intended to outline the parameters within which viable marketing strategies can be developed.

A. THERE ARE A NUMBER OF KEY ISSUES

Tourism to Yukon is not growing as quickly as it once was. You are concerned about this trend and would like to take corrective action.

The Territorial Government has already prepared an overall tourism development strategy for Yukon. This provides a framework within which your promotional and developmental efforts operate.

But this only provides you with general directions. You need more specific guidelines for developing key segments of your industry.

The wilderness travel industry has been identified as a segment of your industry which has considerable growth potential. You want to know how to maximize this potential and reconcile potential conflicts.

The guided and non-guided wilderness experience segment of Yukon's tourism industry is of relatively recent origin. It appears to have had only marginal success in effectively marketing its products.

A number of the big game outfitters operating in Yukon want to diversify their businesses and enter the guided wilderness experience market. This would place them in direct competition with existing wilderness guiding businesses.

B. YOUR PRIMARY OBJECTIVE IS TO ASSIST THE FURTHER DEVELOPMENT OF THE GUIDED WILDERNESS SEGMENT OF THE WILDERNESS TRAVEL INDUSTRY

The Yukon Territorial Government has a number of relevant objectives which should be addressed by any tourism marketing strategy:

To develop a competitive international tourism product which will generate economic and social benefits for Yukoners.

To . . . strengthen and expand the tourism industry.

To create additional employment and income activities in the Yukon tourism industry.

The Territorial Government has developed a tourism strategy to meet these broad objectives. The relevant elements of this strategy are:

To develop Yukon as a primary destination for travel by restructuring the present tourist plant.

To reduce Yukon's dependence on auto travelers by developing facilities and services to cater to group arrivals by mass modes.

To broaden and diversify tourism markets.

To improve the productivity of, and quality of, service in the Yukon tourism industry.

To increase local participation thereby enhancing the "value added" in the tourism industry.

To extend the tourism season.

As well, the Territorial Government has responded to these strategic objectives by formulating specific objectives for the wilderness travel industry:

To make a basic commitment to stimulating the further development of the wilderness travel industry.

To assist in stimulating the further development of the guided wilderness experience segment of the wilderness travel industry. This is a primary objective.

To assist in stimulating the further development of the non-guided wilderness experience segment of the wilderness travel industry. This segment provides "facilitating" services to tourists, such as the renting of canoes. This is a secondary objective.

Members of the guided and non-guided wilderness experience segment of the industry have their objectives too:

To become more economically viable.

To market their services more effectively,

To maintain their lifestyle.

The big game outfitters have essentially the same objectives but as well have an additional objective:

To ensure the security of their investment.

Some big game outfitters have a further objective:

To diversify the scope of their business away from just. big game hunting.

c. THE STRENGTHS AND WEAKNESSES OF YUKON'S WILDERNESS TRAVEL INDUSTRY ARE ABOUT EQUAL

In developing viable strategies you will have to capitalize upon your strengths and minimize the impact of the weaknesses of the Yukon's wilderness travel industry.

1. Your overall strength is the general commitment to the development of the industry

The primary strengths of the Yukon's wilderness travel industry are:

A commitment by both government and industry to further develop this segment of the industry. This joint commitment has already created significant momentum toward beneficial change.

The resources of Yukon are relatively underutilized. They also appear to be rated as being of a high quality by those tourists and tour operators familiar with them.

The quality of guiding is generally ranked as being of a high calibre.

2. Your major weakness – the guided element of the industry is relatively new

The primary weaknesses of the Yukon's wilderness travel industry are:

The guided and non-guided wilderness experience segment of the industry is relatively new. Consequently the majority of businesses have inadequate financial resources. As well the Territorial Government has tended to ignore this segment because of its relatively recent origin.

1-

While the guides have excellent wilderness skills their business expertise tends to be relatively underdeveloped and this hampers their marketing efficiency.

There is growing competition for scarce resources. This leads to uncertainty in investment decisions by operators and creates problems in reconciling conflicting usage of the resource in certain areas.

The capacity of the resource to accept increased tourism development is frequently unknown.

Many operators are hesitant to invest in the expansion of their businesses because of uncertainty as to the outcome of the settlement of large scale native land claims.

The tourism season is short by comparison with destinations closer to your major markets.

3. But this particular market segment is growing quickly

Demand for wilderness travel vacations has been growing strongly in the recent past. This is particularly true of river rafting. Because these kinds of vacations are no longer perceived as being of interest to only a very limited number of individuals, this type of vacation has received much higher levels of publicity and promotion, which in turn has intensified demand.

There is a relatively large potential market for these kinds of vacation as they are consistent with established trends of increased participation in outdoor recreational activities.

Because this is a rapidly evolving market, it is still relatively upscale and well educated and is leading the population as a whole.

4. However your location works against you

Yukon is remote from its major markets. You have a significant accessibility problem. Air access is generally expensive. Road access is difficult and time consuming.

As well, many of your visitors are passing through the territory to other destinations, most frequently Alaska. We estimate in 1980 about 54?6 of your non-resident visitors were passing through Yukon.

The wilderness travel industry appears to have generated a relatively low level of repeat business. This is a reflection both of the nature of the experience offered and the location of Yukon.

5. And you have many strong competitors

   Your competition is essentially global because you are offering a wilderness experience vacation. This type of vacation can be, and often is, offered in many other areas of the world as well as within North America.

   Your strongest competition is much closer to *your* major markets. Both British Columbia and the western states of the United States, particularly Oregon, Idaho, Wyoming, Colorado, and California all offer similar experiences but are much more accessible to the same markets you are attempting to attract.

   The wilderness travel industry in competing destinations appears to be much more strongly established. This is particularly true of the western states of the U.S.A. Businesses operating in other destinations appear to have greater financial resources and marketing expertise than your more recently established industry. Consequently, the level of awareness amongst wholesalers, retailers and the consumer at large is much higher for many of your competitors' tours than it is for yours.

   An assessment of the quality of your resources in terms of their appropriateness for specific wilderness travel activities, for example river rafting, or canoeing, has not been undertaken. It is therefore difficult for consumers to compare your resources with those elsewhere as there is no valid, objective method of comparison.

   The number of tours being offered in competing destinations and in new destinations is increasing quickly. Existing destinations are expanding the number and type of tours available. As well tour operators are continually offering tours to new destinations, particularly in South America and Asia.

   Because of the strength of the competition and your recent entry into the market, you have a very small market share.

6. The guided wilderness experience tour is not easy to sell through the travel trade

   Your tours can be sold in two main ways – directly to the consumer or through the travel trade.

The travel trade consists of non-Yukon based wholesalers –who can also sell directly to the consumer – and retailers in the form of travei agents.

The travel agency business in North America is highly fragmented. There are few strong chains of agents which dominate the industry. This means wholesalers have to deal with many different travel agency businesses rather than focusing on key individuals.

As well, travel agencies are not aggressively seeking your business. They carry numerous competing products. Their staff are frequently poorly trained and unfamiliar with the detailed attributes of products and generally do not sell well.

There are a number of different kinds of tour wholesalers. One of these is the specialist tour operator who concentrates totally on developing and packaging special interest tours – in this instance wilderness experience tours. The number of these specialist tour operators has expanded in the past five years to keep pace with the rapid growth in demand for their particular products.

Many of these specialist tour operators are located within your major markets. They appear to have a low level of awareness of Yukon's potential and again are not aggressively seeking business from Yukon as they offer similar tours to many competing destinations.

As well, many of the U.S. companies perceive Canadian destinations negatively because they find Canadian regulations difficult to deal with.

Many ground operators in Yukon prefer to deal directly with their customers. The main advantage is that they can offer custom designed tours to meet the specific needs of the purchaser. The disadvantages are that it is a long and difficult process to do this and that it is reactive rather than proactive.

7. The 1980s will be very different to the preceding 30 years

A number of significant general trends will also influence the development of viable strategies to reach this market:

The early and mid 1980s will see continued economic recession. There appears to be a consensus that there will be no real growth in the economies of North America during the 1980s and possibly into the 1990s. The conditions which allowed rapid real growth during the 1950s and 1960s– abundant and inexpensive energy, negligible or no inflation, massive amounts of cheap credit -- no longer exist.

Consumers have begun to react by becoming much more price conscious. Discretionary purchases are being curtailed. And markets are becoming polarized with consumers purchasing either expensive, high quality products —hoping they will last-- or very cheap goods, and showing little interest in mid price, mid quality goods.

Transportation costs are rising disproportionately quickly. This is particularly true of air travel costs. This trend is likely to be maintained.

The vacation, once regarded as a luxury item, has now come to be regarded as a necessity. There appears to be little evidence of consumers putting off vacations altogether in response to the economic recession, but considerable evidence of consumers trading down to cheaper vacations.

As a general trend, there appears to be more interest in self awareness and self actualization – particularly in the western U.S.A. markets – in influencing consumers' purchasing decisions. This translates into a greater interest in 'hobby' type vacations.

The North American population is becoming better educated, older, and has smaller families. As a general statement the population is not growing as it once was.

D. YOUR STRATEGIES CAN INFLUENCE MANY OF THESE THINGS

As stated your optimal strategies will want to capitalize upon your strengths and minimize your weaknesses. Clearly there are obvious areas for action, areas over which you have some influence. Equally there are things over which you have no influence and can do nothing about.

1. Many areas can be influenced strategically

You can influence the quality of your product offering. If a premium quality product is appropriate then you can assist in helping upgrade the quality of equipment used and the overall quality of the plant. As well, you can upgrade the quality of guide skills and increase the number of suitably qualified guides available.

You can decide upon priorities for usage of the physical resource.

You can position your product correctly. This would be based on a firm knowledge of the quality of your physical resources, the quality of the equipment and the quality and experience of your guides by comparison with other competing destinations.

You can determine a pricing strategy based upon this positioning. Your tours will be priced at a premium level, or at a mid-range level, or at a competitively low level.

You can promote your product more heavily and effectively - within the limits of your financial resources.

You can be much more responsive to the needs of the travel trade and package your tours to meet their requirements. It is important to remember that the travel trade are purchasers too and have to be sold in the same way that the ultimate consumer is sold on a product.

You can organize the industry to work together to maximize marketing effectiveness. This will ensure the development of a product of appropriate quality and consistent with complementary promotional efforts.

You can increase the financial viability of the newly established businesses by providing financial assistance.

You can set targets against which the effectiveness of your strategies can be evaluated.

2. But there are certain things over which you have minimal influence

You can do little about the location of Yukon. You cannot move Yukon closer to your major markets and you have no direct control over air fares which are a significant element of the cost of a wilderness experience vacation.

You can do little about the strength and variety of the competition. It is a highly competitive market.

You can do little about the absolute quality and variety of the physical resources of Yukon. You have a finite number of rivers, lakes, mountains, fauna and flora. But you can influence the perception of those resources.

E. THE IMPLEMENTATION OF SUCCESSFUL STRATEGIES COULD HAVE A SIGNIFICANT IMPACT UPON THE GROWTH OF DEMAND

We estimate that in 1980 between 2,450 - 2,650 persons purchased wilderness experience tours in Yukon itself. A further 1,000 persons purchased hunting or sportfishing packaged tours in the territory.

Of these approximately 2,550 persons we estimate that between 850-950 purchased long-term guided tours, about 400 purchased short-term guided tours and the remaining 1,250 purchased non-guided packages. We have used these estimates as the basis for our estimates of potential growth in the volume of wilderness experience tourism.

1. Without intervention in the marketplace wilderness experience tourism in Yukon will grow marginally faster than non-resident visitation to the territory

Non-resident visitation to Yukon is likely to grow at about 4% p.s. over the coming decade. The purchase of wilderness experience tours in Yukon is likely to grow at a marginally faster rate than this if present marketing practices are continued.

We feel that a rate of between 6-8?6 p.s. would be appropriate for a market of this size.

EXHIBIT VIII-1. Potential growth in purchase of wilderness experience tours in Yukon 1980-2000 with no intervention in the marketplace

	Long-Term Guided Tours	Short-Term Guided Tours	Non-Guided Tours	Total
1980	900	400	1,250	2,550
1985	1,250	550	1,750	3,550
2000	2,750	1,200	3,800	7,750

This assumes that a steady 7% p.s. growth rate is maintained during the 1980s slowing to 5?6 during the 1990s and that the distribution of the purchase of different types of tours does not vary over this period.

2. With a successful marketing campaign the number of wilderness experience tourists could grow to about 9,000 by 1990.

Exhibit VIII-2 presents our high, probable and low estimates of the rate of growth of purchase of wilderness experience tours in Yukon. We feel that because you have first to create a climate of awareness for Yukon's tours the rate of growth of purchase of such tours will be relatively slow during the first half of the 1980s. But it should grow quite quickly in the latter half of the 1980s. This is assuming that North America comes out of its economic recession by 1985 and that no other significantly disruptive events occur. And it assumes that your marketing campaign successfully influences the market.

Assuming that the existing characteristics of long-term guided tours do not change fundamentally - a 110 day season, an average tour length of 9 days, a ratio of 5 to 6 tourists per guide, and at least five days recovery time between trips - then each guide would handle about 40-45 tourists per season. Thus in 1990 you would need between 60-65 guides to handle the probable level of long-term guided tour business.

EXHIBIT VIII-2. TSK estimate of potential growth in the number of tourists purchasing wilderness travel tours to Yukon 1980-2000

LOW

Year	Long-Term Guided Tours	Short-Term Guided Tours	Non-Guided Tours	Total
1980	900	400	1,250	2,550
1985	1,250	600	1,800	3,650
1990	1,775	875	2,950	5,600
1995	2,250	1,150	4,350	7,750
2000	2,500	1,275	5,050	8,825

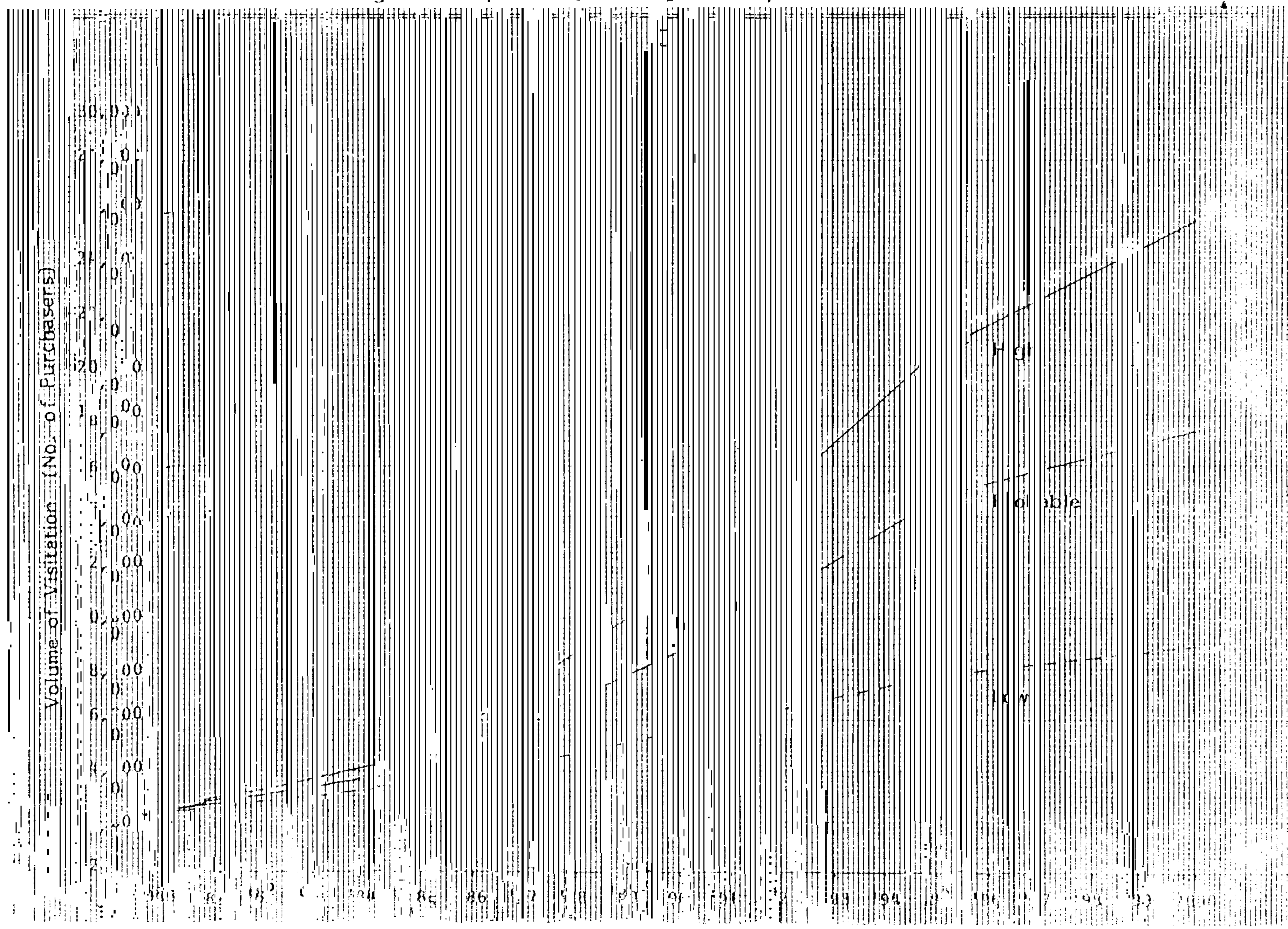
PROBABLE

Year	Long-Term Guided Tours	Short-Term Guided Tours	Non-Guided Tours	Total
1980	900	400	1,250	2,550
1985	1,375	650	2,250	4,275
1990	2,675	1,250	5,050	8,975
1995	4,300	1,825	8,500	14,625
2000	4,975	2,100	10,350	17,425

HIGH

Year	Long-Term Guided Tours	Short-Term Guided Tours	Non-Guided Tours	Total
1980	900	400	1,250	2,550
1985	1,575	700	2,400	4,675
1990	3,700	1,650	6,000	11,350
1995	6,525	2,900	11,025	20,450
2000	7,950	3,525	14,075	25,550

EXHIBIT VII-3. Potential growth in purchase of wilderness experience travel tours, 1980 - 2000



IX

RECOMMENDATIONS

A. WE HAVE MADE SOME BROAD RECOMMENDATIONS AND ATTEMPTED TO ASSESS THEIR IMPLICATIONS

This chapter presents our broad recommendations to assist you in the formulation of a strategy to further develop your wilderness travel industry.

We first focus on general strategy recommendations and then on specific recommendations for possible marketing strategies. We then present recommendations relating to the implementation of these strategies focusing specifically on:

- Organizational responses.
- Programs.
- Legislation.
- Resource implications.
- Geographic implications.

B. YOU SHOULD ASSESS THE QUALITY OF YOUR PRODUCT

Viable marketing strategies involve much more than just promotional activities. They involve correctly understanding the range and quality of your product -- and this means not just the resource but the other components of the experience you are selling as well -- and positioning and pricing it accordingly.

As stated, the resource is a vital and integral part of the product being offered to vacationers. The Yukon's resources are felt to be very good, if not outstanding, by those familiar with them. But not enough people have direct knowledge of the resources and very little, if any, promotional material has been disseminated which has broadcast this message. There is generally a very low level of awareness of the quality and variety of wilderness experience tours in Yukon.

If Yukon wants to increase its share of this market it is going to have to start from square one.

You will have to assess the quality of your product and position it correctly.

You will have to price it correctly based on this assessment of its quality.

You will have to promote general awareness of the quality of the resource and specific awareness of packages.

> We would recommend that you undertake an assessment of the quality of your resources for wilderness travel activities both in their own right and by comparison with those of your immediate competition.

1. Your market expects comprehensive, accurate information

The importance of the resource in developing a successful specialty market cannot be understated. The resource is the reason tourists interested in specific activities travel. It is vital therefore to unequivocality and honestly appraise the quality, quantity and capacity of the resource. Tourists can easily be disappointed with the experience they have travelled so far to enjoy because their level of expectation is not met.

We have placed a great deal of stress on the need for an objective, realistic appraisal of the resource. This is because:

The market to whom you are selling is experienced and knowledgeable. This means that they need hard, factual and realistic information on the resource, often of a technical nature. Because they are experienced it is important not to mislead the market through overstatement. Word of mouth is an important form of marketing and this is dependent upon a satisfactory first experience.

You are selling in a highly competitive marketplace. The market is a highly attractive one to the promoters of many other destinations. Potential tourists are being offered many alternative products. The market does not currently have a high level of awareness of Yukon's product. The product needs to be evaluated against other more widely known destinations to position them in the mind of the purchasers.

Yukon's products have to combat long distances and the associated expense. There have to be obvious advantages over other destinations to minimize the effect of this constraint. This also demands comparative evaluation.

The first step in formulating a strategy is to undertake an objective assessment of the quality, quantity and capability of the resource in terms of its appropriateness for selected wilderness travel activities.

2. You **need** two **types** of assessment

Two assessments are necessary:

- Assessment of the resources for selected wilderness travel activities within Yukon itself to identify those areas with the highest quality. Once these areas are identified a capacity analysis should be undertaken.

- Assessment of the resources for selected wilderness travel activities in competing but geographically adjacent destinations, these being Alaska, British Columbia, and the Northwest Territories. This assessment should determine the quality of the competing resources to see how they compare with those of Yukon.

We would suggest that an appropriate approach could be to:

- Divide Yukon into a number of distinct physiographic regions, (say three or four).

- Select similar types of regions in Alaska, British Columbia and the Northwest Territories (and other areas if necessary).

- Develop a methodology employing criteria which will allow valid comparisons to be made.

- Draw comparisons according to these attractivity criteria.

Methodologies have been developed for such assessments. Their essential feature is to take necessarily subjective assessments and to translate them into quantitative indices. This allows reasonably valid comparisons to be drawn between areas to arrive at some assessment of quality of a resource. Parks Canada developed a number of attractivity indices for their parks in the early 1970s. In the U.S. similar studies have been conducted and various methodologies have been proposed. [1]

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[1] See particularly "Congestion, Quality Deterioration and Optimal Use" by J. Cichetti and V. Kerry Smith in Social Science Research Vol. 2 (1973) Pp 31-40; Natural Environments, Editor J.V. Krutilla (Baltimore: Johns Hopkins Univ. Press 1975); and J.V. Krutilla, Economics of Natural Environments (Baltimore: Johns Hopkins Univ. Press 1975).

3. Two different approaches will be required to undertake this assessment

These assessments should be undertaken by two distinct types of organizations or individuals.

A resource planning firm should assess the resources within Yukon and competing areas. This firm should be familiar with objectively evaluating the quality and capacity of wilderness areas. This will provide you with a comprehensive objective overall assessment using state-of-the-art methodologies.

Secondly, key influential within specific activities should be retained. They would subjectively evaluate the quality of the resource in Yukon for their specific activity both intrinsically and by comparison with competing destinations. Their opinions as to the quality of the resources should be publicized in specialty magazines.

There are two advantages in this. One is that you get a specialist's rating of the resource, a rating which gives you a clear idea of the quality of the resource. The second is that if the resource is highly rated, the approval of one of the opinion leaders in an activity strongly influences many other active participants.

4. You will get a number of tangible results from these assessments

The assessments will ensure that you are honestly marketing top quality resources to those interested in participating in activities making use of them. This will minimize any problems resulting from false expectations.

You will be able to identify areas of conflict and compromise within the territory. In some areas the Yukon Territorial Government (YTG) may wish to further encourage the development of mining. In other areas, identified as being of a high quality and having the capacity to handle increased visitation, the YTG may wish to stimulate the development of wilderness travel activities. The assessments will allow the Territorial Government to develop integrated policies for the development of the wilderness.

And you will get the long-term publicity you need through the rating of the resources by key influentials within the market.

C. YOUR STRATEGY SHOULD HAVE FOUR MAIN COMPONENTS

Your two main objectives to developing your wilderness travel industry are to encourage the further development of the guided wilderness experience segment of the industry, and, second, to encourage the further development of the non-guided segment, that is the "facilitation" segment of the industry.

We would recommend that your strategy for the further development of the wilderness travel industry of Yukon have the following components:

1. To actively encourage more non-residents who frequently participate in wilderness related activities to purchase long-term guided wilderness experience tours in Yukon.

2. To actively encourage those non-residents already visiting Yukon and who are interested in or are participating in wilderness related activities, to purchase short-term guided wilderness experience package tours.

3. To actively encourage non-residents who frequently participate in wilderness related activities to purchase "facilitation" packaged wilderness experience tours in Yukon.

4. To actively encourage more residents of Yukon who frequently participate in wilderness related activities to purchase both short and long-term guided wilderness experience packaged tours in the shoulder season.

D. COMPONENT ONE: A 'COME TO YUKON FOR A LONG-TERM WILDERNESS EXPERIENCE TOUR' SUB-STRATEGY

1. You should focus on offering wilderness skills and river related tours

Wilderness travel encompasses a wide variety of activities. But not all activities offer the greatest potential in terms of attracting the optimal number and kind of tourists. There are a number of factors which should be considered in determining which activities should be selected:

The quality, quantity, and capacity of the resource for that particular activity.

The quality, quantity and capacity of the infrastructure, (for example, guides, equipment, associated plant), to satisfactorily handle that activity.

The size of the existing market for that particular activity.

The potential size and likely rate of growth of the market for that particular activity.

Exhibit IX- 1 is a very simple analysis of the potential of those activities previously defined as comprising wilderness travel activities.

We acknowledge that our assessment is rudimentary. It is highly subjective and based on our understanding of the quality of the resource and of the markets' particular interests. In both instances the understanding of the quality of the resource and of your markets' specific needs requires enhancement.

Our assessment would indicate that these activities with high potential for long-term non-resident guided tours include:

Wilderness skills tours.

Backpacking/hiking tours.

Canoeing tours.

[Mountaineering.

Those with medium potential include:

River rafting.

Riverboat tours.

Dog sledding.

Photography.

Those with lower potential include:

Horseback riding.

Trail riding.

Cross-country skiing.

Snowshoeing.

We would recommend that you focus on developing tours offering wilderness skills, backpacking/hiking, and Canoeing activities.

These types of tours should capitalize on the two main strengths of the Yukon's product -- the knowledge and skills of the guides, and the high quality of the territory.

Exhibit IX-1 Analysis of potential of various activities

	RESOURCE						MARKET			INFRASTRUCTURE			
	QUALITY			QUANTITY/CAPABILITY			POTENTIAL			CAPABILITY			TOTAL PTS.
Activity	High	Avg.	Low	High	Avg.	Low	High	Avg.	Low	High	Avg.	Low	
PTS	3	2	1	3	2	1	3	2	1	3	2	1	
Mountaineering	x			x				x		x			11
Backpacking/Hiking	x			x			x			x			12
Wilderness Skills	x			x			x			x			12
Photography		x		x				x			x		9
Cross-Country Skiing		x			x				x		x		7
Snowshoeing		x			x				x		x		7
Dog Sledding	x			x				x			x		10
Trail Riding		x			x			x			x		8
Canoeing	x			x			x			x			12
Riverboat Tours	x			x				x			x		10
River Rafting	x				x		x				x		10

River rafting and riverboat trips are recommended as secondary activities because of:

The high level of competition in this market segment.

The higher level of investment to develop such tours.

And, for river rafting, because other than the Tatshenshini, the rivers are not really of an appropriate quality for offering a high quality river rafting experience. (This might be proven otherwise once your resource assessment is undertaken.)

2. You should use a medium/premium pricing strategy

Pricing is another critical element of any marketing strategy.

We would recommend that you encourage the operators to use medium/premium prices for their tours.

Your tours are appealing to a very small segment of a new, but rapidly growing market. As with most innovative purchasers in the travel market the members of the segment interested in these types of guided tours tend to be relatively affluent and belong to the professions. There does not appear to be much evidence that price is a significant constraint.

As well you have a short season and want to maximize the return on the number of days available. And if the operators wish to employ more extensive promotional and advertising activities they will have to generate revenue over and above that available to them now.

Prices should be marginally less at either end of the season to try to encourage off-season purchases.

Finally, if the operators feel they have a high quality product, with high quality resources and high quality skills, then the tours should be priced accordingly.

3. You should work more closely with tour operators

Historically Yukon has made little impression on the market for wilderness tours. You need all the help you can get to raise the level of awareness of the consumers in your product. You need as many people as possible selling on your behalf.

We would recommend that you encourage the operators to work more closely with-the travel trade in your prime market areas.

The operators are currently attempting to deal directly with the consumer. This is expensive and time consuming. You do not yet nave a sufficiently high level of visitation for you to rely on word of mouth recommendation and repeat visitation. You have to generate more first time visitors.

To do this you have to encourage the operators to work much more closely with the travel trade -- both wholesalers and retailers -- in your major markets. Once they become familiar with what the operators have to offer they can act as additional sales persons on your behalf.

This will influence how the operators package their tours, as they should be much more aware of the needs of the travel trade, and should also influence your own promotional strategies.

4. Your primary markets should be the Western U.S.A. and Western Europe

Your existing markets will be your markets of the future. There are no major markets currently untapped, although Australia offers some potential. It is more a question of considerably expanding your present penetration.

> We would recommend that your primary target markets be affluent, upscale residents of the Western U.S.A. and Western Europe.

Your primary markets should be:

- Western U. S. A., particularly Northern California. A distinction should be made between Northern California and Southern California. They are very different markets.
- Western Europe.

The secondary markets are:

- B.C./Alberta.
- Eastern Canada and Eastern U.S.A.

The Western U.S.A. should be a primary target because:

- Demographically and aptitudinally the population matches the profiles of those people likely to purchase wilderness experience tours.
- There is already a reasonable level of awareness of Yukon in the Western U.S.A. as this has been a traditional market area for you.
- Transportation costs to Yukon could be perceived as being of less significance because of the territory's relative proximity.

Western Europe should be a primary target because:

Although it is a highly competitive marketplace, North America is perceived to be relatively inexpensive.

Wilderness travel activities are very popular in Western Europe, particularly in West Germany and its neighbors.

But transportation costs may be a problem because of the distance involved.

B.C. and Alberta should be secondary targets because:

The population base is much smaller than in the Western U.S.A.

There are good quality resources for similar wilderness travel activities in relatively close proximity to major cities in these provinces. This means potential tourists can minimize transportation *costs* and participate more frequently in the local area.

Eastern Canada and the Eastern U.S.A. should be secondary targets because:

There is a relatively low level of general awareness of Yukon in these areas which would have to be combatted.

There are intervening competing opportunities, particularly for river related activities.

Transportation costs could be perceived as being of considerable significance.

5. *Your* promotional activities and advertising should" be focused on raising the level of awareness of what you have to offer

Your basic problem appears to be that the market is not yet familiar with the quality of the long-term wilderness tours available in Yukon. You are basically introducing a new product into the market place.

We would recommend that the Territorial Government focuses its advertising and promotional activities on *raising the level* of the awareness of your target markets for your products.

You have certain clear steps which should be followed. These are:

Create interest.

Stimulate enquiries.

Respond to enquiries.

Consummate purchase.

Provide high quality experience.

Stimulate word of mouth recommendation.

Your first basic step is to create interest in the product. You have two main target markets for this -- the travel trade, specifically the specialist wholesaler, and the ultimate consumer.

The specialty tour operators offering these tours should be clearly identified. Priority should be given to identifying those selling in the two primary target areas, the Western U.S.A. and Western Europe.

They need:

Comprehensive and factual information on the product.

Comparative and credible information on the quality of the resource.

Fast and accurate responses.

Familiarization trips.

The potential tourist also needs to have their level of awareness of Yukon raised.

They need:

More general information, probably of a comparative nature, about the availability and quality of the resources for their activity.

This should be done using:

Articles in specialty magazines such as ‘Backpacker’.

Promotional films. The potential of video cassettes and cable T.V. should be explored. Video cassettes offer considerable potential for selling tours.

Direct mail pieces to members of clubs and associations. These could be unsolicited mailing pieces.

Having stimulated interest you have to have appropriate material to respond to enquiries.

You are most likely to generate responses from upscale, well educated, affluent individuals. But they are being offered a number of equally feasible destinations for their activity. Your promotional activities must reflect this context.

We feel you should develop a consistent and complementary series of high quality brochures with a separate brochure being developed for each main target activity. We feel there should be separate brochures because active participants in one activity are not necessarily active participants in, or are even interested in, others. Canoeists are not necessarily trail riders.

The brochures should focus on:

The quality of the resource. This should be a combination of comparative rating with other, better known destinations, and the opinions of key influential.

There are no crowds. It is a true wilderness experience in that sense.

The quality and experience of the guides. Stress should be placed on the depth of experience and intimate local knowledge of the guides.

The uniqueness of Yukon. The key elements here are the combination of history and remoteness. But remoteness alone is not sufficiently unique.

These would be direct mail pieces in response to general enquiries, from either the tour operator, travel agent or consumer themselves.

The operators themselves will obviously have their own brochure to supplement this information which will reflect their own particular product and approach. But they should be encouraged to provide comprehensive and comparable information to ensure that a potential purchaser is fully aware of the product offering. The tourist should not be left uncertain or confused about what is being offered having read an operator's brochure.

E. COMPONENT TWO: A 'WHILE YOU'RE HERE TAKE A GUIDED WILDERNESS EXPERIENCE TOUR' SUB-STRATEGY

1. These are primarily short-term tours

This sub-strategy is aimed very much at the non-residents visiting Yukon who have not planned to take a guided wilderness experience tour. This means it is a spontaneous purchase. This means it cannot be for a long period of time because most travelers have reasonably tight time budgets, although they can be flexible.

At the moment the most popular short-term tours with a guide are either to show the tourist the best place to fish or to interpret the scenery and environment.

> We would recommend that the activities offered for short-term tours to non-residents already visiting Yukon be strongly focused on wilderness skills and photography.

Those activities best suited for this segment of the market are those which significantly enhance the quality of their visit to Yukon in the shortest period of time. This essentially means a guided tour of the best features of Yukon's wilderness. This would allow the tourist to see, and have explained, the most interesting landscapes, fauna, flora and allow them to take the best pictures.

2. You should price these tours medium/competitively

The decision to purchase these short-term guided tours is likely to be spontaneous. While the tourist may be reasonably flexible with regard to time, they are less likely to have a flexible budget. Price is likely to be a constraint. But this does not mean that such tours should be offered at very low prices. The guides have a very short season and need to maximize their income. As well they should not price their services at a very low level as this can lead to an incorrect perception of the quality of their services.

> We would recommend that the short-term guided wilderness experience tours be priced at a medium/competitive level.

Basically the intention is to convince the visitor they could see a lot more of the real Yukon in a lot less time by using the services of a guide. It should be possible to play up the value component of this approach by stressing a 'pay a little to see a lot' theme.

3. You should establish a clearing house to handle bookings

Your market for these tours is essentially those non-residents who have already made a commitment to visit Yukon. They may be first time visitors who are intending to visit Yukon as part of a grand tour of the northwest or they may be visitors who are already familiar with the northwest and are passing through Yukon.

In either case their decision to visit Yukon is for reasons other than to take a wilderness travel tour. So you have to make them aware that the opportunity exists for them to do so while they visit Yukon.

We would recommend you use two specific modes of informing visitors of the availability of short-term guided tours -- arid you will have to establish a clearing house.

We feel there are two ways of informing visitors of the availability of such tours.

To inform those tourists planning trips to Yukon and Alaska of the availability of such short-term tours prior to their departure. This would involve enclosing a brochure describing all the short-term guided tours available in Yukon, with more general information about Yukon when responding to enquiries of this nature.

To immediately inform those tourists who have just arrived in Yukon of the availability of such tours. If might be possible to run a campaign on the basis of 'take a tour on the way back through' for those returning via Yukon. This means getting literature to tourist information centres, service stations, commercial accommodation, and shops.

It also means having some sort of centralized clearing-house for handling bookings and enquiries. Speed would be critical. Tourists would need to know quickly if tours were available in order to amend their travel plans. It would be unlikely the tourist could deal with the guides themselves as the guides would probably be out guiding.

Such a clearing house would logically be located in Whitehorse and could be part of the Visitor Bureau. It would demand that one person be specifically responsible for keeping in touch with guides on as frequent a basis as possible to determine their availability and to inform them of bookings.

The Yukon Territorial Government could assume responsibility for the operation of this clearing house during the summer months. Its cost of operation could be met in part by charging each operator a percentage fee for each tourist booked.

The individual responsible for the operation of the clearing house should be fully knowledgeable of the various kinds of guiding services available. They will have to determine clearly from tourists what kind of short-term tour they require and make a correct match with the most appropriate guiding service.

Such a clearing house should carry a full range of consistent and complementary brochures describing the kinds of short-term tours available so the tourists can make valid and accurate assessments of their particular needs.

4. Your promotional activities and advertising should be highly specific

You have two messages to get across. One that the visitor to Yukon should take a short-term guided wilderness experience while they're there. This is asking them to make a spontaneous unplanned purchase. So you have to convince them of the value of spending more time in Yukon than they planned to do, something that they had not previously considered.

Second, having convinced the tourist of the merits of taking a short-term tour, you have to make them aware of the range, variety and location of such tours.

> We would recommend that you focus on advertising in Yukon itself and producing a comprehensive brochure describing the range and variey of services available.

Your advertising has to stimulate the tourists' interest quickly. You don't have long to make a sale. So you will have to promote the availability of such tours relatively heavily during the peak tourist season using radio and newspaper. Radio would probably be most effective because of the high percentage of auto borne tourists.

As well, Literature should be available which comprehensively and consistently describes the range and variety of services available. Operators should be encouraged to prepare brochures describing their short-term guiding activities which are consistent in terms of the information presented.

F. COMPONENT THREE: A 'YUKON HAS THE SERVICES AND EQUIPMENT YOU NEED' SUB-STRATEGY

1. You should focus on river related activities

One of the largest areas of demand you currently deal with is for non-guided wilderness experience package tours, specifically canoe rental packages. This area offers you considerable opportunities for growth because of one main reason -- there is no constraint of having to maintain the ratio of one guide to every five or six tourists. The only significant remaining constraint would be the availability of appropriate equipment. Although you would have some concern about the capacity of any specific location to handle large numbers of self-guided tourists.

> We would recommend that you focus on further developing river related facilitation packages.

We suggest this for a number of reasons.

One, Yukon appears to have a large number of rivers regarded as being of excellent quality for canoeing. They are long enough to easily plan week to ten-day long vacations.

Second, river related activities are currently popular and likely to remain so. They appeal to a broad segment of the market interested in wilderness travel activities.

Third, in other activities -- for example, mountaineering -- the tourist tends to bring much of their equipment with them because they are familiar with it and trust it. (They may not bring tents or cooking equipment and this could be an area where rentals might be made.) But it is rare for tourists to travel long distances from home with their canoes; it is just too expensive by comparison with the price of rental at the destination.

Four, the experience of a canoe trip is not greatly diminished if it is self-guided. In other activites - for example, mountaineering - having a guide is an important part of the experience. In still others, the guide is an integral part of the experience - for example teaching wilderness skills.

2. This is not a premium product -- it should be priced competitively

Tourists tend to purchase rental packages for two reasons, convenience and price. Convenience because it is difficult to bring the desired equipment with them over long distances. And price, because these tourists are frequently more price sensitive than those purchasing fully equipped guided tours of a similar nature.

> **We** would recommend that the pricing of these facilitation packages be at a competitive level.

We feel your best opportunities lie in developing river related facilitation packages. This is an area where there are many strong competitors. You will have to be sensitive to prices charged elsewhere for similar packages and make sure your prices are in line with these. Prices should be marginally less at the beginning and end of the season to encourage off-peak visitation.

With facilitation packages you are removing one key element of your product -- the knowledge and skills of the guide. So you are left with the quality of the resource and the quality of the equipment.

You can do little about the quality of the resource. It's there. But you can do something about the quality of the equipment. It should be of a very high standard if you want to generate good word of mouth recommendations and repeat business.

3. These packages are admirably suited to the travel trade

The great advantage of facilitation packages is that they are easy to promote. You are essentially offering the rental of equipment for a specific time period at a specific time of the year. This allows you to put together simple packages which can be easily sold to and by wholesalers and retailers in your major target markets.

We would recommend that the facilitation packages be primarily sold through specialty wholesalers and through retailers in your major markets.

Your pricing will obviously have to take into regard the commissions you will have to pay to the trade. Your other main method of sale is dealing directly with the customer who responds to advertisements. obviously the volume of this business will depend heavily upon the level of advertising you and your operators choose to employ. At this stage in the development of your industry it is probably more cost effective to use the trade to sell on your behalf.

4. **Your promotional and advertising activities should be very similar to those for long-term guided wilderness experience tours**

The facilitation tours have the same problem that the guided tours do -- low awareness. So you have to employ a two step message. You have to make consumers aware of Yukon as a potential destination for wilderness travel activities and then sell them on facilitation packages.

We would recommend that you focus on similar markets, and employ similar promotional and advertising methods as suggested for the long-term guided wilderness tours.

G. COMPONENT FOUR: A 'LEARN MORE ABOUT YOUR HOME TERRITORY' SUB-STRATEGY

1. This is a small market but has some potential

The residents of Yukon offer the operators an opportunity to market their services in the off-peak season. Admittedly, this is a very small market, the population of the territory being *just* 25,000 persons.

But we understand that the population of Yukon turns over relatively quickly. The territory receives a considerable number of newcomers who stay in Yukon for just a short time, perhaps three to four years. This is a function of the structure of the economy.

Many appear to come to live in Yukon because they like being in close proximity to the outdoors. But they often haven't a detailed knowledge of what the Yukon environment has to offer.

We would recommend that you focus on selling two main activities -- both subsets of the wilderness skills group of activities.

We feel there are two areas where the guides would have an opportunity of selling their services to the local people.

One would be to offer guided tours of Yukon focusing on 'Learn more about your new home -- see Yukon's wilderness with a guide.' As well it might be possible to offer these tours to friends and relatives who are visiting residents (the VFR market) by suggesting that when the friends or relatives visit they could be taken on a guided tour of wilderness areas of Yukon.

These tours would be best suited to off-peak periods, specifically late spring and early fall in an attempt to lengthen the season.

2. They should be priced medium/competitively

You are essentially offering the same short-term guided tour that we have suggested be made available during the summer months. The pricing strategy should be similar -- not too high because you are offering off-peak tours to a somewhat price conscious market, but not too low as to create a perception that the services are not worth much.

> **We would recommend the short-term tours be priced** at a medium/low level

3. You are promoting them locally, so your main market has " to be Whitehorse

About 60% of Yukon's population lives in Whitehorse. Many other residents frequently visit the community. So you will be catering to this market.

You will have established the clearing house facility in Whitehorse to handle exactly the same kind of demand during the peak season from non-resident tourists. It would seem logical therefore to maintain the clearing house facility during the off-season and encourage those residents who are interested in taking such tours to use that facility for booking.

> **We would recommend that the clearing house be the main centre** to handle residents' enquiries and reservations for short-term guided tours.

This will mean the clearing house will have to be open at least from early spring through to late fall. It could possibly be open during the winter as well to handie enquiries and reservations for winter related activities. This is why it should be located in a centre which is open year round for a variety of different activities.

4. Your advertising and promotion will be locally oriented

Your market is the local resident. You are attempting to encourage them to purchase guided tours in the spring and fall. So your advertising has to focus on the advantages to them of taking such a tour -- and the long-term knowledge and skills of the guides is a critical factor here -- and to encourage them to take tours off-season. You want to minimize the number of residents taking tours in summer as your overall objective is to encourage non-resident visitation at that time.

> We recommend you use a combination of local radio and local newspaper advertising. As well complementary brochures should be developed to respond to the enquiries generated.

H. THE ORGANIZATIONAL STRUCTURE FOR YOUR INDUSTRY HAS TO REFLECT YOUR MAIN OBJECTIVES

You have asked us to recommend an optimal organizational structure for your wilderness travel industry. The effectiveness of a structure depends totally upon the objectives you have for the further development of the industry.

Your basic objective is to have the wilderness travel segment of your tourism industry develop further.

1. **Your objectives demand** that the Territorial Government plays a leading role

We have **recommended that the main thrust** of your strategy be toward offering the market a premium product for certain specific activities. But this is in the context of a very low awareness of what Yukon has to offer. So you are essentiality launching these products from scratch.

The Territorial Government will have to play a major role for a number of years. This is because you will have to present a coordinated and comprehensive campaign which first stimulates interest in Yukon and then stimulates interest in purchasing wilderness travel tours.

We feel neither the YVA nor the operators themselves have the resources to undertake a campaign of this nature.

But they can support the Territorial Government through the provision of complementary materials and services.

The Territorial Government **should therefore be** responsible for:

- An assessment of the quality of the resource and its capacity in terms of wilderness travel activities.

- Developing promotional campaigns targeted at wholesalers, retailers, and the general consumer with the objective of raising their level of awareness of Yukon's wilderness travel product.

The funding of familiarization trips for key influential to allow them to assess the resource and publicize their assessment.

Developing a consistent series of complementary brochures oriented towards specific activities.

Exploring the feasibility of restricting or controlling non-Yukon based operators offering tours in Yukon.

Exploring the feasibility of training and licensing guides.

2. The Territorial Government has a number of methods it can use

For the Territorial Government to effectively implement any broad strategy and sub-strategies it will have to employ a number of tools. These include:

Financial programs.

Training programs.

Appropriate legislation.

Appropriate further study.

These are further discussed in this chapter.

3. The YVA should be strengthened

We feel that the effectiveness of the role of the YVA to act on behalf of the tourism industry of Yukon as a whole, is perhaps being lessened because of the recent growth of the individual industry associations with whcm the Territorial Government is dealing.

> We would recommend that the role of the YVA be strengthened and that the individual associations work much more closely with the YVA.

We feel the YVA has a valuable role to play in assisting the development of Yukon's tourism industry. With regard to the wilderness travel segment we see it playing an important role in assisting individual operators in developing their marketing skills and providing cooperative marketing opportunities.

We feel the various industry associations should work much more closely with the YVA. The YVA should be encouraged to assist in reconciling some of the conflicting aspirations of the members of Yukon's tourism industry. If the YVA purports to speak on behalf of the industry it should be working towards achieving a unified voice rather than have the members of the industry fight amongst themselves.

Much of the funding for the activities of the YVA already comes from the Territorial Government. Any expansion of its activities, particularly in the area of cooperative marketing and in advising operators how to improve their marketing, will probably have to be funded by the Territorial Government.

4. **A further objective is to develop a high quality experience using** existing manpower

The key to the successful penetration of the market is to present Yukon as a high quality experience.

An integral part of this will be the role of the guides. If you decide to position Yukon's wilderness experience tours, particularly the guided tours, as a top quality experience than all elements of the package have to be of a consistent quality -- the resource, the guides and their equipment, and the marketing and promotional tools.

To a certain degree the existing guides are underutilized. We say this based on the assumption of a 110 day season, an average tour length of 9 days, a ratio of 5 or 6 tourists per guide, and at least five days recovery time between each trip. Each guide could then make between 7 and 8 long-term trips and handle a maximum of 40-45 tourists per season. Thus 20-22 guides could handle the 850-950 tourists who took long-term guided tours in 1980. These 20-22 guides would be fully employed all summer.

We feel any increase in short-term demand for long-term guided wilderness experience tours can be taken care of by the existing guides.

Until the mid to late 1980s there doesn't appear to be any real need to train more guides, unless the existing guides feel that they cannot handle any rapid increase in growth in demand for their services.

The guides and Territorial Government have already made some steps toward recognizing the need for uniformly high standards of guiding. A successful marketing strategy doesn't just address promotional needs it also takes into consideration improvement in the product itself. It is critical therefore that the guides involved in offering these tours be recognized by the market to be of the highest quality. They cannot offer services which are inconsistent with the overall high quality image you are attempting to promote.

It is clear that some form of training of guides should be pursued. It would also seem clear that some form of licensing of guides should be considered to ensure that adequate standards are being met. This will also demonstrate to the marketplace that the guides are of an appropriate quality.

> We would recommend that the industry associations themselves be responsible for policing their members in terms of ensuring they have adequate skills.

We would also recommend that the Territorial Government introduces some form of licensing of guides once **demand** for guiding services begins to exceed the **present capacity** of the industry to meet this demand.

I. YOU WILL HAVE TO PROTECT YOUR RESOURCE

We are not predicting rapid growth in the overall **volume of wilderness tourists** in the next few years. It will take some time for your advertising and promotional strategies to begin to take effect in the market place. So you have some time to plan for the mid-late 1980s when absolute growth in demand should increase quite quickly.

1. The resource is not yet compromised and you have time to ensure that it can be protected

At the moment the absolute numbers of individuals purchasing wilderness travel tours is still relatively limited. Consequently the capacity of the resource in terms of actual physical impact and social impact (crowds) has yet to be reached, except perhaps in certain areas -- for example the Chilkoot Trail.

Demand will probably grow most quickly for river-oriented tours and on trips using trails into the mountains.

2. You **should begin to** plan to meet this demand

We have recommended that you focus your development on river related activities and in the areas of backpacking/hiking and wilderness skills. The main implication of an increase in river related activities on the resource **would be** the growth in river side camping by canoeists, rafters, and those taking boat trips. A number of canoeists may beach their canoes to take hiking side trips into the wilderness during the course of their trip but this is likely to be only a small percentage of those canoeing the river systems.

We would recommend that each river felt to have potential for developing river related tours be fully surveyed and that designated camping areas be identified and developed.

You will want to control the impact canoeists and others have on the environment. We feel that the Yukon Territorial Government together with the Department of Indian and Northern Affairs should assume responsibility for identifying appropriate camping areas and developing them. These campsites should be available to all persons canoeing the rivers. But they should be discouraged from camping on any other part of the river bank.

As well, you will want to identify those areas of the wilderness where backpacking/hiking and wilderness skills activities may begin to have a serious impact upon the resource. overuse of certain trails may have both a negative impact on the environment itself and on the tourist who came looking for pristine wilderness.

Your study of the resources will have identified those areas of Yukon most appropriate for certain activities and will have identified their capacities. We would suggest that as part of the terms of reference of that study, trails be identified which will offer the maximum satisfaction to tourists while minimizing impact upon the environment. As well we would suggest that wildlife viewing areas be identified and developed.

> **We would recommend that the Department of Renewable** Resources, together with the Department of Indian and Northern Affairs identifies the optimal areas and capacities for the further development of backpacking/hiking and wilderness skills activities.

Our overall assessment of the impact of the further development of wilderness travel tourism on the Yukon's resources is that it should be carefully planned for prior to demand increasing significantly.

We see a limited impact on specific areas of the territory. But if it is carefully controlled this impact can be minimized.

J. THE PLANT AND INFRASTRUCTURE REQUIREMENTS APPEAR TO BE MINIMAL

Our overview of the existing industry of Yukon suggested that the kind of wilderness experiences frequently being offered generally require little plant or infrastructure. Significant investments have been made by operators in river-boats, large fleets of canoes, strings of horses and specialized equipment for mountaineering or winter activities. But operators tend not to have to make major investments in fixed assets such as buildings or heavy equipment.

There are a number of elements of the plant and infrastructure which should be provided to meet the markets' needs.

All equipment related to the tour itself should be of the highest quality. As stated we are recommending you offer a consistently premium product. This means tents, cooking equipment, boats, motors, canoes should all be of the best quality. The operators know which equipment is *most* appropriate for their markets' needs but their historically low cash flows may not let them purchase it.

> We would recommend that the Yukon Territorial Government determine by means of consultation with the various industry associations, the YAWG, YMGA and the YOA, the minimum range and quality of equipment necessary to service the tourists they are selling to. Should the guides' existing equipment fall short of these minimum standards the Yukon Territorial Government should make low cost loans available to operators to upgrade their equipment to meet these standards.

The operators have plant and infrastructure needs ancillary to the tour itself. One of the main requirements is for transportation to and from base location to the start of the tour and vice versa.

> We would recommend the YTG determine the appropriate transportation requirements of the various operators and make low cost loans available for them to upgrade the quality of their transportation services.

We have referred to the need for designated camping areas, designated trails, and designated wildlife areas in the previous section.

K. YOU SHOULD CONSIDER SOME LEGISLATION, PARTICULARLY TO PROTECT YOUR GREATEST ASSET, THE RESOURCE ITSELF

There are a number of reasons why various forms of legislation should be considered by the Yukon Territorial Government with regard to this industry. You want to ensure that your resource is not compromised by too rapid development. You want to ensure that the safety of tourists is not unduly jeopardized. You want to protect your fledgling industry.

> We would recommend that the Yukon Territorial Government together with the Federal Government, immediately explore alternative options with regard to regulating access to Yukon's wilderness.

Specifically we would recommend that you assess the feasibility of developing and implementing a system of limited access to those areas deemed environmentally fragile. We understand that such a system operates in parts of the U.S.A. where only permit holders are allowed access to certain areas. We would recommend that legislation be developed based on this assessment and that licensed guides be allocated a certain number of permits each year for access to those areas felt to be in danger from over utilization. These limits should apply equally to the river systems of Yukon. We would suggest that hunting parties and wilderness skills tour groups be granted permits in several areas.

As well we would recommend that, at this stage in the development of your industry these permits should be made available only to residents of Yukon who have met certain minimum standards in guiding. The implication of this is that the prime areas of Yukon's resource should have controlled access and that access should only be permitted for Yukon based operators and their tour parties. It does not mean that non-Yukon operators are barred unilaterally but it does mean that they would not have access to the prime areas of Yukon.

> We would recommend that appropriate legislation be drafted to ensure that visitors' safety is not jeopardized unduly by the purchase of a guided or non-guided wilderness travel package.

An integral part of ensuring that the safety of tourists is not jeopardized comes from ensuring that the guides meet certain minimum standards of knowledge and understanding of Yukon's unique environment. This is why training and licensing is so important.

As well we would suggest you explore the feasibility of determining the degree of experience of any group leader prior to any non-guided tour taking place. We feel that unless a group tour leader has a minimum level of wilderness experience then that group should be required to employ the services of a licensed guide. This will obviously have the greatest impact on 'facilitation' packaged tours. Tour groups should be made well aware of this requirement prior to allowing them to hold such tours.

Finally you should prepare booklets which describe in full how to survive in Yukon's wilderness. Tourists should be familiar with the contents of such booklets prior to participating in a tour.

It should be noted that it is difficult to try to implement stringent safety regulations knowing that at the same time the other popular term for wilderness travel is adventure travel. Your market may be reluctant to acquiesce to stringent safety regulations. We would suggest you survey your market carefully, probably by means of focus groups, to determine how far you can go in attempting to protect your clientele.

L. THE FEDERAL AND TERRITORIAL GOVERNMENTS WILL HAVE TO PROVIDE SIGNIFICANT FINANCIAL RESOURCES

Our recommended strategy will demand the implementation of a number of programs.

We feel the following are the primary responsibility of the Territorial Governments Department of Tourism.

> Agents, wholesalers and key influential familiarization trips.

Activity brochures.

Promotional films.

Local and major market advertising.

Establishment of the 'clearing house'.

Greater assistance to the YVA.

We feel these could be jointly funded with the Federal Government.

As well the Territorial Government would have responsibility for the provision of low cost loans for equipment and vehicles.

We feel the Territorial Government's Department of Renewable Resources, again with assistance from the Federal Government, would have responsibility for undertaking some of the necessary further studies. These would include:

A study to identify the quality and capacity of Yukon's resources for the development of wilderness travel activities.

An assessment of the feasibility of introducing a permit system for access to certain areas of Yukon.

An assessment of appropriate safety regulations for wilderness travel industry.

We offer some tentative figures for the cost of such programs.

Familiarization trips could cost about $20,000 per annum.

Brochures, assuming 4 different publications, being 4 colour, 32 photographs with a print run of about 8,000 each publication, could cost about $25,000.

Promotional films could cost about $10,000.

The cost of advertising will vary significantly according to the level of coverage you require. For example, six insertions of a 4 colour advertisement of 1/3 of a full page in "Backpacker" (identical to the advertisements currently used by Travel Alberta) would cost $15,000 for 1982.

The clearing-house could cost between $10,000 - $15,000 for the season.

Enhanced assistance to the YVA will again vary according to the objectives you wish to achieve but would cost at least $20,000 for the provision of additional cooperative marketing programs for wilderness travel operators.

The provision of low cost loans will vary according to the number of applications and the purpose of the loan. The cost of this program will also vary according to the conditions of the loans.

The recommended studies could cost between $80,000 - $100,000 in total, depending upon the level of detail required.

Finally, the capital cost of developing campgrounds and wildlife viewing areas **would** have to be taken into consideration. This would obviously vary according to the number of sites considered necessary.

APPENDIX A

NATURAL RESOURCES – ASSOCIATED
MAPS AND STATISTICS

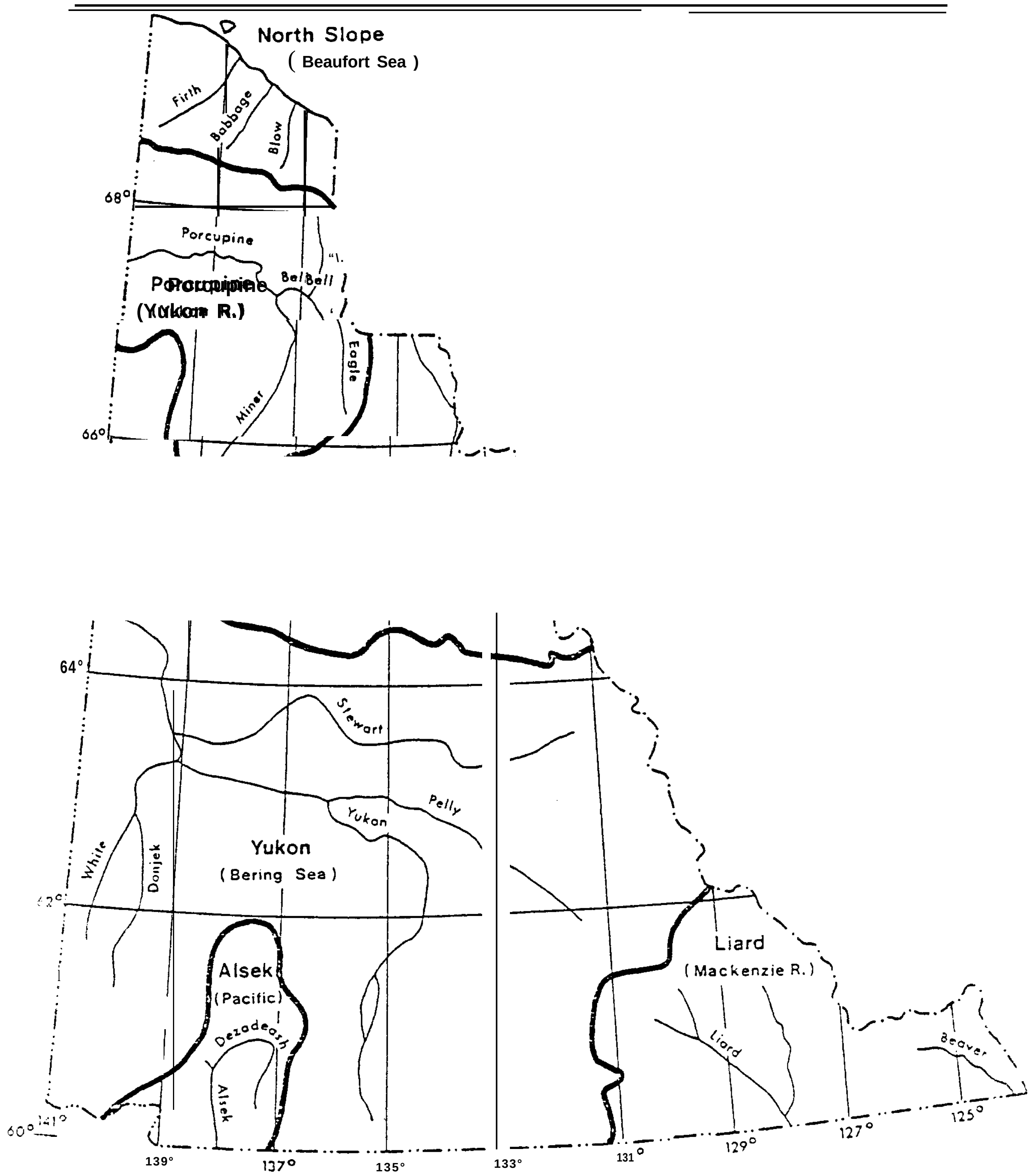
EXHIBIT A-1. Climate statistics of the Yukon

• Based on 25-year or more data

	Lat.	Long.	Elev. (m)	Tamp (°C) Annual	May-Sept	Jan	July	Precip. (mm) Annual	June-Aug.
Haines Rd. M75	59°47'	13EF36'	884	-3	6	-20	9	761	i 43
Watson Lake*	60	128°49'	685	-3	11	-25	15	434	147
Carcross	60°11'	134041'	661	-1	9	-19	13	226	69
Tuchita	60°55'	129015'	759	-6	9	-31	13	605	155
Teslin*	60°10'	132045'	701	-1	10	-20	13	326	99
Johnsons X	60°29'	1 33°20'	690	-3	9	-26	13	346	132
Whitehorse*	60°43'	13s%4'	698	-1	11	-19	14	260	88
Haines Jet. "	60°45'	1 37%5'	599	-3	9	-21	12	281	90
Tungsten	61°57"	128°15'	1143	-6	7	-27	11	605	214
Ross River	61%9'	132°27"	698	-7	9	-35	13	253	102
Burwash	61°22'	139003'	801	-5	8	-30	12	283	144
Anvil	62°22'	133°23'	1173	-4	7	-25	11	368	125
Carmacks	62°06'	136018'	521	-5	10	.34	14	247	107
Ft. Selkirk*	62°49'	137°27	437	-5	11	-30	15	276	113
Beaver Ck.	62°23'	140°53'	683	-7	9	-34	13	412	229
Mayo*	63036'	135053'	495	-4	11	-27	15	293	117
Dempster	64°27'	138013'	991	-7	7	-28	11	453	157
Dawson City*	64°04'	13802s	324	-5	11	-29	16	325	140
Old Crow	67034'	139°50'	274	-lo	8	-36	14	192	92
Shingle Pt.*	68°57'	137°13'	55	-10	4	-25	11	173	99
Komokuk B."	69°35'	140°11'	9	-11	2	-24	7	125	71

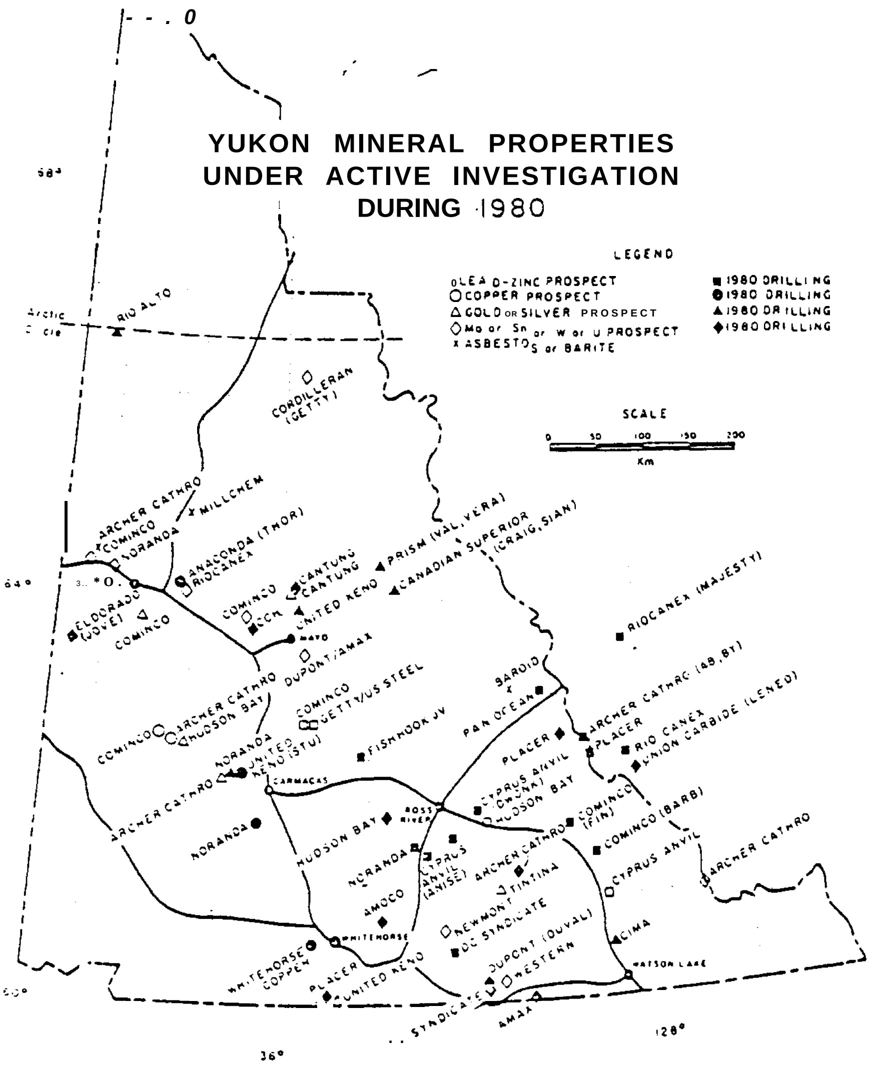
Source: Ecoregions of Yukon Territory, Canadian Forestry Service, 1977.

EXHIBIT A-2. **Drainage** systems of **the** Yukon



Source: Ecoregions of Yukon Territory, Canadian Forestry Service, 1977.

EXHIBIT A-3. Current mining activity in the Yukon



Source: Yukon’s Mineral Industry 1980- An Overview, 1980.

APPENDIX B

DESCRIPTORS OF WILDERNESS TRAVEL ACTIVITIES

Appendix B

DESCRIPTORS OF WILDERNESS TRAVEL ACTIVITIES

The companies offering guided and non-guided wilderness experience tours in Yukon use a multitude of cliff erent terms to describe the activities they offer. All of these descriptors are listed at the end of this appendix. They are taken directly from the current brochures of Yukon operators, where available, and from the YVA's booklet "Come on in to Canada's Yukon" 1981 pp 22-25.

We have attempted to standardize these terms. We have used one term to describe an activity. Those descriptors of activities used by operators which appear very similar to the principal activity are grouped within that principal activity.

A. LAND BASED ACTIVITIES

1. Mountaineering

Definition - involves climbing mountains and exploring high altitude terrain or icefield/glacier terrain.

Includes the following activities - guided mountaineering, rock climbing, snow and ice climbing, mountain climbing, mountain travel, mountain expeditions, glacier work, glacier tour, glissading.

2. Backpacking/Hiking

Definition - involves a long walking trip usually demanding over-night camping.

Includes the following activities: - camping, camping tours, Arctic adventures, high trekking, wilderness camping, trekking, alpha treks, walking, trailhikes.

4. Wilderness skills

Definition - This activity is descriptive of the overall thrust of a trip.

It will involve other activities, such as backpacking, or hiking or canoeing but the overall emphasis is on interpreting and explaining the wilderness and teaching specific wilderness skills to members of a group. Includes the following activities: - wilderness living experience, outdoor skills, river fording, woodcraft, campcraft, animal tracking, flora and fauna identification, gold panning, ecology seminars, interpretative experiences, wilderness living techniques, survival training, naturalist trips, and birdwatching.

5. Photography

Definition - involves trips where the overall emphasis is to show tourists the optimum locations for photographing subjects in which they are interested, usually flora, fauna and the physical landscape itself.

Includes the following activities: - nature photography, wildlife photography, photographic and nature tours, photography expeditions.

6. Cross country skiing

Definition - involves reasonably long excursions in winter time using cross country skis. Can involve overnight camping.

Includes the following activities: -cross country ski instruction and training, ski touring, skiing, snow 'camping, winter camping.

7. snowshoeing

Definition - Again involves reasonably long excursions in winter time but involving snowshoes.

8. Dogsledding

Definition - involves excursions in winter time using dog sleds as the primary means of transportation.

Includes the following activities: - wilderness trips by dog team, driving dog teams, Yukon dogsledding, dogmushing.

9. Hunting

Definition - involves guiding individuals to species they wish to hunt.

10. Trail riding

Definition - involves reasonably long excursions along defined trails where the primary means of transportation is horseback. Often involves camping out in the bush.

Includes the following activities: - pack and saddlehorse trips, pack and saddlehorse rentals.

11. Horseback riding

Definition - involves relatively short term excursions on horseback.

The horses tend to be rented and parties are usually self guided.

B. WATER BASED ACTIVITIES

1. Canoeing

Definition - involves reasonably long excursions along rivers or on lakes where a canoe is the primary means of transportation.

Includes the following activities: - canoeing instruction and guided river trips, guided wilderness canoe trips, canoe trips, river tours, kayaking, river running in kayaks, wilderness trips by canoe, river trips - canoeing.

2. Riverboat trips

Definition - involves reasonably long excursions along rivers where a powered boat is the primary means of transportation.

Includes the following activities: - river tours, boat tours, guided boat trips, boat charters, boating, lake and river travel, river trips.

3. River rafting

Definition - involves excursions along rivers where an inflatable raft is the primary means of transportation.

Includes the following activities: - calm water float trips, float trips.

4. Fishing

Definition - involves guiding individuals to locations where they can undertake sportfishing.

Can be on a long term basis or for a short duration, ie: less than a day. Includes the following activities: - lake and river fishing, fly-in fishing, fishing trips, ice-fishing, fly-in trips, guided fishing trips by horseback, fishing expeditions by riverboat.

APPENDIX C .

NON-YUKON BASED SPECIALTY
ToUR OPERATORS INTERVIEWED

APPENDIX C

Exhibit C-1 Non-Yukon based specialty tour operators interviewed

Name of Company	Location	Sends Tours To Yukon	Does Not Send Tours To Yukon
Mountain Travel	Albany, Calif.	X	
Wilderness River Outfitters	Salmon, Idaho	X	
Alaska Travel Specialists	Palo Alto, Cal.	X	
SOBEK	Angel's Camp, Cal.	X	
UNITOURS	Los Angeles, Cal.	X	
Goway Travel	Toronto, Ont.	X	
Canadian Camping Adventures	Calgary, Alta.	X	
Vancouver City Stop	Vancouver, B.C.	X	
Canadian Nature Tours	Don Mills, Ont.	X	
Blackfeather Tours	Ottawa, Ont.	X	
Wilderness Experiences	New York, N.Y.		X
Thru The Lens Photographic Adventures	Hollywood, Cal.		X
Maupin Tours	Laurence, Kans.		X
Outdoor Adventures	San Francisco, Cal.		X
Wilderness World	Pacific Grove, Cal.		X
Lindblad Tours	Westport, Corm.		X
ECHO-The Wilderness Co.	Oakland, Calif.		X

Exhibit C-1 Non-Yukon based specialty tour operators interviewed (cent'd).

Name of Company	Location	Sends Tours To Yukon	Does Not Send Tours To Yukon
Special Interest Tours	Melinda, Wash.		x
OARS	Angel's Camp, Cal.		x
Nature Expeditions International	Palo Alto, Calif.		x
CADUSA/Tourpak	Vancouver, B.C.		x
Goliger's Tours	Toronto, Ont.		x
N.W. Expeditions	Vancouver, B.C.		x
Incomplete Interview			
Holubar	Denver, Col.	n/a	
American River Touring	Oakland, Calif.	n/a	
Adventure Center	Oakland, Calif.	n/a	
Quester's Tours	New York, N.Y.	x	
Ecosummer	Vancouver, B.C.	x	
Canadian River Expeditions	Vancouver, B.C.	n/a	

APPENDIX C

Exhibit C-2 Tour operators offering adventure travel tours to the Yukon but not based in the Yukon 1981

Name of Company	Location	Activity	Main Destination
Boojum	San Diego, California	Backpacking	Yukon
Alpine Crafts Ltd.	Vancouver, B.C.	Canoeing	Yukon
Northern Lights Alpine Recreation	Invermere, B.C.	Mountaineering	Yukon
Wilderness Alliance	Denver, Colorado	Rafting	Yukon
Thompson Guiding Ltd.	Riske Creek, B.C.	Rafting	Yukon
Ecosummer Canada	Vancouver, B.C.	X-C Skiing	Yukon
Holubar	Denver, Colorado	Backpacking	Alaska
Far North Journeys	Anchorage, Alaska	Canoeing	Alaska
Alaska Wilderness Expeditions Inc.	Ketchikan, Alaska	Rafting	Alaska
Richard Wright's River Explorations	Port Moody, B.C.	Rafting	Alaska
Sobek Expeditions	Angel's Camp, California	Rafting	Alaska.
Wilderness River Outfitters	Salmon, Idaho	Rafting	Alaska
Taku Outfitters	Powell River, B.C.	Pack Trips	B.C.

APPENDIX D

TSK ESTIMATE OF PARTICIPATION
IN OUTDOOR RECREATIONAL ACTIVITIES

APPENDIX D

TSK ESTIMATE OF PARTICIPATION IN OUTDOOR RECREATIONAL ACTIVITIES

The following is our rationale for estimating order of magnitude levels of participation in outdoor recreational activities in Yukon's market areas.

1. Our estimate of active participants in wilderness experience activities in the U.S.A.

We interviewed the Heritage Conservation and Recreation Service in the United States. In 1977 the Opinion Research Corporation undertook a study estimating participation in various recreational activities by the U.S. population, 12 years old and older, residing in the lower 48 states. Respondents were asked whether they had participated in certain activities at least once, and five or more times, in the previous twelve months. Exhibit D-1 contains these findings.

We discussed these findings with the U.S. Heritage and Conservation Service. They said that they felt the survey had given results which over-estimated participation because of the methodology used. Opinion Research Corporation surveyed by telephone a representative sample of residents of the 48 states of the continental U.S.A. They completed interviews with 4,029 persons. But 46% of the individuals they contacted refused to be interviewed. This is a high refusal rate and they state in their report that as a result ". . . the results could be skewed toward interest and participation". The U.S. Heritage and Conservation Society felt that the final results were in fact incorrectly weighed to reflect the behaviour of the U.S. population as a whole.

They said that other surveys of specific activities indicated lower levels of participation.[1] The felt therefore that the estimates of frequent participation provided in the 1977 survey should be adjusted downward to account for the skewed results. They felt that estimates, approximately 80% of those originally provided, were more realistic. This also marginally reduces the percentage participation rates. Exhibit D-2 contains the results of these adjustments.

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[1] This is quite clearly indicated by the report "Outdoor Recreation Participation: An analysis of National Surveys: 1959-1978" Bulletin 686. Agricultural Experiment Station University of Vermont April 1980.

This means that the number of frequent U.S. participants backpacking and hiking was estimated to be approximately twenty-two million persons over the age of 12 in 1977. The number of frequent U.S. participants camping in remote areas was estimated to be approximately twelve million persons over the age of 12 in 1977. The number of frequent U.S. participants in river running, canoeing and kayaking was estimated to be approximately seven million over the age of 12 in 1977.

2. Our estimate of active participants in wilderness experience activities in Canada

Statistics Canada conducted a similar study in 1976 to that undertaken on behalf of the U.S. Heritage Conservation and Recreation Service. This was designed to estimate participation (by Canadians) in various recreational activities. By contrast with the U.S. study, this survey is felt by Statistics Canada themselves to significantly underestimate participation in various activities. Exhibit D-3 contains these findings.

EXHIBIT D-1. Participation rates in certain activities by U.S. residents 12 years of age and over 1977

	At least once in previous 12 months		Five or more times in previous 12 months	
	% of Population	Population (000's)	% of Population	Population (000%)
Backpacking/hiking	28	48,7s1	16	27,858
River running, canoeing, kayaking	16	27,858	5	8,706
Cross country skiing	2	3,482	1	1,741
Camping - primitive area	21	36,563	9	15,670
Hunting	19	33,081	14	24,376
Fishing	53	92,279	36	62,680

Source: U.S. Heritage and Conservation Service.

EXHIBIT D-2. Adjusted participation rates in certain activities by U.S. residents 12 years of age and over 1977

	Five or More Times in Previous 12 months	
	% of Population	Population (000's)
Backpacking/hiking	13	22,300
River running, canoeing, kayaking	4	7,000
Cross country skiing	1	1,400
Camping - primitive area	7	12,500
Hunting	11	19,500
Fishing	29	50,100

EXHIBIT D-3. Participation rates in certain activities by Canadian residents 14 years of age and over 1976

	At least once in previous 12 months	
	% of Population	Population (000's)
Hiking	0.6	104
Canoeing	0.6	110
Cross country skiing	7.7	1,336
Camping	1.0	172
Hunting	0.8	132
Fishing	0.9	153

Source: Statistics Canada: Culture Statistics: Recreational Activities 197687-501 'occasional Table 4 p.16.

This was again felt to be the result of the methodology employed. Only ten main activities were listed on the questionnaire. All other activities were written in by the respondent. This was felt to result in a significant under-representation of participants in those activities which were written in. More recent surveys of individual activities have indicated that this is the case.

Participation in fishing is a particular example. The Federal Department of Fisheries and Oceans estimated that in 1976 approximately 1,670,000 fishing licenses were sold to residents of all provinces and territories of Canada, excluding Ontario. A survey of sportfishing in Ontario in 1976[2] further estimated that approximately 1,970,000 residents of the province actively participated in sportfishing in 1975. While the purchase of a license does not necessarily indicate active participation in fishing it does certainly indicate some interest. Thus taking the two totals together suggests that participation in sportfishing by Canadians was about 20 times greater than that estimated by the Statistics Canada Survey.

Statistics Canada also collects data on the ownership of recreational equipment. They estimated that in 1976, 942,000 Canadian households owned a tent for overnight camping, compared with the 172,000 individuals who were estimated to have participated once in camping during that year. They also estimated that 257,000 households owned canoes in 1976, compared with 110,000 individuals who were estimated to have participated once in that activity during that year.

In the U.S.A. approximately 13% of the population 12 years and older were estimated to be frequent participants in backpacking and hiking. Approximately 796 of the same segment of the U.S. population were estimated to be frequent participants in camping.

It would seem reasonable to apply these percentages to the Canadian population 14 years and over to arrive at an order of magnitude estimate of active participation. Applying a penetration level of 13% results in approximately 2.25 million Canadians actively participating in backpacking and hiking. Applying a penetration level of 7% results in approximately 1.2 million Canadians actively participating in camping. A similar approach can be used to estimate the number of Canadians 14 years and over actively participating in canoeing. A 4% penetration level results in approximately 700,000 active Canadian canoeists.

A survey prepared by the Canadian Government Office of Tourism in 1978 estimated that the Canadian cross country ski population had reached 1,300,000 persons.

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[2]Fisheries Branch: Ont. [Ministry of Natural Resources and Recreational Fisheries Branch: Federal Government's Department of Fisheries and Oceans, 1976.

APPENDIX E

RATIONALE FOR REFINEMENT OF BORDER CROSSING DATA

APPENDIX E

RATIONALE FOR REFINEMENT OF
BORDER CROSSING DATA

A. THE NUMBER AND CHARACTERISTICS OF NON-RESIDENTS VISITING THE YUKON

1. Border crossing data

In 1979, the Yukon Territorial Government estimated 362,174 persons entered the Yukon. No distinction was made between the number of persons visiting just for the day or overnight, nor between those who were residents of the Yukon returning to the Territory and non-residents. An attempt therefore has been made to refine this estimate:

> In 1979 the residents of Saskatchewan, Alberta and British Columbia averaged 5.96 trips per capita to destinations 50 miles or more one way (reported by Canadian Travel Survey). Of these, 75.2% were to destinations within their own province and 24.8% were to destinations in other parts of Canada, the U.S.A. and overseas.
>
> This percentage of trips to destinations out of province appeared to be consistent across western and central Canada. In 1979, for the five provinces west of Quebec, the percentage of person trips to destinations out of province ranged between 22.5% and 25.5% of all person trips, a narrow band of three percentage points.
>
> Thus applying the 5.96 trips per capita to the population of the Yukon Territory results in a total of 129,000 person trips of 50 miles or more. Using the same distribution as above, 32,000 of these would be to destinations out of territory and 97,000 within the Territory itself.
>
> Of the trips of 50 miles or more one way made in 1979 out of province by the residents of Saskatchewan, Alberta and British Columbia, 72% were to other provinces of Canada and 25% were to the U.S.A. The remainder were to overseas countries.
>
> Applying these percentages to the 32,000 person trips estimated above made by Yukon residents out of territory in 1979 gives 23,000 person trips to destinations in other provinces of Canada, and 8,000 person trips to destinations in the USA and overseas.

However, Statistics Canada further estimates that in 1978, 26,000 residents of the Yukon and Northwest Territories visited a destination in the USA for one or more nights and returned via Canada[1]. Of these, 73% (19,000) were residents of the Yukon.

In 1979, approximately 24,000 residents of the Yukon and NWT visited a destination in the USA for one or more nights[1]. Using the same percentage as in 1978, this would give 17,500 residents of the Yukon visiting a destination in the USA for one or more nights. This is twice the number estimated by the previous method.

This would seem to suggest that the overall estimate for trip taking by the residents of the Yukon is low. The residents of Alberta and Saskatchewan take the highest number of trips per capita of residents of Canada at 7.32 and 7.37 respectively. Applying a figure of 7.35 trips per capita to the residents of the Yukon gives a total of 159,000 person trips with 40,000 of these out of territory. Using the same percentage distribution as before for trips to other parts of Canada (7296) and the USA *(25%)* and overseas (3%) only increases the estimate for trips to the USA made by residents of the Yukon to 10,000. This is still significantly lower than the Statistics Canada estimate of 17,500.

What evidence there is suggests that it is unlikely that the residents of the Yukon are taking a significantly higher number of trips per capita over the year than the residents of Alberta and Saskatchewan.

The number of trips to the USA is therefore probably a higher percentage of out of territory trips than average. Of the trips made by B.C. residents out of province in 1979, 4696 were to destinations in the USA. If the 17,500 trips to the USA estimated by Statistics Canada are taken as a percentage of the 40,000 total out of province trips estimated above, this results in the US trips being 44'% of the total. This is not inconsistent with the distribution of trips from B.C.

It would seem plausible to suggest Yukon residents accounted for approximately 40,000 of the border crossings made in 1979.

[1] Statistics Canada Catalogue 66-201, Annual: Tables 51 and 53.

This would imply that of the 362,000 border crossings made in 1979, 89.0% (322,000) were made by non-residents.

The average same day visitation by U.S. and overseas residents crossing into the Yukon from the U.S. during 1977-79 was 14.7% of all such crossings. Assuming that this figure is equally applicable to trips made by the residents of the other provinces and territory of Canada, this would imply that in 1979, 85.3% of non-resident border crossings were for one night or more, resulting in 275,000 person trips.

Our estimate would be that in 1979, long stay visitation (one night or more) to the Yukon by non-residents of the Territory was between 270,000 - 280,000 person trips, that is, approximately 76% of total border crossings.

However, the Yukon is a "pass through" territory. Data prepared internally by the marketing department of Yukon's Department of Tourism and Economic Development shows that a significant percentage of non-residents are passing through the territory, mostly to Alaska. They estimate that:

74% of non-resident visitors arriving by automobile are pass through.

25% of non-resident visitors arriving by plane are pass through.

25% of non-resident visitors arriving by train are pass through.

20'% of non-resident visitors arriving by bus are pass through.

The visitation figures to the Yukon are based on border crossing data. It is therefore highly probable that many of the 147,000 person trips to the Yukon which are estimated to be passing through on their way to Alaska will be double counted. This is because they will be counted on their entry to the Yukon on their way to Alaska and once again on their way south.

Because it is very difficult to sell the same attraction twice to the same visitors, we feel the effective size of the non-resident market should be reduced. One hundred and twenty-eight thousand of the estimated person trips for 1979 to the Yukon were not passing through to Alaska. If the 147,000 pass through person trips are halved to eliminate double counting, and the resultant figure added to the 128,000 estimated above, this will give an effective non-resident market of between 195,000 to 205,000.

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[2]ibid.

EXHIBIT E-1. **Estimate of volume of pass through traffic**

	Percentage Distribution of Visitation by Mode %	Estimated No. of Person Trips 1979 (000's)	Percentage of Pass Through Trips %	Estimated No. of Pass Through Person Trips 1979 (000's)
Automobile/ truck/RV	59	162	74	120
Bus	6	16.5	20	3
Plane	18	49.5	25	12
Train	17	47	25	12
Total	100	275		147

APPENDIX F

CHARACTERISTICS OF WILDERNESS TRAVEL TOURS AND TOURISTS

APPENDIX F

CHARACTERISTICS OF WILDERNESS TRAVEL TOURS AND TOURISTS

This appendix presents more detailed information on the characteristics of the market.

Section A is based on data and opinions provided by 33 tour operators based in Yukon. The data were gathered either in person or by means of a telephone interview.

Section B is based on data and opinions provided by 23 specialty tour operators based in Yukon's major North American markets. The data were gathered by means of a telephone interview.

Section C is the results of a survey of 21 tourists visiting Yukon during the summer of 198 I and participating in wilderness related activities. The data were gathered by means of a mailback survey. The low response rate was largely due to closure of the Canadian postal system during the summer of 1981 due to strike action.

A. CHARACTERISTICS OF THE TOURS AND TOURISTS BASED ON THE DATA AND OPINIONS OF YUKON BASED OPERATORS

1. Guided and non-guided wilderness experience tours

a) The origin of the tourists

The majority of tourists taking long-term guided wilderness experience tours come from the U.S.A. Western Europe appears to be a strong secondary market. (Exhibit F-l).

The market for short-term guided wilderness experience tours appears to be more local. This is largely because of the large numbers of Yukon and Western Canadian residents taking short-term horseback riding trips. The origin of the market for short-term guided wilderness trips, primarily guided fishing trips in the Kluane region, is very similar to that for long-term trips, with most of the tourists coming from the U.S.A. and Western Europe.

b) Length of Stay

The length of stay for the long-term guided wilderness experience tours varies according to the main activity offered but appears to average approximately nine days.

EXHIBIT F-1. Origin of tourists by person days for guided and non-guided wilderness experience tours

	Long-Term Guided Wilderness Experience %	Short-Term Guided Wilderness Experience %	Non-Guided Wilderness Experience %
Yukon	7	35	
B.C./Alberta	7	18	
Rest of Canada	11		20
U.S.A.	50	41	50
Western Europe	24	6	30
Rest of World	1		
Total	100	100	100

The short-term guided wilderness experience trips vary from half a day to a full day.

The non-guided wilderness experience trips, primarily canoe rental packages, average about 12.5 days.

c) **Most popular activities**

In terms of total person days the most popular activities appeared to be guided wilderness experience trips which were river related, that is canoe, boat or raft trips.

The most popular short-term guided wilderness experience trips were oriented toward sportfishing.

d) Age of tourists

Most operators said that their tourists come from every age range. Generally speaking most of the tourists tend to be between 30-40 years old. However, there are increasing numbers who are both older and younger than this.

e) Household income

It is generally extremely difficult to estimate the household income of individuals. Most of the operators felt that the tourists they handled would have household incomes in excess of $15,000 P.s., that is at the mid to high end of the income scale.

f) Size of party

The size of party for both guided and non-guided wilderness experience tours tended to be between two to four persons. Most operators felt their tours were taken by couples, small groups, or small family groups. Very few said individuals on their own took these tours and large groups were rarely, if ever, mentioned. It was felt that slightly more men than women took these tours.

g) Price of tours

The guides appear to charge between $75 - $85 per day per person for the long-term guided wilderness experience tours. This can vary according to the activity offered and can go as high as $120 - $125 per day per person.

A typical 14 day long-term guided wilderness experience tour cost between $1000-$1200 per person in 1981.

The short-term guided wilderness tours are priced as low as $15 per person per day for guided trail riding and as high as $25 per hour for guided fishing trips.

The non- uided wilderness experience tours, that is canoe rental, cost between $15- $16 per canoe per day in 1981.

2. Big game outfitting businesses

a) Origin of the hunters

The hunters come from the U.S.A. or Western Europe. Very few come from Canada or the rest of the world. (Exhibit F-2).

b) Length Of stay

The hunters stay for 14 - 15 days. Thirteen of 16 operators interviewed said their guests stayed 14 days. The remainder offered marginally longer hunts but none more than 19 days.

c) Most popular activities

The market is basically interested in the Dan and Stone sheep and the grizzly bear. The Dan sheep is by far the most popular trophy animal. Some operators distinguished between the U.S. and Western European market. They said the U.S. resident was interested in sheep and grizzly bear while the Western European was interested in the caribou and moose, the large, antlered animals.

d) Age of hunters

The average age of hunters is estimated to be between 40 and 45 years old. This is older than the average age for the wilderness experience type tours and is probably a function of the price of the hunt which is expensive.

e) Household income

Operators found it difficult to estimate the household income of the hunters. However those who could, suggested that their guests had household incomes in excess of $30,000. This is not surprising again given the price of the hunt.

f) Sii of party

Over half of the hunting parties are comprised of small groups of hunters, typically two or three. The remainder tend to hunt as individuals. They are almost always male.

g) Price of hunts

A typical single species hunt costs approximately $420 -$440 per day per hunter. A 14 day hunt would therefore be priced at $6,000-$6,100 (US). This generally includes transportation from the nearest airfield to the base camp and all supplies during the hunt.

Prices do vary, some going as high as $550 per day per hunter and as low as $300. Generally speaking the prices are very consistent.

3. *The* sportfishing camp and lodge businesses

There are six companies in the Yukon which offer sportfishing from base camps. Our description of their impressions of the market is based on data derived from the Howard Paish Yukon Sport Fishery Study 1981, and from an interview with the largest operator.

a) Origin of the fishermen

The fishermen appear to come from Canada and the U.S.A. The proportion of Western European visitors is low by comparison with wilderness experience tours and big game hunting. (Exhibit F-3).

b) Length of Stay

The fishermen stay for between five to seven days. A typical package is for one week's fishing.

c) Most popular activities

The market is basically interested in trophy fishing and uses a catch and release policy. Paish points out that generally the non-resident fisherman is not too concerned about catching a specific species of fish, they tend to go after all species and enjoy fishing in its own right.

d) Age of fishermen

The average age of fishermen is estimated to be between 40 and 50 years old.

e) Household income

He would estimate that household incomes of sport fishermen are in excess of $15,000, that is at the mid to high end of the income scale.

f) Size of party

Fishing parties would appear to be larger than those for the other two types of activity. Fishermen seem to fish in groups of between four to six persons. These groups are probably slightly smaller for the camps other than Kluane Wilderness Lodge.

EXHIBIT F-2. Origin of big game hunters 1980

	%
Yukon	1
B.C./Alberta	1
Rest of Canada	7
U.S.A.	64
Western Europe	25
Rest of World	2
Total	100

Derived from estimates provided by Yukon big game outfitters.

EXHIBIT F-3. **Origin** of sport fishermen 1980

	%
Canada	48
U.S.A.	43
Western Europe	8
Rest of the World	1
Total	100

Derived from estimates derived from one Yukon operator and secondary sources.

B. CHARACTERISTICS OF THE TOURS AND THEIR TOURISTS BASED ON THE OPINIONS OF TOUR OPERATORS OUTSIDE OF YUKON

EXHIBIT F-4. River rafting

Tours With Destination in Yukon	Tours With Destination Not In Yukon
Offered by two operators	Offered by 12 operators
Offer total of two tours	Offer total of 37 tours
Average 10.5 nights duration	Average 5.5 nights
Average price $1,175 (US)	Average price $575 (US)
Average per day $112 (US)	Average per day $104 (US)
In 1980 handled 145 tourists	In 1980 handled 32,463 tourists
Taken by singles and all types	Taken by couples and family groups
Who are mostly men	Equal number of men and women
30 - 40 years old	30 - 40 years old
Earn $25,000 p.s. or more	Earn $15,000 p.s. or more
	And are price-conscious

EXHIBIT F-5. canoeing

Tours With Destination in Yukon	Tours With Destination Not In Yukon
Offered by two tour operators	Offered by 6 operators
Offer total of 7 tours	Offer total of 13 tours
Average 11 nights duration	Average 7.2 nights duration
Average price $825 (US)	Average price $550 (US)
Average per day $75 (US)	Average per day $75 (US)
In 1980 handled 220 tourists	In 1980 handled 351 tourists
Taken by singles and couples	Taken by singles and couples
Mostly women	Equal number of men and women
30 - 40 years old	30 - 40 years old
Earn $25,000 p.s. or more	Earn $15,000 p.s. or more
Price-conscious	

EXHIBIT F-6. Backpacking/Hiking

Tours With Destination in Yukon	Tours With Destination Not In Yukon
Offered by 3 operators	offered by 6 operators
Offer total of 4 tours	Offer total of 16 tours
Average 10 nights duration	Average 9.7 nights duration
Average price $750 (US)	Average price $660 (US)
Average per day $75 (US)	Average per day $70 (US)
In 1980 handled 38 tourists	In 1980 handled 222 tourists
Taken by singles and couples	Taken by singles and couples
Who are women or equal numbers of men and women	Equal number of men and women
30-40 years old	Less than 30 years old and 30-40 years old
Earn $25,000 p.s. or more	Earn $15,000 p.s. or more
Price-conscious	

EXHIBIT **F-7.** Photography

Tours with destination not in Yukon

Offered by six tour operators

Off er total of 17 tours

Average 10.6 nights duration

Average price $900 (US)

Average per day $85 (US)

In 1980 handled 461 tourists

Taken by singles

Who are mostly women

30-40 years old and 50-60 years old

Earn $25,000 p.s. or more

Price-conscious

EXHIBIT F-8. Mountaineering

Tours with destination not in Yukon

Offered by three tour operators

Offer total of 7 tours

Average 12.6 nights duration

Average price $1,O1O (US)

Average per day $80 (US)

In 1980 handled 60 tourists

Singles

Mostly men

Less than 30 years old

Earn between $15,000-$25,000 p.s.

Not price-conscious

EXHIBIT F-9. Cross country skiing

Tours **with destination not in Yukon**

Offered by five tour operators

Offer total of 8 tours

Average 4.9 nights duration

Average price $540 (US)

Average per day $110 (US)

In **1980** handled 50 tourists

Of eight tours offered in 1980, five had buyers

Singles

Equal numbers of men and women

30-50 years old

Earn $15,000-$25,000 p.s.

Not price-conscious

EXHIBIT F-10. Trail riding

Tours with destination not in Yukon

- Offered by three tour operators
- Offer total of 3 tours
- Average 7 nights duration
- Average price $580 (US)
- Average per day $85 (US)
- In 1980 handled 27 tourists
- Singles and couples
- Equal numbers of men and wornen
- All ages
- Earn $25,000 p.a. or more
- Price-conscious

C. CHARACTERISTICS OF TOURS AND TOURISTS BASED ON SURVEY OF TOURISTS VISITING YUKON IN SUMMER OF 1981

As part of our data collection program we asked visitors to Yukon who were taking wilderness experience tours to complete a simple mail back questionnaire. These questionnaires were left with tour operators in Yukon who asked their customers to complete the questionnaire and return it to Thorne Stevenson and Kellogg in the reply paid envelope. The questions asked are reproduced below.

Unfortunately the distribution of these questionnaires coincided with the strike by the Canadian Postal Service which occurred during the summer of 1981. As a result we only received 21 completed responses representing 116 individuals, or about 3% of our estimate of all visitors to Yukon participating in wilderness travel activities.

The results are therefore no more than indicative. We have expressed the results only in terms of the number of individuals responding as anything more than this invests them with a spurious accuracy.

Q. 1. What made you first think about making this trip to the Yukon?

	No. of Responses
Word of Mouth Recommendation	8
Been to Yukon Before	5
Publication or Travel Literature	3
Other or No Answer	5
Total	21

Q.2. When did you start actually planning for this trip to the Yukon?

All but 4 of the responses indicated the start of planning was evenly spread from December 1980 through to June 1981 with a slight concentration (3 in each month) in March and April. Most people therefore planned two to seven months ahead of time.

Q.3. How many nights in total will you be away from home on this trip?

Average: 27 Nights

Q.4. How many nights did you spend in the Yukon?

Average:	13 Nights

Q.5. Which **one of** the following activities was the main purpose for your trip to the Yukon?

	No. of Responses
Canoeing	10
Sportsfishing	5
Sightseeing	3
Backpacking/Hiking	1
Other or No Answer	2
Total	21

Q.6. What other activities did you participate in while in the Yukon?

	No. of Responses		No. of Responses
Outdoor Photography	13	Bird Watching	3
Sightseeing	9	Visiting Friends/Relatives	3
Sportsfishing	8	Rock Hounding	1
Backpacking/Hiking	8	Gold Panning	1
Canoeing	4	Total	50

Q.7. Overall, how would you rate your holiday in the Yukon?

	No. of Responses
Extremely enjoyable	8
Very enjoyable	12
Fairly enjoyable	1
Not very enjoyable	0
Not enjoyable at all	0
Total	21

Q.8. What, if anything, did you particularly enjoy about your Yukon visit?

	No. of Responses
The scenery	5
Nature	5
Hospitality of the people	4
Other comments	7
Total	21

Other comments included, 'the wilderness', 'historic buildings', 'the wild and remote country', and 'the fishing'.

Q.9. What, if anything, did you particularly dislike about your visit?

	No. of Responses
High cost of food and accommodation	6
Poor quality of service	
Other comments	8
Total	14

Seven had no dislikes. Other comments included 'mosquito', 'out of date information', 'poor roads' and 'pollution in Yukon River'.

Q.10. If the Government of the Yukon makes changes or improvements, what should it do first to attract more visitors like-yourself?

	No. of Responses
Leave wilderness as is	7
Hospitality Training	3
Make travel easier/ pave roads	2
Allow more guns	1
Better information/more specific advertising	2
Improve historic sites	1
Improve fish management	1
Total	17

There were four no answers.

Q. 11. Given the outdoor activities you participated in, how would you rate the natural resources of the Yukon?

	No. of Responses
Outstanding	11
Very Good	9
Average	1
Below Average	0
Total	21

Q. 12. How would you rate the accommodations?

	No. of Responses
Outstanding	3
Very Good	6
Average	9
Below Average	2
No Answer	1
Total	21

Q. 13. How would you rate the equipment provided or used locally?

	No. of Responses
Outstanding	5
Very Good	10
Average	2
Below Average	2
No Answer	2
Total	21

Q.14. How would you rate the local guides?

	No. of Responses
Outstanding	5
Very Good	5
Average	1
Below Average	1
No Answer	9
Total	21

Q.15. Including yourself, how many people are there in your travel party, that is, friends and relatives with whom you are traveling and sharing expenses?

Average: 5.5 persons

Q.16. How many of the members of your party (yourself, friends, or relatives) are in each of the following age and sex categories? (PLEASE WRITE IN NUMBER(S) ON SPACES PROVIDED)

	Total of All Visitors MALE	Total of All Visitors FEMALE	OVERALL ToTAL
Less than 12 years old	5	2	7
12to 17 years	14	11	25
18 to 29 years	3	6	9
30 to 39 years	26	10	36
40 to 49 years	14	2	16
50 or mere years old	21	2	23
Total	83	33	116

Q.17. Have you or any of these friends or relatives you are traveling with been to the Yukon previously?

	No. of Responses
YES	10
NO	11

Q. 18. What type of transport (eg. bus, plane, train, automobile, recreational vehicle, etc.) did/will your party use: -

to enter the Yukon?

	No. of Responses		No. of Responses
Plane	14	Boat	1
Train	3	On Foot	1
Automobile	1	Recreational Vehicle .	1
		Total	21

to leave the Yukon?

	No. of Responses		No. of Responses
Plane	13	Recreational Vehicle	1
Automobile	3	Boat and Plane	1
Bus	3	Total	21

Q.19. Did you pay any of your Yukon expenses for this trip before you left home?

	No. of Responses
YES	16
NO	5

How much did you pay in advance?

Average $880 (Canadian) per party

Q.20. During your stay in the Yukon, how much did your travel party spend in total, including credit card purchases? (PLEASE ESTIMATE IF YOU DON'T KNOW EXACTLY) (DO NOT INCLUDE COSTS LISTED IN QUESTION 19).

Average $2330 (Canadian) per party

This results in an average expenditure of between $500 - $550 (Canadian) per person.

Q.21. Where do you live?

	No. of Responses
U.S.A.	12
Canada	6
Western Europe	3
Total	21

Q.22. In which of the following categories does your total annual household income before taxes fall?

	No. of Responses
Less than $15,000	1
$15,000 to $25,000	7
$25,000 to $40,000	6
$40,000 or more	6
No Answer	1
Total	21

APPENDIX G

OVERVIEW OF RELEVANT LEGISLATION

APPENDIX G

OVERVIEW OF RELEVANT LEGISLATION

This appendix presents an overview of legislation of other North American jurisdictions of interest to the wilderness tourism industry. We have identified those Acts which appear relevant. We have noted the areas of interest to which this legislation refers.

A. PRoVINCIAL LEGISLATION - CANADA

1. British Columbia

Fish	Fisheries Act (1979) Covers sportfishing regulation as well as commercial operations.
Game	Wildlife Act (1979) Covers the regulation of hunting, trapping, angling and guiding.
Fish and Game	No specific Act.
Parks	Park Act (1979) Regulates the establishment, operation, administration and maintenance of provincial parks and recreation areas.
Wilderness Areas	No specific Act,
Tourism	Travel Bureau Act (1979) Identifies the responsibilities of the Tourism Ministry. These include the development of provincial tourism facilities and services and the marketing of B.C. as a destination.

	Travel Agents Act (1979) Provides for the licensing and regulation of travel agents and travel wholesalers.
Other	A Statement of Crown Land Policy and Administration (198 1) River Rafting Standards (1980) Specifies regulations to which commercial operators must adhere with respect to equipment, operation, and qualification of personnel. Motor Vehicle (All Terrain) Act (1979) Regulates dealers and operators of All Terrain Vehicles.

2. Alberta

Fish	Fisheries Act (This act has not yet been examined due to its unavailability).
Game	Wildlife Act (1970), amendments up to 1980 The Act regulates hunting, trapping and guiding in the province.
Fish and Game	No specific Act
Wilderness Areas	Wilderness Areas Act (1971), amendments up to 1976. This Act covers all facets of wilderness area management from initial designation to the regulation of activities within the area. Alberta currently has three designated wilderness areas.

Parks	Provincial Parks Act (1974), amendments up to 1979.
Tourism	Travel Agents Licensing Act (1981) Refers to travel wholesalers as well as travel agents.
Other	Recreation, Parks and Wildlife Foundation Act (1976) This Foundation accepts donations which are made for the purpose of recreational development, parks development or the conservation of fish and wildlife.

3. Saskatchewan

Fish	No specific Act
Game	Game Act (1979) Regulates hunting and guiding.
Fish and Game -	No specific Act
Wilderness Areas	No specific Act.
Parks	Provincial Parks, Protected Areas, Recreation Sites and Antiquities Act (1980) This Act covers all facets of park development, maintenance, operation and administration.
Tourism	Department of Tourism and Renewable Resources Act (1974) Outlines the responsibilities and powers of the Ministry. Tourist Accommodation Regulations (1969) Under the Public Health Act.

4. Manitoba

Fish	No specific Act.
Game	Wildlife Act (1980) Covers the regulation of hunting, trapping and guiding.
Fish and Game	No specific Act.
Wilderness Areas	No specific Act.
Parks	Provincial park Lands Act (1972) Allows the Ministry to establish, develop and maintain a system of provincial park lands.
Tourism	Tourism and Recreation Act (1977) Covers the development, stimulation and regulation of the provincial tourism industry.

5. Ontario

Fish	No specific Act.
Game	No specific Act.
Fish and Game	Game and Fish Act (1970), amendments up to 1978 Regulates hunting, trapping and guiding. Endangered Species Act (1971) Prohibits taking of species designated as endangered.
Wilderness Areas	Wilderness Areas Act (1970), amendments up to 1978 Designates and provides a mandate for regulation of the maintenance,

	administration and use of wilderness areas. Ontario has 39 wilderness areas.
Parks	Provincial Parks Act (1970), amendments up to 1976 Covers all aspects of provincial parks development and operation.
Tourism	Tourism Act (1970), amendments to 1979 Covers the regulation of tourism facilities. Act to regulate the business of selling and dealing in travel services (1979).
6. Quebec	
Fish	No specific Act.
Game	No specific Act.
Fish and Game	Loi sur la conservation de la faune (1979) - Wildlife Conservation Act.
Wilderness Areas	No specific Act.
Parks	Loi sur les pares (1978) - Provincial Parks Act.
Tourism	Tourism, Fish and Game Act (1964) Travel Agents Act (1974)
7. Prince Edward Island	
Fish	No specific Act.
Game	No specific Act.
Fish and Game -	Fish and "Game Protection Act (1974), amendments up to 1979

	Regulates hunting, trapping and fishing.
Wilderness Areas	No specific Act.
Parks	No specific Act.
Tourism	No specific Act.
8. Nova Scotia	
Fish	Undetermined.
Game	Lands and Forest Act - Part HI: Game (1978), amendments to 1980
	Covers hunting, trapping and guiding.
Fish and Game -	No specific Act.
Wilderness Areas	No specific Act.
Parks	Provincial Parks Regulations (1977)
	Specific designation of uses and prohibitions in provincial parks.
Tourism	No specific Act,
9. New Brunswick	
Fish	No specific Act.
Game	No specific Act.
Fish and Game -	Fish and Wildlife Act (1970)
	Regulates angling, guiding and hunting.
Wilderness Areas	No specific Act.
Parks	Parks Act

	Covers all aspects of provincial parks.
Tourism	Tourism Development Act (1975) and Regulations Promotes and regulates the tourism industry in the province.
10. Newfoundland	
Fish	No specific Act.
Game	No specific Act.
Fish and Game	Wildlife Act (1970), amendments to 1978 Regulates hunting, trapping, angling and guiding.
Wilderness Areas	No specific Act.
Parks	Provincial Parks Act (1970), amendments to 1973 Encompasses all facets of provincial parks.
Tourism	Department of Tourism Act (1973) Outlines the responsibilities and powers of the Ministry. Tourist Establishments Act (1970), amendments up to 1977.
11. Northwest Territories	
	Travel and Outdoor Recreation Ordinance (1965); amendments up to 1979 Provides regulations for tourism establishments and those providing services to visitors. Designates "Travel Development Areas" and "Travel Restricted Areas".

B. FEDERAL LEGELATION - CANADA

1. **Environment Canada**

Canada Wildlife Act.

Migratory Birds Convention Act.

National Parks Act.

2. Department of Regional Economic Expansion (DREE)

Regional Development Incentives Act.

C. **FEDERAL LEGISLATION - U.S.**

1. Land and Water Conservation **Fund Act (1970)**

Provides authorization for the allocation of funds for the acquisition of recreational land by federal, state and local governments. In 1977 the fund stood at $300 million. This was intended to rise to **$900** million per year by 1980.

2. **Wilderness Act (1964)**

Establishes a process for determining the ultimate size of the National Wilderness Preservation System. The system was initially made up of 9.1 million acres. In addition, the allowable and prohibited uses of wilderness areas are set out.

3. **Wild and Scenic Rivers Act (1968)**

Established a system of wild waterways which were to be preserved (eight rivers, 392 miles). Further areas were slated for future examination as to their inclusion in the system. All aspects involved in the maintenance of this system were also covered.

4. Eastern Wilderness Act (1974)

Emerged from criticisms that the 1964 Wilderness Act designated very few Eastern Areas. Established 16 instant areas and provided for a study program of 17 additional areas.

5. Endangered Species Act (1966)

Provided for a listing of species but no federal regulation. In 1973 further regulatory powers were added.

APPENDIX H

THE KLUANE REGION

APPENDIX H

THE KLUANE REGION

A. BACKGROUND

The Kluane region has some of the most spectacular areas of wilderness scenery in the world. The Kluane National Park was designated as a world heritage site in 1979.

Since then Parks Canada has prepared a park management plan for the national park. While it has a clear objective '. . . to preserve the wilderness character of Kluane National Park' it also recognizes that people will want to experience that wilderness character for themselves.

The Territorial Government has begun to assess the needs of the area surrounding the park. The impact of tourism development is one of the factors being taken into consideration.

B. THERE WERE FIVE LOCAL OPERATORS PROVIDING WILDERNESS EXPERIENCE TOURS IN 1981

As of mid 1981 there were five operators based in the immediate vicinity of Kluane National Park and providing wilderness experience tours. These were:

Journeys North - Haines Junction.

Kluane Adventures - Haines Junction.

Kluane Lake Cruises - Destruction Bay.

Bob White's Fishing Trips - Destruction Bay.

Yukon Trails - Haines Junction.

Journeys North and Kluane Adventures provided the whole spectrum of guided wilderness experience tours. Kluane Lake Cruises offered riverboat and lake trips, while Bob White's Fishing Trips offered guided sportfishing. Yukon Trails offered trailriding.

But many of the operators based elsewhere in the territory and outside of it also operated in the Kluane region. While they are not based in the immediate vicinity of the park they make use of its resources. This is particularly true of the businesses offering mountaineering tours and rafting tours. The Tatshenshini River, to the south of Kluane, is particularly popular for rafting trips.

C. THE EXISTING OPERATORS OF WILDERNESS EXPERIENCE TOURS ARE PROBABLY NOT MEETING DEMAND

Demand is growing most quickly for the guided wilderness experience tours. Kluane has particularly good resources to service this demand with its outstanding scenery and unique wildlife. The existing operators have not been in business for very long and have experienced considerable growth in demand for their services, despite very limited marketing.

We feel, with careful and corrected marketing, demand for this type of tour will soon surpass supply. But demand for more specific kinds of activity, riverboat trips and guided sportfishing, is probably much more limited. Growth will occur in demand for the general wilderness experience tours and more operators should be encouraged to provide such tours, particularly short-term tours.

D. THE LOCAL OPERATORS RECOGNIZE KLUANE'S POTENTIAL AND WANT TO EXPAND THEIR ACTIVITIES

The local operators recognize that Kluane has great potential for the development of wilderness experience. In our opinion they are receptive to expanding the services they offer accepting the constraints which may be placed upon such an expansion by Parks Canada.

As well they recognize they have to improve their basic administrative and marketing skills. They recognize that to successfully meet the needs of the market they will have to upgrade in certain areas. It is our understanding that they would be receptive to assistance in upgrading their knowledge of product planning and marketing.

E. KLUANE IS RELATIVELY WELL PROVIDED FOR IN TERMS OF WILDERNESS EXPERIENCE SERVICES *

By comparison with the rest of Yukon, Kluane is relatively well provided for in terms of the provision of wilderness experience services. But in terms of meeting actual and potential demand it is probably insufficiently well provided for. This is because the Kluane region is considerably superior to the rest of the territory in terms of its accessibility and quality of its resources.

F. THE PRIMARY TARGET GROUPS ARE TOURISTS WISHING TO PURCHASE-LONG TERM, BUT MORE PARTICULARLY SHORT-TERM, GUIDED WILDERNESS EXPERIENCE TOURS

Kluane has the great advantage of accessibility. it is immediately adjacent to the Alaska Highway. While your main objective is to develop the long-term guided wilderness experience tour market, Kluane offers great potential for developing short-term – one day or two day — guided tours.

You should look closely at the feasibility of developing a variety of such short-term tours. You should promote these to tourists already committed to visiting Yukon and probably passing through on their way to Alaska. Their schedules should be sufficiently flexible for them to be able to take in a side tour of a day or two days.

The long-term tour market will be more difficult to develop and you will want to be careful in developing such tours that the resource isn't compromised. Short-term tours are much easier to package and control.

APPENDIX I

STRATEGY DEVELOPMENT OPTIONS

Exhibit I-1 Factors, **implications, options, and implications of options** influencing the development of appropriate strategies

FACTORS	IMPLICATIONS	OPTIONS	IMPLICATIONS OF IMPLEMENTATION OF OPTIONS
RESOURCES			
Lack of an objective rating of quality o! Yukon's resources for wilderness ● xpermnce tourism	a) Lack of knowledge of highest quality geographic areas in Yukon to develop or expand wilderness experience tourism	1. Accept status quo	Continued uncertainty as to location and quantity of highest quality resources in Yukon appropriate for wilderness experience tourism Possibility of loss of key areas to competing uses of resource
		2. Assess quality of resources in Yukon	Undertake study to identify areas in Yukon with highest quality resources for development and expansion of wilderness experience tourism
	b) Lack of knowledge Of how the quality of Yukon's resources for wilderness experience tourism compares with that of competing destinations	1. Accept status quo	Continued uncertainty as to Yukon's perceived and actual position in marketplace with regard to quality of the territory's wilderness experience tourism product Possibility of mis-direction of marketing and development efforts
		2. Assess quality of resources within Yukon and compare with quality of resources in competing destinations	Undertake study to compare quality of Yukon's resources for wilderness experience tourism with that of competitors Both resource studies should have two parts: An objective assessment of the resources using existing quantitative rating methodologies and conducted by a resource planning firm - .4 subjective assessment of the resources by existing and potential users: .. Tour operators .. Active, influential participants
Lack of objective rating of capacity of resource to handle increased wilderness experience tourism	a) Lack of knowledge of best geographic areas in Yukon capable of coping with increased wilderness experience tourism	1. Accept status quo	Continued uncertainty as to capacity of resource of handling increased levels of tourism. Danger of detrimental impact on resource through overuse. Poor supply/demand match.

Exhibit I-1 Factors, implications, options, and implications of options influencing the development of appropriate strategies (cont'd).

FACTORS	IMPLICATIONS	OPTIONS	IMPLICATIONS OF IMPLEMENTATION OF OPTIONS
		2. Assess ecological and social capacity of selected geographic areas of Yukon to determine capability of handling increased tourism	Undertake study of areas previously identified as having resources of an appropriate quality for the development of wilderness experience tourism. This would be to determine the area% capacity for handling increased levels of tourism
Competition between users for use of limited resources	a) Conflict between users	1. Accept status quo	Increasing conflict between users of scarce resources
	b) Potential dissatisfaction of tourists	2. Geographic segregation of development and tourism	UnderTake study to determine which areas of Yukon should be allocate.d to tourism and which to other uses; or
		3. Assignment of clear priorities as to usage of resources	Undertake study to determine if multiple usage of the wilderness resource is feasible
<u>CHARACTERISTICS OF THE INDUSTRY</u>			
There is a small number of relatively small businesses offering guided and non-guided wilderness tours	a) Limits volume of tourists which can be handled	1. Accept status quo	Capacity of existing operators will soon be reached
		2. Increase number of Yukon based businesses	Increased competition for existing businesses
		3. Increase number of non. Yukon based businesses operating in Yukon	Need to train and have more guides
		4. Increase size of existing businesses	
	b) Limits amount of money available for marketing because of small size of company	5. Increase amount of co-operative marketing	More efficient use of limited funds to market product
The existing tourism season in Yukon is very short	Limits number of departures of any one tour, particularly long- term tours	1. Accept status quo	Highly concentrated season - no off peak business
		2. Increase length of season	Introduce spring, fall and winter packages
The satisfactory ratio is felt to be 5-6 tourists per guide for guided wilderness experience tours	Limits volume of tourists per guide for guided wilderness experience tour to 5-6 persons	1. Accept status quo	Capacity of guided tours limited by this ratio
		2. Increase ratio of tourists to guides	Increased volume of tourists but same number of guides Possibility of lower quality experience for tourists

Exhibit I-1 Factors, implications, options, and implications of options influencing the development of appropriate strategies (cent'd).

FACTORS	IMPLICATIONS	OPTIONS	IMPLICATIONS OF IMPLEMENTATION OF OPTIONS
			Possibility of lower safety factor
		3. Offer more ncrt-guided packages	Increased volume of tourists but same number of guides
			Lower return to me economy
Long-term guided wilderness ● xpG:ence tours last approximately nine days	Limits the number of long-term guided tours ● one person company can offer to 8 tours (1 10 day season divided by nine and allowing for recovery period between trips)	1. Accept status quo	Continues to limit number of long-term tours available to a maximum of 8
		2. Shorter duration of long-term tours	Increased number of tours available in same length of time
			Would have to determine market's acceptance of shorter tours
			Per diem price of shorter tours likely be higher to recover increased costs
ORGANIZATION OF THE INDUSTRY			
The wilderness travel industry m Yukon does not appear 10 work well together in terms of developing their business	Lack of cooperative marketing	1. Accept status quo	Continued lack of maximum efficiency in marketing wilderness travel products
	Lack of mutual benefits eg - shared costs - joint marketing impact - co-ordination - client referrals	2. Create environment where the various segments of the industry work together to their mutual benefit	Increased effectiveness of marketing Increased effectiveness of resource usage
MARKETS ANO MARKETING			
The market is clearly divided into: active participants in an activity	Only a small segment. approximately 10%, of active participants purchase packaged tours	1. Accept status quo	Accept that packaged wilderness ● xpermnce tours will only appeal to a small segment of the market and that volume will therefore be very small
active participants in an activity who purchase a tour		2. Increase proportion of active participants who purchase tours	Increased volume of tourists purchasing tours
	"Facilitation" becomes attractive option for remaining 90%	3. Increase volume of tourists who purchase "facilitation" packages rather than full guided tours	Significant possibilities of dramatically increasing volume of tourists purchasing facilitation tours as no main constraint of maintaining ratio of 3-6 persons to guide as guide not used

Exhibit I-1 **Factors, implications, options, and implications of options influencing the development of appropriate strategies** (cent'd).

FACTORS	IMPLICATIONS	OPTIONS	TION OF OPTIONS
The volume of tourists to Yukon grew slowly in rhe late 1970s and is likely to grow slowly or stabilize in the early 1980s	The volume of tourists to Yukon is likely to increase at about 4% p.s. over the period 1981.86. This will result m a low growth m volume in absolute terms	1. Accept this projected trend	The volume of tourists will nor grow quickly
		2. Attempt to increase overall non-resident visitation to Yukon	Higher growth in volume of non-resident visitation
			To influence this trend positively will demand new strategies and expensive marketing and promotional efforts
The number of existing visitors to Yukon who participate in wilderness travel activities is relatively high	Yukon already has a significant proportion of visitors to rhe territory who are receptive to wilderness travel affinities	1. Accept status quo	Although a relatively large number of ● resting visitors already participate in wilderness travel activities, few will continue to purchase tours
		2. Increase the number of non-residents already visiting Yukon purchasing guided and ncm-guided Wilderness experience tours	Lower marketing costs because tourists already visiting Yukon but for different reason
			Increase non-residents' level of awareness of availability of packaged tours
The proportion of local residents participating in wilderness travel activities is relatively large but small in absolute numbers	There is a lot of local interest in wilderness travel activities	1. Accept status quo	Local market will remain untapped
		2. Increase level of purchase of guided and non-guided wilderness Travel tours, particularly in shoulder seasons, by local residents	Increased volumes of business for wilderness travel tour operators at a time when they are usually without business
The level of awareness of the Yukon wilderness travel tour product amongst specialty tour operators outside Yukon is low	Wholesalers and retailers do not know enough about Yukon. They tend to sell tours to competing destinations because they are more familiar with their products	1. Accept status quo	Yukon's market share will remain small and will probably shrink as more destinations become available
		2. Increase level of awareness of Yukon's products	New and possibly expensive marketing and promotional s-rate; ies
			Result should be better market share
The existing prices of guided wilderness experience tours are relatively cheap	Low annual gross revenues for tour operators	1. Maintain current pricing levels	Competitive advantage
	Aimed at attracting higher volumes of tourists (who are generally not price conscious)		Likelihood of continued low gross revenues
		2. Increase price of tours to increase level of gross revenues	Higher gross annual revenues
			Possibility of lower volume of tourists because of price resistance
The existing wilderness vacation[illegible] are often custom designed rather than a fixed package	Travel trade is unwilling and/or unable to competently sell such unstructured packages because of time and uncertainties in negotiations	1. Accept status quo	Existing marketing difficulties will continue
		2. Revise marketing techniques but maintain custom approach	Build upon uniqueness of custom product and value to individual purchaser

Exhibit I-1 **Factors, implications, options, and implications of options. influencing the development of appropriate strategies** (cent'd).

FACTORS	IMPLICATIONS	OPTIONS	IMPLICATIONS OF IMPLEMENTATION OF OPTIONS
	Marketing of unstructured packages requires different techniques	3. Encourage development of structured packages at fixed prices	Increased ● lfeaivencss of marketing as more close ly meets needs of travel trade
The main markers are: . Western U.S.A. - Western Europe - Eastern Canada ,Ontario/Quebec)	These are geographically distant from Yukon and therefore imply high costs of transportation	1. Accept current status	Yukon will continue to have to work against disadvantage of remote location
	They are highly competitive marketplaces	2. Attempt to reduce impact of remoteness	Attempt to influence the intro-duction of lower cost air fares to minimize expense and time of travel to the Yukon
		3. Implement a highly competitive marketing strategy	Will demand an innovative, excep-tional and probably expensive marketing strategy to stand out in the marketplace
ISSUES			
Lifestyle is an important consideration to many operators of guided wilder-experience tours	The expansion of their business is not a primary concern	1. Accept status quo	The volume of tourists handled by these guides will continue to remain small
		2. Influence the opinions and attitudes of the operators to reorder their priorities	Strong resistance on the pan of many operators to interfere with their lifestyle
		3. Encourage establishment of new Yukon based operators	Traffic could increase but at expense of relatively long establish-ed locally based operators
		4. Encourage establishment of non-Yukon based operators	Traffic could increase but at expense of locally established operators

APPENDIX J

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F

APPENDIX J

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